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**ONESOURCE JOINT  
COMMITTEE  
20 January 2017**

**Subject heading:**

**oneSource update for January  
2017**

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**Financial summary:**

**This report provides an update of  
current activity across oneSource.**

<p><b>SUMMARY</b></p>
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The report covers:-

- The strategic direction in relation to Oracle Cloud.
- An update on customer satisfaction.
- The latest position in relation to transformation projects.
- An update on commercial developments.

An update on the budget is detailed in a separate report on this agenda

<p><b>RECOMMENDATIONS</b></p>
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The Joint Committee is asked to note the report.

## REPORT DETAIL

### Background

The report sets out the main areas of activity across oneSource over the last three months.

### Oracle Cloud

Havering and Newham councils have both recently received reports from oneSource recommending that they move to the Oracle Cloud from 1 April 2018. These are currently being considered by both councils and an update will be given at the meeting.

We have been working on the Oracle Cloud Strategy with the other 1Oracle councils. This has allowed us to share workloads reducing the effort required from each individual council.

At the last meeting we reported that one of the other councils was going to commission a security report comparing the cheaper Commercial Cloud offer from Oracle to the Government Cloud they provide with higher security built in. Unfortunately this work was incomplete and oneSource Information Management picked up the review and completed it. The review concluded that the cheaper Commercial Cloud was of a sufficiently low security risk that it met the oneSource Councils' needs. This report has been shared with the other 1Oracle councils to use as they wish.

Lambeth have led a very successful procurement process for the Systems Integrator. The recommendation from oneSource is that Newham and Havering use the successful bidder.

The recommendation to upgrade to Oracle Cloud is projected to deliver an annual net revenue saving of £0.45m in Newham and £0.38m in Havering from 2019/20 for an implementation cost of £2.7m each. The business case has been calculated over a 10 year term and is based on a 3 year contract for Oracle Cloud licences (ending in January 2020), at which point there will be an opportunity to flex the number of licences to adjust to changes in each organisation's user population.

Upgrading to Oracle Cloud represents an excellent opportunity to modernise the existing solution and create the right foundations for efficiencies and flexibility over the coming years. A more modern and intuitive user experience including the ability to access applications from any device will save time for front-line staff and enable them to focus more on improving service delivery and outcomes for residents. Specific programme outcomes include:

- Reduced costs of technology, delivering annual revenue savings.
- Increased productivity through:
  - Adoption by the organisation of standard best practice Oracle Cloud processes.
  - Increased uptake of self-service features due to improved user functionality.
  - Further integration of corporate services process to support shared services.
  - Access to Oracle Cloud applications on any device including PC, tablets or phones enabling greater mobile and flexible working.
  - Improved team collaboration enabled by integrated social media functionality within each business application.
  - Improved management decision making enabled by Oracle Cloud reports, which are updated in real-time as changes are made to data in the system.
  - Increased staff satisfaction due to an improved user experience of a modern and more intuitive system which can be accessed from any device.

An independent analysis of the potential options was commissioned from SOCITM on behalf of a number of the 1Oracle councils. The version covering Newham, Havering and Bexley is attached

as Appendix 1 to this report. Three alternative options to Oracle Cloud (do nothing, hosting by Brent and implementation of alternative technology) were explored and discounted in the development of this recommendation. The options appraisal includes an assessment of each one, comparing time to implement, cost, modern best practices and level of functionality. Based on this analysis it is recommended that an upgrade to the Oracle Cloud solution will provide the right solution for Newham and Havering. Bexley do not have the same pressures as their existing Oracle arrangements can run through until approximately 2020.

The contract with the Systems Integrator Partner is based on a February start as delivering implementation for go-live by April 2018 will require a minimum of 14 months. It is financially advantageous to sign this contract during January to secure discounts negotiated for Oracle Cloud licences.

## **Customer Satisfaction**

The Customer Satisfaction Survey completed in the summer has now been thoroughly analysed and responded to by the teams across oneSource.

The survey demonstrates a drop in satisfaction of 7% when compared to the spring survey which is disappointing but maybe not surprising. Whilst we are not complacent in any way, the following issues may have had a temporary impact on satisfaction:-

- 1Oracle implementation in Newham
- Councils having to adjust to having less corporate support in the Age of Austerity
- Reluctance of managers to embrace self-service ethos, across the councils but also in oneSource
- Managers losing trusted advisers during the restructures
- The impact of the restructures on staff morale in oneSource
- Lack of internal communication methods
- Further roll out of self-service

Each of the services has responded in the paper to the issues raised about their service. In addition, the following actions have been taken corporately:-

- New service level agreements have been drafted, including service standards and Key Performance Indicators. The drafts are currently in discussion with senior managers in Newham and Havering (Bexley have indicated they are content to review the Finance related SLAs later)
- Customer panels have been established in Havering and Newham and monthly meetings are being held with a work programme of improvements being monitored by the panel in Newham
- oneSource presentations for senior managers (Top 30-50 managers) are planned for Newham and Havering in January and February. We plan to follow this up with a oneSource showcase for wider staff and Members in March in all three boroughs.
- 1Oracle customer boards have been established in Newham and Havering
- Team action plans are being drafted to respond to specific issues raised
- We are working with managers to support the transition to self-service eg a new e-portal called Dash has been introduced for processing HR transactions replacing many paper forms
- Individual services are developing their own surveys to get into the detail of what is driving satisfaction eg Procurement
- The main survey will be repeated in the spring and more publicity will be undertaken to increase submissions as there was a low response to the summer survey.

The report is attached as Appendix 2 to this report.

### **Transformation Programme update**

Now that the restructures are largely complete, the Transformation Team are focussing on process improvements across oneSource. Appendix 3 sets out the range of projects the team are currently engaged in.

### **Commercial opportunities**

Although internal customer satisfaction is the focus, oneSource is still working to keep up its external profile.

The summit with Orbis and LGSS sponsored by LGA was a great success. The challenges we face in oneSource were echoed by Orbis and LGSS. We identified a number of areas where further work would be beneficial in the areas of strategic procurement and staff development and networking. These will be taken forward jointly in the coming months.

oneSource has been shortlisted for the Local Government Chronicle award for Most Innovative Service Delivery Model. The awards will be announced in early March.

In addition, we continue to have regular meetings in the diary with various boroughs in East London and beyond where some specific opportunities are being explored. A verbal update can be provided at the meeting.

### **Financial Implications**

There are no financial implications arising directly from this report which is for information only. There are financial implications associated with some of the issues in this report (eg implementation of Oracle Cloud) and they will be separately assessed and raised through the appropriate channels.

### **Background Papers:**

**None**