



SHARED SERVICES JOINT COMMITTEE AGENDA

10.00 am	Friday 24 October 2014	1000 Dockside, Newham
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COUNCILLORS: 6
QUORUM: 3

LONDON BOROUGH OF HAVERING

Councillor Roger Ramsey
Councillor Melvin Wallace
Councillor Damian White

LONDON BOROUGH OF NEWHAM

Councillor Lester Hudson
Councillor Forhad Hussain
Councillor Ellie Robinson

**For information about the meeting please contact:
Andrew Beesley, Committee Administration Manager
andrew.beesley@onesource.co.uk**

NOTES ABOUT THE MEETING

1. HEALTH AND SAFETY

The Joint Committee is committed to protecting the health and safety of everyone who attends its meetings.

At the beginning of the meeting, there will be an announcement about what you should do if there is an emergency during its course. **For your own safety and that of others at the meeting, please comply with any instructions given to you about evacuation of the building, or any other safety related matters.**

2. MOBILE COMMUNICATIONS DEVICES

Although mobile phones, pagers and other such devices are an essential part of many people's lives, their use during a meeting can be disruptive and a nuisance. Everyone attending is asked therefore to ensure that any device is switched to silent operation or switched off completely.

3. CONDUCT AT THE MEETING

Although members of the public are welcome to attend meetings of the Joint Committee, they have no right to speak at them. Seating for the public is, however, limited and the Joint Committee cannot guarantee that everyone who wants to be present in the meeting room can be accommodated. When it is known in advance that there is likely to be particular public interest in an item the Joint Committee will endeavour to provide an overspill room in which, by use of television links, members of the public will be able to see and hear most of the proceedings.

The Chairman of the meeting has discretion, however, to invite members of the public to ask questions or to respond to points raised by Members. Those who wish to do that may find it helpful to advise the Clerk before the meeting so that the Chairman is aware that someone wishes to ask a question.

PLEASE REMEMBER THAT THE CHAIRMAN MAY REQUIRE ANYONE WHO ACTS IN A DISRUPTIVE MANNER TO LEAVE THE MEETING AND THAT THE MEETING MAY BE ADJOURNED IF NECESSARY WHILE THAT IS ARRANGED.

If you need to leave the meeting before its end, please remember that others present have the right to listen to the proceedings without disruption. Please leave quietly and do not engage others in conversation until you have left the meeting room.

AGENDA ITEMS

1 ELECTION OF CHAIR AND VICE CHAIR

Nominations are invited for the election of the Chair and Vice Chair of the Committee for the 2014/15 municipal year.

Note: As per the resolution of the Joint Committee at its meeting on 15 January 2014, the Chair for the 2014/15 municipal year will be from Newham and the Vice Chair from Havering.

2 ANNOUNCEMENTS

On behalf of the Chairman, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

3 APOLOGIES FOR ABSENCE

(if any) - receive

4 DISCLOSURES OF PECUNIARY INTEREST

Members are invited to disclose any pecuniary interests in any of the items on the agenda at this point of the meeting. Members may still disclose a pecuniary interest in an item at any time prior to the consideration of the matter.

5 MINUTES (Pages 1 - 48)

To approve as a correct record the minutes of the meeting of the Joint Committee held on 15 January 2014, and to authorise the Chairman to sign them.

6 BUSINESS DEVELOPMENT PLAN REPORT (Pages 49 - 80)

Report and appendix attached

7 ONESOURCE TRANSFORMATION UPDATE (Pages 81 - 88)

Report attached

8 ONESOURCE FORECAST FINANCIAL POSITION AS AT AUGUST 2014 (Pages 89 - 92)

Report attached

9 FUTURE MEETING DATES

Shared Services Joint Committee, 24 October 2014

Meeting dates proposed for the remainder of the 2014/15 municipal year are:

13 February 2015 (Havering)

26 June 2015 (Newham)

The meeting dates for the 2015/16 municipal year will be set at the June meeting.

Members are asked to bring their diaries to confirm the proposed meeting dates.

**MINUTES OF A SHARED SERVICES
JOINT COMMITTEE MEETING
Committee Room 3B - Town Hall
Wednesday, 15 January 2014
(11.30 am - 12.20 pm)**

Present:

Councillor Steven Kelly (Chair), Michael Armstrong, Lester Hudson (V-C), Roger Ramsey, Ellie Robinson and Sir Robin Wales

There were no disclosures of pecuniary interest.

An announcement was made explaining the evacuation procedures in the event of an emergency.

1 ELECTION OF CHAIR AND VICE-CHAIR

It was agreed that a representative from Havering would Chair the meetings for the remainder of the 2013/14 municipal year, after which a representative from Newham would assume the Chair for the 2014/15 municipal year.

Councillor Steven Kelly was appointed as Chair, with Councillor Lester Hudson appointed as Vice Chair.

2 SHARED SERVICE SENIOR MANAGEMENT STRUCTURE

The purpose of the report was to recommend to the Joint Committee the establishment of the shared senior management structure to manage the new shared back office support service between Havering and Newham Councils. This included the Managing Director role, and direct reports to that post.

It was explained that the Business Case for the shared service agreed by both Councils created the role of Managing Director. This role was an amalgamation of elements of the current roles of the Group Director Resources at Havering and Executive Director Resources and Commercial Development at Newham. With the current transformation pressures on both councils neither council can afford to lose their existing Resources Director roles in the short term. It was therefore agreed that initially the Managing Director role would be covered on a shared basis by both the current Directors with both remaining as employees of their current Council. The role and job description had been agreed by the Chief Executives of both Newham and Havering.

Furthermore, in order to lead the functions within the scope of the shared service, it was proposed to create a joint senior management structure. This includes the statutory functions of Section 151 officer and Monitoring Officer on behalf of each authority. The structure ensured a clear lead on each statutory function for each authority.

The functions in scope of the shared service would be:

- Finance
- Human Resources and Organisational Development
- Legal and Governance Services
- Asset Management Services
- ICT Services
- Transactional and Exchequer Services

In addition, it was proposed to create an additional function of Business Services, to support the business of the shared service, including service improvement, planning and performance management, and business development.

The structure would be a joint management arrangement, with postholders being responsible for managing the service in both authorities. The structure would deliver savings through the deletion of duplicate posts in one borough or the other. The savings would be £455,000 in a full year and will be shared on the basis of the agreed funding formula.

It was noted that all posts in this structure proposal were being evaluated under the Hay job evaluation scheme by the Newham HR team and moderated by the Havering HR team.

The Joint Committee **AGREED**:

1. To the appointment to the post of Managing Director on the basis of being shared between the existing Group Director of Resources (Havering) and the existing Executive Director for Resources and Commercial Development (Newham). This arrangement would be reviewed by the Joint Committee after the joint service had settled down.
2. The Senior Management Structure as set out in an attachment to these minutes, and that the process to consult with affected post holders in order to appoint to the posts in accordance with the Change Management procedures should commence.

3 **NAMING AND BRANDING FOR THE SHARED SERVICE**

The report explained that Havering and Newham Councils had agreed to set up a shared back office support service. As set out in section 17 of the Business Case, a name and branding would be developed for the new shared service. The name and branding would support the achievement of

the wider programme objectives, in particular to engage staff in working for the new shared service and to market the service to potential new customers.

The name and branding would be used:

- To give the shared service a distinct identity for the people working for it (though they would continue to be employed by one of the Councils), positioning it as a new and different service that they will be proud to work for
- In any material and activities designed to market the service to other public sector organisations.

It was noted that the name and branding would not be used in communications with residents in either of the boroughs as the shared back office service would not be customer-facing. Residents would still contact, and receive communications from, the individual councils.

The report recommended a name and branding for the Havering and Newham shared back-office support service.

The Joint Committee **AGREED**:

1. That the name for the back office support service would be 'OneSource'.
2. To adopt the design style as shown in an attachment to these minutes.
3. That the domain name would be www.onesource.org.uk.
4. That the strapline would be 'supporting public services'.
5. That avocado and black colours would be used for the branding.

4 **DELEGATIONS TO JOINT COMMITTEE**

In order to facilitate the effective and efficient conduct of the shared services between Havering Newham Councils, it was recommended that the Joint Committee delegate certain functions and responsibilities to the Managing Director and management board of the shared service, who may in turn, where they considered it necessary to do so, delegate further to officers within their respective service directorates, subject to maintaining a written schedule of such delegations.

The Joint Committee:

- 1) Recommended that the proposed delegations be approved by each Council through its own processes;
- 2) Noted that the approval process for the London Borough of Havering would be consideration by the Governance Committee which would then make a recommendation to Council, and that for the London Borough of Newham the Mayor would amend his scheme of delegations and report this to the next ordinary meeting of Council;
- 3) Agreed, (subject to the proposed delegations being approved), to delegate certain functions to the Managing Director and Directors as shown in an attachment these minutes;
- 4) Noted that the Chief Executives of the two Councils would separately enter into an agreement under s113 of the Local Government Act 1972 to place the officers within the shared services functions at each other's disposal, for the purpose of carrying out any non-executive functions which would be necessary for them to fulfil to enable the efficient operation of the shared service.

5 **IMPLEMENTATION PLAN**

The report explained that the programme to share the back office support services between Havering and Newham Councils had been formally structured to ensure that the programme was delivered in a way that meets the vision and requirements of each Council.

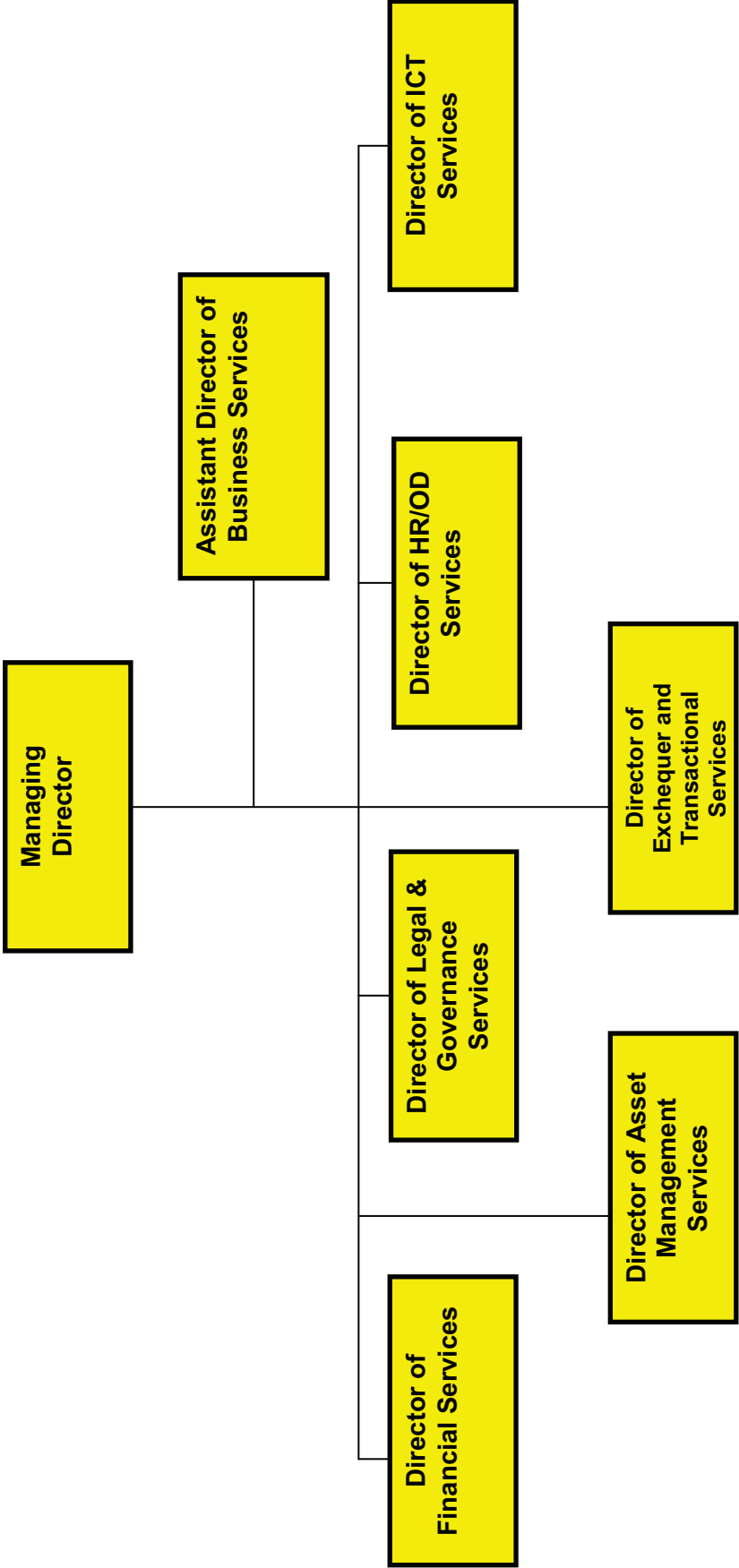
The key tasks and milestones required to deliver the programme had been identified and progress would be reported through the programme governance structure.

The report detailed, at a high level, the programme's governance structure, the overall programme plan and the key tasks and milestones during the implementation phase.

The Joint Committee **NOTED** the report.

Chairman

Proposed Senior Management Structure



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Delegation of Functions and Responsibilities

General Principles

1. The Councils agreed at their respective Cabinet meetings in November 2013 that the Shared Services listed in the Business Case approved by Cabinet will be provided through a Joint Committee which shall be responsible for the provision of the Shared Service under delegated authority from the Councils, which is set out set out below at Part 1 in respect of the London Borough of Havering and Part 2 in respect of the London Borough of Newham. The delegations are subject to the conditions, limitations and the specific reservations, set out below. It is intended that only executive functions are delegated to the Joint Committee. The Chief Executives of the two Councils will separately enter into an agreement under s113 of the Local Government Act 1972 to place the officers within the shared services functions at each others disposal, for the purpose of carrying out any non executive functions which it is necessary for them to fulfil to enable the efficient operation of the shared service.
2. In order to facilitate the efficient and effective conduct of the Shared Services, the Joint Committee shall delegate certain functions and responsibilities to the Managing Director and to the Directors. Any delegations to Directors may also be exercised by the Managing Director.
3. The Managing Director and the Directors, where they consider it necessary and expedient, may sub delegate to officers within their respective service Directorates. If such delegations are made, the relevant Director shall prepare and maintain a written schedule of delegations to be available for inspection by the Monitoring Officers and S.151 Officers of the Councils.

Conditions Relating to the Exercise of Delegated Authority

4. The exercise of functions delegated to officers under this scheme must comply with:-
 - i) any legal requirement or restriction;
 - ii) the relevant Council's Constitution;
 - iii) the relevant Council's policy framework and any other plans and strategies approved by the Cabinet;
 - iv) the relevant in-year budget;
 - v) the relevant officers code of conduct;
 - vi) Relevant Procurement Standing orders and financial regulations;
 - vii) And all other relevant policies, procedures, protocols and provisions.

Limitations to the Exercise of Delegated Powers

5. Officers in the exercise of functions delegated by this scheme may not:-

- i) Make Key Decisions except as defined in the relevant Council's Constitution;
- ii) Change or contravene policies or strategies approved by the Council or the Cabinet in the absence of specific delegated authority to do so;
- iii) Create or approve new policies or strategies, in the absence of specific delegated authority to do so;
- iv) Take decisions to withdraw public services, in the absence of specific delegated authority to do so;
- v) Take decisions to significantly modify public services without consulting the appropriate Cabinet Member before exercising the delegated power;

PART 1 – HAVERING

Delegation to Joint Committee

A	General	Delegation to Officer
A1	To have overall responsibility for the provision to the client Councils of the shared services	None
A2	To consider and approve the annual report of the activities performance and finances of the shared services operation	None
A3	To consider and approve the annual service plan for each shared service	None
A4	To determine the strategic direction of the shared services operation	None
A5	To determine any strategic issue referred to it by the Managing Director	None
A6	To advise the client Councils what financial resources are desirable for the delivery of the shared services operation for three financial years ahead from the current financial year	None
A7	To consider and approve the internal budget for the shared services operation within the overall financial constraints set by the client Council's and to make representation to the council's on the consequences of those restraints as appropriate.	None

A	General	Delegation to Officer
A8	To incur expenditure within the revenue and capital budgets as approved by the Joint Committee, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.	Managing Director
A9	To oversee the delivery of programmes agreed by Council and Cabinet.	Managing Director
A10	In consultation with the relevant Cabinet Member to apply for, accept and manage external funding up to a limit of £500,000 per grant in support of any function within their Directorate provided that any financial contributions by the Council are made from within existing budgets.	Managing Director
A11	To authorise the making of ex gratia payments up to the limit specified from time to time by the Director of Finance to individuals where the Local Government Ombudsman has recommended that such payment be made in local settlement of a complaint.	Managing Director
A12	To authorise activities under the Regulation of Investigatory Powers Act 2000.	Managing Director
A13	To approve commencement of a tendering process for all contracts above a total contract value of £156,000.	Managing Director
A14	To award contracts with a total contract value of under £5,000,000.	Managing Director
A15	To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of this constitution.	Managing Director
A16	Payment of allowances in accordance with the "Croydon Scheme" to staff injured in the course of their duties must be	Director

A	General	Delegation to Officer
	made in consultation with Head of Shared Services.	
A17	To approve applications for leave for trade union conferences and training courses in consultation with the Head of Shared Services.	Director
A18	To approve payment of claims by employees for loss or damage to property and clothes up to the limit specified from time to time by the Director of Finance otherwise payment must be made in consultation with the Group Director Resources.	Director
A19	To grant permission for employees to undertake outside work or duties whether paid or unpaid subject to there being no conflict of interest.	Director
A20	To approve honoraria payments in consultation with the service personnel manager.	Director
A21	To approve commencement of a tendering process for, and to award all contracts below a total contract value of £156,000.	Director
A22	To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of this constitution.	Director
A23	To incur expenditure within the revenue and capital budgets for the relevant service as approved by the Council, subject to any ICT variation permitted by the Council's contract and financial procedure rules.	Director

A	General	Delegation to Officer
A24	To implement any approved financial programme, including the authorisation of expenditure and procurement of goods and services.	Director
A25	To implement approved fees, charges, rents etc. and to ensure that proper arrangements exist for their collection.	Director
A26	In consultation with the relevant Cabinet Member, to apply for, accept and manage external funding up to a limit of £250,000 per grant in support of any function within their service provided that any financial contributions by the Council are made from within existing budgets.	Director

B	Finance (including Procurement)	Delegation to Officer
B1	To advise on and monitor the revenue and capital budgets of the Council, including the Housing Revenue Account and the determination of Council Tax and housing rent levels.	Director of Finance
B2	To write off sums which are irrecoverable and to settle claims on behalf of the Council	Director of Finance
B3	To manage the Council's loan debt, investments, and temporary investments, pension scheme and pension fund, insurance fund, act as registrar of loan instruments, manage all banking arrangements including numbers and types of accounts and arrange insurance of property and the selecting and accepting of tenders for insurance cover and related services which are considered to offer best value for the Council promoting good risk management practices at all	S.151 Officer

B	Finance (including Procurement)	Delegation to Officer
	times.	
B4	<p>To undertake all other financial matters arising within the Council, subject to the following requirements:</p> <ul style="list-style-type: none"> (i) authority to incur expenditure being approved or sanctioned by the Council or the Cabinet (ii) powers of borrowing being exercised within guidelines agreed by the Council and any current codes of practice (iii) all matters being within accepted accounting practice and standards and within statutory requirements (iv) any necessary reference to the Council's external Auditors. (v) an annual report being presented to the Audit Committee by 30 September in each year on the activities undertaken in respect of treasury management powers in the preceding financial year (vi) reports of the external Auditors and other relevant Inspectorates upon the audit of the Council's activities being considered. (vii) To make direct investments in local infrastructure assets as part of the Pension Fund local infrastructure portfolio in consultation with the Chairman of Pensions 	S,151 Officer
B5	To implement the Council's early retirement, retirement and redundancy policies in consultation with the Director of Human Resources and the Director of Legal and Governance.	Director of Finance
B6	To set the Council Tax Base and Commercial Rate yield each year unless it involves matters of policy	S.151. Officer
B7	To award all gas and electricity supply contracts where offers are made on a short restricted time basis and where there is insufficient time to obtain a Cabinet Member decision.	Director of Finance

B	Finance (including Procurement)	Delegation to Officer
B8	To accept grants and the terms and conditions thereof for and on behalf of the Council.	S.151 Officer
B9	To instruct the Council's insurers and, upon their advice, to negotiate and settle insurance claims up to maximum of £145,000 for motor insurance, £147,750 for liability insurance and motor vehicles, and £50,000 for property insurance.	Director of Finance
B10	To review and, if necessary, amend the limits in (B9) above on an annual basis, following discussion with the Council's insurers.	Director of Finance
B11	To set future inter-authority and standard charges for residential and day-care accommodation, in accordance with the formula recommended by the Local Government Association.	Director of Finance
B12	To increase the specified sums set out in delegations to staff in accordance with Retail Prices Index (RPI).	Director of Finance
B13	To approve the Financial Framework and any amendments to it.	S.151 Officer
B14	In consultation with the relevant CMT Member, to authorise virements.	Director of Finance
B15	To make or enter into leasing arrangements for vehicles, plant and equipment.	Director of Finance
B16	To monitor the implementation of the charging policy	Director of

B	Finance (including Procurement)	Delegation to Officer
	including any relevant deadlines. To advise on reviews of fees and charges.	Finance
B17	To act upon and make decisions as a Pensions Panel consisting of the Director of Finance, Director of HR, and Director of Legal & Governance for the purpose of Stage 2 appeals within the Internal Dispute Resolution Procedure Regulations and exercising other discretions within the Local Government Pension Scheme.	Director of Finance

C	Legal & Governance	Delegation to Officer
C1	To prepare, approve and issue or serve all legal documentation on behalf of the Council.	Director of Legal & Governance
C2	To lay information, complaints and claims on behalf of the Council for the purpose of any proceedings before the Magistrates' Court, County Court and other courts and tribunals, including all civil and criminal proceedings.	Director of Legal & Governance
C3	To defend all legal proceedings brought against the Council and to take any steps that are in their opinion expedient to that end.	Director of Legal & Governance
C4	To sign, serve, advertise and receive notices and documents on behalf of the Council in relation to any formal or legal procedures.	Director of Legal & Governance
C5	To certify as a true and correct record any documents in accordance with section 229 of the Local Government Act 1972.	Director of Legal & Governance
C6	To sign or endorse any documents on behalf of the borough	Director of Legal

C	Legal & Governance	Delegation to Officer
	where so requested by a citizen.	& Governance
C7	To serve requisitions for information and other documents to enable the Council to receive information in the pursuance of legal proceedings.	Director of Legal & Governance
C8	Where the issue of any document, notice or order will be a necessary step in legal proceedings on behalf of the Council, to sign such document unless any enactment otherwise requires or unless the Council has given the necessary authority to some other person for the purposes of such proceedings.	Director of Legal & Governance
C9	To authorise, serve or issue all statutory notices, approvals and licences under any enactment other than those specifically delegated to another officer.	Director of Legal & Governance
C10	To instruct and/or seek the opinion of legal counsel and/or external solicitors in consultation with the Chief Executive or appropriate Group Director, Director or Head of Service and to instruct legal counsel or experts to advise or appear on any matter and to agree fees arising.	Director of Legal & Governance
C11	In consultation with the Director of Finance to settle claims in proceedings commenced or about to be commenced against the Council in a court or tribunal up to a limit of £100,000. Settlement of claims that exceed £100,000 require the approval of the relevant individual Cabinet Member or of the Cabinet, unless the decision is required to be made immediately before, at, or during a hearing.	Director of Legal & Governance
C12	To name, rename, number and renumber streets and	Director of Legal

C	Legal & Governance	Delegation to Officer
	premises	& Governance
C13	To maintain the register of highways that are maintainable at public expense.	Director of Legal & Governance
C14	To arrange for the administration of all statutory appeals.	Director of Legal & Governance
C15	To allocate information technology facilities to members, including ordinary telephones, mobile telephones and facsimile machines.	Director of Legal & Governance
C16	To implement the Council's early retirement, retirement and redundancy policies in consultation with the Director of Finance and the Director of HR.	Director of Legal & Governance
C17	To act and make decisions on behalf of a pensions panel consisting of the Director of Finance, Director of HR and Director of Legal & Governance for the purposes of Stage 2 appeals within the Internal Dispute Resolution Procedure Regulations and exercising other discretions within the Local Government Pension Schemes.	Director of Legal & Governance
C18	To alter the financial amounts in Contract Procedure Rules specifically relating to EU contracts and occurring either due to exchange rate changes or EU directed amendments.	Director of Legal & Governance
C19	To authorise Council staff to represent the Council in proceedings in the County Court and the Magistrates Court.	Director of Legal & Governance
C20	To prepare, approve and issue or serve the form and	Solicitors appointed by the

C	Legal & Governance	Delegation to Officer
	content of all legal documentation on behalf of the Council.	Director of Legal & Governance
C21	To lay information, complaints and claims on behalf of the Council for the purpose of any proceedings before the Magistrates' Court, County Court and other courts and tribunals, including all civil and criminal proceedings.	Solicitors appointed by the Director of Legal & Governance
C22	To defend all legal proceedings brought against the Council and to take any steps that are in his or her opinion expedient to that end.	Solicitors appointed by the Director of Legal & Governance
C23	To serve requisitions for information and other documents to enable the Council to receive information in the pursuance of legal proceedings.	Solicitors appointed by the Director of Legal & Governance
C24	Where the issue of any document, notice or order will be a necessary step in legal proceedings on behalf of the Council, to sign such document unless any enactment otherwise requires or unless the Council has given the necessary authority to some other person for the purposes of such proceedings.	Solicitors appointed by the Director of Legal & Governance
C25	To authorise, serve or issue all statutory notices, approvals and licences under any enactment other than those specifically delegated to another officer.	Solicitors appointed by the Director of Legal & Governance
C26	To instruct and/or seek the opinion of legal counsel and/or external solicitors in consultation with the appropriate Group Director, Director or Head of Service and to instruct legal counsel or experts to advise or appear on any matter and to agree fees arising.	Solicitors appointed by the Director of Legal & Governance
C27	To undertake those functions assigned under: (i) Part 3, Section 5 of the Constitution of the London	Director of Legal & Governance

C	Legal & Governance	Delegation to Officer
	<p>Borough of Havering: local choice functions</p> <p>(ii) Part 3, Section 6 of the Constitution of the London Borough of Havering: Proper Officer function</p>	
C28	To authorise activities under the Regulation of Investigatory Powers Act 2000 and to monitor proper use of activities under that Act.	Director of Legal & Governance
C29	To develop and implement the Council's Health & Safety Strategy	Director of Legal & Governance
C30	To develop and implement the Council's information governance policies and protocols.	Director of Legal & Governance
C31	To undertake all the administrative procedures for Schools Appeals, Hearings Panels and any other panels or Sub-Committees required under the terms of reference of the Adjudication and Review Committee and Licensing Committee: including but not limited to the appointment and re-appointment of independent persons for school appeals and other hearings, the selection of members or independent persons to consider specific cases, the consideration of applications for re-hearing of School Admission Appeals, the arrangement of panels and dates and the appointment of Chairmen of panels.	Director of Legal & Governance and Committee Services Manager
C32	In consultation with the Leader of the Group of which the previous appointee is a Member, to appoint a Member of the Council to fill a casual vacancy in any appointment to another organisation arising during the course of a municipal year.	Director of Legal & Governance and Committee Services Manager
C33	In consultation with Cabinet Members, Group Leaders and the Chairmen of Committees, to determine the schedule of meetings for each municipal year (including dates, times and	Director of Legal & Governance and Committee

C	Legal & Governance	Delegation to Officer
	<p>places of meeting), on the basis that, so far as possible and practicable:</p> <p>(a) The Regulatory Services Committee shall meet every three weeks (except around the Christmas/New Year period)</p> <p>(b) The Audit, Governance, Pensions and Standards Committees and the Overview & Scrutiny Committees shall generally meet once during each period between ordinary Council meetings</p> <p>(c) Meetings will only be arranged for Monday or Friday evenings in exceptional circumstances.</p>	Services Manager
C34	To exercise general use and hire of the Town Hall for the purpose of meetings and other authorised events in accordance with approved fee scales and principles and guidelines agreed by the Governance Committee, but to be able to waive or reduce scales of fees and charges in suitable cases. To exercise general management of the Council Chamber, Committee Rooms and other accommodation for Members, including any audio-visual or other information technology equipment installed therein.	Director of Legal & Governance and Committee Services Manager
C35	To approve arrangements for members' training.	Director of Legal & Governance and Committee Services Manager
C36	To approve the attendance of members at conferences or training events outside the borough but within the United Kingdom, including any travel and accommodation arrangements.	Director of Legal & Governance and Committee Services Manager
C37	Undertake those functions assigned under:	Director of Legal & Governance

C	Legal & Governance	Delegation to Officer
	(a) Part 3, Section 6 of Constitution of the London Borough of Havering: Proper Officer functions	and Committee Services Manager
C38	To undertake those election functions assigned to the Proper Officer in the Constitution of the London Borough of Havering.	Director of Legal & Governance

D	ICT/BUSINESS SYSTEMS	Delegation to Officer
D1	To develop the Council's e-government and t-government strategies.	Director of ICT
D2	To develop the Council's information systems, and information technology and e-government strategies.	Director of ICT
D3	To develop the Council's information and communications technology strategies including the supply, withdrawal, data protection, security and integrity of the systems to staff and members.	Director of ICT
D4	To supply connections and services to public sector partners and other organisations, provided that the integrity of the Council's information systems is maintained.	Director of ICT

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
E1	To develop and implement the Council's human resources, organisation development, remuneration and occupational	Director of Human

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
	health strategies.	Resources
E2	To implement any decisions and recommendations of recognised national negotiating bodies in respect of pay. Where a supplementary estimate is required, the cost must be reported to the Cabinet.	Director of Human Resources
E3	To implement decisions and recommendations of recognised national negotiating bodies on all employment matters including terms and conditions of employment. Where there is a cost implication, a report must be made to the Cabinet.	Director of Human Resources
E4	<p>Subject to appointments, dismissals, assimilation and redundancies for Heads of Service and above being authorised by Appointments Committee, to implement the procedure for any senior management re-alignment or restructuring including;</p> <ul style="list-style-type: none"> (i) Achieving any necessary reduction through voluntary redundancy; (ii) Considering applications from unaffected Heads of Service or above which would create a suitable alternative employment opportunity for an affected Head of Service or above; (iii) Deciding upon the ring fence arrangements and inviting applications for assimilation; and (iv) Arranging advertisements and assessment centres, and, subject to compliance with Contract Procedure Rules, appointing external recruitment consultants. 	Director of Human Resources

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
E5	In consultation with the Director of Legal and Governance, to amend HR policies where necessary in consequence of legislative, organisational or other changes that have no adverse financial effect.	Director of Human Resources

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
F1	To exercise general use and hire of public halls and buildings owned by the Council (except the Town Hall) for the purpose of community use, meetings and other authorised events in accordance with approved fee scales and principles but to be able to waive or reduce scales of fees and charges in suitable cases.	Director of Asset Management
F2	Subject to the availability of finance to be responsible for any alteration or improvement of facilities to the Council Chamber, Committee Rooms and other accommodation for Members.	Director of Asset Management
F3	To manage the operation of the relevant Contract Service Organisations (CSOs) including marketing the CSOs and consideration of the impact of new legislation on the CSOs, where relevant.	Director of Asset Management
F4	To exercise all the powers delegated to the Property Strategy Manager so far as legally permissible.	Director of Asset Management
F5	To exercise the powers and duties of the Council in relation to concessionary fares and similar schemes (including the taxicard scheme).	Director of Asset Management
F6	In relation to the taxicard scheme:	Director of Asset

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
	<ul style="list-style-type: none"> (i) To admit to the scheme persons from the waiting list of applicants. (ii) To agree a higher trip limit where justified by the degree of disability of the individual Director of Asset Management (iii) To approve dual holding of a concessionary fares permit and a taxicard where, in view of the individual's condition, it is appropriate to do so. 	Management
F7	To issue permits under the Minibus and Other Section 19 Permit Buses Regulations 1987 to appropriate organisations.	Director of Asset Management
F8	To provide a security service for the Council's Administrative buildings	Director of Asset Management
F9	To conduct preliminary negotiations, negotiate, agree and conclude all property matters including the making and settling of rating appeals on council property and property valuations for all purposes	Director of Asset Management and Property Strategy Manager
	To undertake marketing of any Council property.	Director of Asset Management and Property Strategy Manager
F10	To instruct external property advisors, surveyors, auctioneers and consultants where necessary on property transactions.	Director of Asset Management and Property Strategy Manager
F11	To procure property and property services to meet the Council's occupation needs including responsibility for space	Director of Asset

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
	use and allocation together with strategic facilities management. This function must be exercised subject to obtaining members authority for any financial approval not within budget.	Management and Property Strategy Manager
F12	To agree with a potential purchaser of a Council-owned property that the Council should retain an area of land where it is expedient to do so.	Director of Asset Management and Property Strategy Manager
F13	Following notification to the relevant ward members, to vary but not extend existing agreements for mobile phones masts at school sites in circumstances where installations are to be upgraded and lower emissions will result to enable Landlord's consent to be granted for the installation.	Director of Asset Management and Property Strategy Manager
F14	<p>To agree and incur reasonable pre-sale expenses up to a limit of £100,000 per transaction when disposing of property, such expenses to be offset against the capital receipts arising.</p> <p>These functions must be exercised in accordance with the following requirements:</p> <ul style="list-style-type: none"> (i) complying with the Code of Practice on the Disposal of Surplus Property, set out in Appendix B (ii) in cases where the Cabinet has already approved the principle but not the terms of a property disposal without the invitation of competitive bids, the provisionally agreed terms of any disposal exceeding £1,000,000 shall be reported to Cabinet for approval before the transaction is concluded. (iii) in cases that have not been the subject of competitive bids but are below £1,000,000 in value, the 	Director of Asset Management and Property Strategy Manager

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
	<p>provisionally agreed terms of disposal should shall be reported to the Group Director Resources, before the transaction is concluded.</p> <p>(iv) complying with relevant Council policy on property transactions</p> <p>(v) referring a matter for Member decision where it is proposed to recommend other than the best financial bid</p> <p>(vi) concluding valuation and property disputes forming part of a pending or active court or arbitration proceedings, after consultation with either the Director of Legal & Governance or the Director of Finance, where there is insufficient time or opportunity to obtain a Member decision</p> <p>(vii) Making or settling rating appeals only in the Council's financial interests.</p>	
F15	To be the Council's designated corporate property officer, responsible for the strategic management of the Council's property portfolio, including corporate strategy and asset management, procurement of property and property services, planned and preventative maintenance programmes, property allocation and use, reviews, acquisitions and disposals, and commercial estate management.	Director of Asset Management
F16	To exercise all powers relating to Romford Market, including granting and revoking licences and enforcing relevant bylaws.	Director of Asset Management & Strategic Property Manager

G	TRANSACTIONAL SERVICES	Delegation to Officer
G1	To advise on, co-ordinate and manage all payroll functions on behalf of the Council.	Director of Transactional Services
G2	To administer the Council's pension fund.	Director of Transactional Services
G3	The exercise of the client monitoring function in respect of occupational health and the Council's recruitment advertising contracts, and the power to select and accept tenders for external consultants or contracts in accordance with the Council's standing orders.	Director of Transactional Services
G4	To grant gifts for long service up to the limit specified from time to time by the Director of Finance.	Director of Transactional Services
G5	To approve the arrangements for members' training and development.	Director of Transactional Services
G6	To act and make decisions on behalf of a pensions panel consisting of the Director of Finance, Director of HR and Director of Legal & Governance for the purposes of Stage 2 appeals within the Internal Dispute Resolution Procedure Regulations and exercising other discretions within the Local Government Pension Schemes.	Director of Internal Transactions
G7	To approve proposals for the payment of allowances in accordance with the "Croydon Scheme" to staff injured in the course of their duties.	Director of Transactional Services
G8	To undertake the role of appointed person for the Council in all matters relating to the Disclosure and Barring Service.	Director of Transactional Services
G9	To grant car and season loans to eligible staff.	Director of Transactional Services

G	TRANSACTIONAL SERVICES	Delegation to Officer
G10	To exercise the Council's discretionary powers in relation to writing off amounts due for national non-domestic rate or surcharge on grounds of hardship or general rate on grounds of poverty, up to a maximum level of £10,000.	Director of Transactional Services
G11	To exercise the Council's discretionary powers in relation to relief for Council Tax and commercial rates.	Director of Transactional Services
G12	To act as statutory officer pursuant to for the collection of council tax and commercial rates	Director of Transactional Services
G13	To manage the operation of the relevant Contract Service Organisations (CSOs) including marketing the CSOs and consideration of the impact of new legislation on the CSOs.	Director of Transactional Services

PART 2 - NEWHAM

Delegation to Joint Committee

A	General	Delegation to Officer
A1	To have overall responsibility for the provision to the client Councils of the shared services	None
A2	To consider and approve the annual report of the activities performance and finances of the shared services operation	None
A3	To consider and approve the annual service plan for the shared service	None
A4	To determine the strategic direction of the shared services operation	None
A5	To determine any strategic issue referred to it by the Managing Director	None
A6	To advise the client Councils what financial resources are	None

A	General	Delegation to Officer
	desirable for the delivery of the shared services operation for three financial years ahead from the current financial year	
A7	To consider and approve the internal budget for the shared services operation within the overall financial constraints set by the client Councils and to make representation to the councils on the consequences of those restraints as appropriate.	None
A8	To incur expenditure within the budgets approved by the Joint Committee, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.	Managing Director
A9	To oversee the delivery of programmes agreed by Council and Cabinet.	Managing Director
A10	To approve commencement of a tendering process and award contracts in accordance with the council's financial procedure rules and contract procedure rules	Managing Director
A11	To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of this constitution.	Managing Director
A12	To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of this constitution.	Director
A13	To incur expenditure within the budgets for the relevant service as approved by the Council, subject to any variation permitted by the Council's contract and financial procedure rules.	Director
A14	To implement any approved financial programme, including the authorisation of expenditure and procurement of goods and services.	Director
A15	To implement approved fees, charges, rents etc relevant to the shared service, and to ensure that proper arrangements exist for their collection.	Director

B	Finance (including Procurement)	Delegation to Officer
B1	Setting statutory Fees and Charges for Services within the shared service where the fee/charge is levied under a statutory obligation to do so.	Director of Financial Services
B2	Setting Fees and Charges within the shared service where no statutory fee is applicable provided that the Mayor (in consultation with the Cabinet) must approve the levying of the fee/charge in the first instance.	Director of Financial Services
B3	Authorising or approving payments in accordance with all relevant Council policies	Director of Financial Services
B4	Writing off debts, in accordance with the Council's policy on write offs.	Director of Financial Services
B5	Approving extensions and renewals to contracts taking the total value above the original agreed value of the contract and notations including extensions of Contract Hire Agreements (subject to the Code of Procurement).	Director of Financial Services
B6	Approving amendments or variations to contracts relating to the shared services which will have an impact on the value of the contract where the variation is in accordance with the original approval of the Contract	Director of Financial Services
B7	In relation to contracts within the shared service, referring contracts to Arbitration, terminating contracts, withholding payments, enforcing contract terms (including third party rights under Contracts (Rights of Third Parties) Act 1999) and serving notices in accordance with the contract conditions	Director of Financial Services
B8	Making amendments to risk management policy and strategy with appropriate consultation with Audit Board.	Director of Financial Services
B9	Making appropriate arrangements for the use of banking services including accounts held jointly with others	Director of Financial Services
B10	Making provision for insurance in respect of the Council's functions, premises, property, employees, Members and third parties including self insurance	Director of Financial Services

B	Finance (including Procurement)	Delegation to Officer
B11	Dealing with any claims against the Council where the losses are insured including those below any excess and approve any settlements or other action in respect of such claims	Director of Financial Services
B12	Instructing the Councils Insurance providers with regard to defending any actions or threatened actions where the Council has insurance cover or is self insured.	Director of Financial Services
B13	Maintaining relevant statutory accounts and registers in respect of the Council's financial arrangements including the maintenance of relevant separate accounts (capital and revenue) and any register of loans or loan investments	Director of Financial Services
B14	Giving instructions to debt collection agencies agreeing to any form of ADR, issuing legal proceedings, applying for attachment of earnings orders, charging orders, bankruptcy and any other relevant enforcement action to recover any debt including attending creditors meetings, co-operating with administrators, trustees in bankruptcy, liquidators, receivers and exceeding powers to seek administration, bankruptcy or liquidation in relation to debts owed to the Council.	Director of Financial Services
B15	Serving statutory demands, placing and enforcing charges, recovering interest and expenses, appointing receivers, collecting interest and expenses in connection with any debt owed to the Council	Director of Financial Services
B16	To exercise the Council's discretion to release information where statutorily permitted to do so in respect of any debt owed to the Council	Director of Financial Services
B17	Agreeing any apportionment in respect of the expenses of the Coroners Service under the Coroners Act 1988	Director of Financial Services
B18	Calculating the Council Tax Base and keeping on deposit a copy of the valuation list.	Director of Financial Services
B19	Levying and collecting Council Tax in respect of dwellings in the Council's area under the Local Government Finance Act 1992 (see also the Executive Director Customer Services Scheme of Delegation)	Director of Financial Services
B20	Instituting proceedings, agreeing to any form of ADR in respect of collection of NNDR or Council Tax and other related enforcement action in respect of such actions	Director of Financial

B	Finance (including Procurement)	Delegation to Officer
	including attending creditors meetings, co-operating with administrators, trustees in bankruptcy, liquidators, receivers and exercising powers to seek administration, bankruptcy or liquidation in relation to debts owed to the Council.	Services
B21	To prepare, deposit, alter and give notice of any adopted non-domestic rating list under the Local Government Finance Act 1988	Director of Financial Services
B22	The administration, collection and recovery of non-domestic rates and exercise of powers and duties under Local Government Finance Act 1988	Director of Financial Services
B23	Providing relief from non-domestic rates under Sections 43, 45, 47 or 49 of the Local Government Finance Act 1988 as amended by Part 4 Localism Act 2011	Director of Financial Services
B24	Determining chargeable amounts payable by charities, non-profit making bodies, recreational clubs and societies and the exercise of any discretionary relief.	Director of Financial Services
B25	Deciding applications for housing and council tax benefit including hardship payments and backdating including discretionary housing the calculation and recovery of over payments.	Director of Financial Services
B26	Determining whether landlords or agents are fit and proper to receive payment of benefit direct.	Director of Financial Services
B27	Revising decisions on claims for housing or council tax benefit.	Director of Financial Services
B28	Representing the Council at Appeals Service Tribunals	Director of Financial Services
B29	Exercising the Authority's functions and powers to administer cautions and administrative penalties with regard to benefit offences under the Social Security Fraud Act 2001.	Director of Financial Services
B30	Acting as Council's reporting officer to the National Criminal Intelligence Service under the Proceeds of Crime Act.	Director of Financial Services

B	Finance (including Procurement)	Delegation to Officer
B31	Authorising a prosecution for fraud by an employee or third party in accordance with the Fraud Prosecution Policy.	Director of Financial Services
B32	Applying for communications Data in accordance with the powers conferred by the Social Security Fraud Act 2001	Director of Financial Services

C	Legal & Governance	Delegation to Officer
C1	Responsibility for the operational management of the shared services within the remit of legal services	Director of Legal and Governance Services
C2	In so far as not referred to elsewhere. Instituting, proceedings, agreeing to arbitration or ADR, defending, entering a plea in, admitting facts in, giving and seeking disclosure in, settling (within budget), issuing cautions, seeking costs, taking relevant enforcement action, injunctions, confiscation and restraint orders and taking other relevant procedural action in respect of any actual or contemplated legal or other formal proceedings on behalf of or against the Authority and appearing by counsel or other person or to authorise an officer to so appear in any proceedings. Including all and any such action in relation to bringing or defending any appeal arising out of such legal proceedings.	Director of Legal and Governance Services
C3	Instituting proceedings under Section 222 of the Local Government Act 1972.	Director of Legal and Governance Services
C4	Authorising/affixing the Authority's seal to deeds and other documents	Director of Legal and Governance Services
C4	Issuing Right to Buy completion notices, and all other action in relation to RTB sales and assignments providing certificates in respect of non registered land (Right to Buy and other) paying relevant stamp duty land tax, waiving RTB discount repayments, Registry Charges/Local Land Charges, creating, waiving and enforcing easements and covenants, and discharging mortgages on behalf of the Authority and such other actions maybe necessary in relation to the sale, purchase or enforcement/creation of	Director of Legal and Governance Services

C	Legal & Governance	Delegation to Officer
	rights of land or property.	
C5	Exercising the Council's discretionary power under Section 133 of the Housing Act 1985	Director of Legal and Governance Services
C6	Waiving legal professional fees	Director of Legal and Governance Services
C7	Making arrangements in respect of all meetings of the Council, Committees, Sub-Committees and the Executive including the administration of school appeals for exclusions	Director of Legal and Governance Services
C8	Approving travelling and subsistence claims of Members in accordance with the agreed Scheme (See also Part 2 of the Scheme of Delegations and see also Chief Executives scheme of delegation).	Director of Legal and Governance Services
C9	Approving expenditure for Members' library and other resources and development, as necessary to enable them to carry out their office and the functions of the Authority. (See also Part 2 of the Scheme of Delegations)	Director of Legal and Governance Services
C10	To agree to waiver the Council's legal professional fees in relation to any land transaction	Director of Legal and Governance Services
C11	To agree payments for relevant professional fees incurred by the Council by lessees or prospective lessees of the Council's commercial premises (but not waiver for Legal fees which is dealt with above).	Director of Legal and Governance Services
C12	To serve any notices and exercise any powers and duties including payment of compensation arising out of the Council's ownership of land	Director of Legal and Governance Services
C13	Issuing Right to Buy completion notices, and all other action in relation to RTB sales and assignments providing certificates in respect of non registered land (Right to Buy and other) paying relevant stamp duty land tax, waiving RTB discount repayments, Registry Charges/Local Land Charges, creating, waiving and enforcing easements and covenants, and discharging mortgages on behalf of the Authority and such other actions maybe necessary in relation to the sale, purchase or enforcement/creation of	Director of Legal and Governance Services

C	Legal & Governance	Delegation to Officer
	rights of land or property.	
C14	Exercising the Council's discretionary power under Section 133 of the Housing Act 1985	Director of Legal and Governance Services
C15	To sign, serve, advertise and receive notices and documents on behalf of the Council in relation to any formal or legal procedures.	Director of Legal and Governance Services
C16	To certify as a true and correct record any documents in accordance with section 229 of the Local Government Act 1972.	Director of Legal and Governance Services
C17	To authorise, serve or issue all statutory notices, approvals and licences under any enactment other than those specifically delegated to another officer.	Director of Legal and Governance Services
C18	To instruct and/or seek the opinion of legal counsel and/or external solicitors in consultation with the Chief Executive or appropriate Group Director, Assistant Director or Head of Service and to instruct legal counsel or experts to advise or appear on any matter and to agree fees arising.	Director of Legal and Governance Services
C19	Authorising officers to attend court and appear on behalf of the Council under S.223 Local Government Act 1972 and the County Courts Act 1984	Director of Legal and Governance Services
C20	To authorise, serve or issue all statutory notices, approvals and licences under any enactment other than those specifically delegated to another officer.	Solicitors appointed by the Director of Legal and Governance Services
C21	Approving compensatory payments under section 92 Local Government Act 2000	Director of Legal and Governance Services and Committee Services Manager
C22	Administering cautions in any criminal proceedings.	Director of Legal and Governance Services
C23	Applying for Confiscation Orders, restraint, Charging Orders, deduction of wages, injunctions, possession and any other appropriate orders in connection with all criminal	Director of Legal and Governance Services

C	Legal & Governance	Delegation to Officer
	legal proceedings initiated by the Council	
C24	Settling claims (other than Employment Tribunal claims, debts and those covered by insurance) including Part 36 offers with the approval of the Director with responsibility for Legal Services. Approval of the Director of Financial Services (as Chief Finance Officer) is required where the settlement will have a detrimental budget impact or require use of contingencies.	Director of Legal and Governance Services

D	ICT/BUSINESS SYSTEMS	Delegation to Officer
D1	Responsibility for the operational management of the shared services within the remit of ICT services	Director of ICT Services
D2	To develop the Council's information systems, and information technology and e-government strategies.	Director of ICT Services
D3	To supply connections and services to public sector partners and other organisations, provided that the integrity of the Council's information systems is maintained.	Director of ICT Services
D4	Agreeing arrangements for the use of any spare capacity in any computers or associated equipment owned by the Council under Section 38 of the Local Government (Miscellaneous Provisions) Act 1976	Director of ICT Services
D5	Notifying all staff of any electronic communications monitoring routinely carried out	Director of ICT Services
D6	Approving sales of computer software developed and owned by the Council	Director of ICT Services

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
E1	Responsibility for the operational management of the shared services within the remit of Human Resources.	Director of Human Resources and Organisational Development Services
E2	To implement any decisions and recommendations of recognised national negotiating bodies in respect of pay.	Director of Human

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
	Where a supplementary estimate is required, the cost must be reported to the Cabinet.	Resources and Organisational Development Services
E3	To implement decisions and recommendations of recognised national negotiating bodies on all employment matters including terms and conditions of employment. Where there is a cost implication, a report must be made to the Cabinet.	Director of Human Resources and Organisational Development Services
E4	<p>Subject to appointments, dismissals, assimilation and redundancies for Heads of Service and above being authorised by Appointments Committee, to implement the procedure for any senior management re-alignment or restructuring including;</p> <ul style="list-style-type: none"> (v) Achieving any necessary reduction through voluntary redundancy; (vi) Considering applications from unaffected Heads of Service or above which would create a suitable alternative employment opportunity for an affected Head of Service or above; (vii) Deciding upon the ring fence arrangements and inviting applications for assimilation; and (viii) Arranging advertisements and assessment centres, and, subject to compliance with Contract Procedure Rules, appointing external recruitment consultants. 	Director of Human Resources and Organisational Development Services
E5	In consultation with the Director of Legal and Governance, to amend HR policies where necessary in consequence of legislative, organisational or other changes that have no adverse financial effect.	Director of Human Resources and Organisational Development Services
E6	Approval of staffing & service related Equalities Impact Assessments	Director of Human Resources and Organisational Development

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
		Services
E7	Evaluating job descriptions and approving changes to job grading and issuing statements of particulars to all staff.	Director of Human Resources and Organisational Development Services
E8	Designing and implementing job application forms and criteria.	Director of Human Resources and Organisational Development Services
E9	Comply with and exercise powers and duties of the Authority as an employer under the Transfer of Undertakings (TUPE) Regulations.	Director of Human Resources and Organisational Development Services
E10	Appointing or engaging trainers to facilitate the Council's corporate training scheme and managing the corporate management training programme in compliance with relevant procurement rules	Director of Human Resources and Organisational Development Services
E11	Consulting with recognised Trades Unions and in particular in respect of redundancies under the Trade Union and Labour Relations (Consolidation) Act 1992, s.188 including giving all appropriate notices.	Director of Human Resources and Organisational Development Services
E12	Complying with, exercising and performing powers and functions of the Authority as an employer under the Trade Union and Labour Relations (Consolidation) Act 1992	Director of Human Resources and Organisational Development Services

E	STRATEGIC HUMAN RESOURCES	Delegation to Officer
E13	Giving notice of redundancy, make redundancy payments, serve counter notices and written statements of redundancy calculations under ERA 1996 Sections 135, 143, 149 and 165 (save that any pension payments payable shall be subject to the relevant pensions decisions as provided for elsewhere in the Scheme of Delegation).	Director of Human Resources and Organisational Development Services
E14	In a redundancy situation, consideration of the suitability of alternative employment and the impact on redundancy pay of an employee's rejection of the alternative role and reasons for refusal	Director of Human Resources and Organisational Development Services
E15	Exercising any powers in respect of statutory sick, parental, incapacity or industrial injuries pay under The Social Security Administration Act 1992, Social Security Contributions and Benefits Act 1982 or in relation to the reserve forces under the Reserve Forces (Safeguard of Employment) Act 1985 and Reserve Forces Act 1996.	Director Transactions
E16	Adjusting payment to officers, implementing binding decisions of national negotiating bodies and implementing single status agreement	Director of Human Resources and Organisational Development Services
E17	Applying for and giving notices or information in respect of any attachment of earnings orders made in relation to any debtor who is an employee of the Council under Attachment of Earnings Act 1971 Sections 07, 15 and 16	Director Transactions
E18	Approving applications for specific staff monitoring where warranted under the Council's policy and in accordance with the Information Commissioners Code	Director of Human Resources and Occupational Development Services
F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
F1	Responsibility for the operational management of the shared	Director of Asset

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
	service within the remit of Asset Management	Management Services and Property Strategy Manager
F2	Applying for planning permission from the Council on Council owned land	Director of Asset Management Services and Property Strategy Manager
F3	Serving Notices to Quit, Notices Seeking Possession and tenants notices; exercising any duty to compensate in respect of land matters or re-housing duties, enforcing covenants; serving notices relating to land; and disposal of property left on land.	Director of Asset Management Services and Property Strategy Manager
F4	Enforcement of street trading if approved by the Director of Business Systems, Property and Commercial Development or Markets Development Manager or Director for Enforcement and Safety.	Director of Asset Management Services and Property Strategy Manager
F5	Provision and maintenance of any theatre, concert hall, entertainment room, reading room, pavilion, bandstand, refreshment rooms, cloakrooms, lavatories and the like for the provision of concerts and other entertainments and of developing and improving the knowledge of arts and crafts under Sections 4 and 5 of the London County Council (General Powers) Act 1947 and Section 145 of the Local Government Act 1972.	Director of Asset Management Services and Property Strategy Manager
F6	Carry out full range of functions to provide necessary support to deliver the Council's Primary and Secondary school building programmes and schools asset management in so far as the function is not contained within the portfolio of the Executive Director for Operations	Director of Asset Management Services and Property Strategy Manager

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
F7	Provide project and programme office support for the delivery of the Council's programme of projects across the Council and ensuring compliance with corporate standards	Director of Asset Management Services and Property Strategy Manager
F8	Support the Council's business improvement processes through; provision of project managers and project support including undertaking business process reviews and service improvement projects	Director of Asset Management Services and Property Strategy Manager
F9	Provide project and programme office support for the delivery of the Council's programme of projects across the Council and ensuring compliance with corporate standards	Director of Asset Management Services and Property Strategy Manager
F10	To ensure compliance with the Council's Carbon Reduction Commitment Energy Efficiency Scheme	Director of Asset Management Services and Property Strategy Manager
F11	Under section 87 of the Localism Act 2011 determining the form and content of lists of assets of community value.	Director of Asset Management Services and Property Strategy Manager
F12	To instruct Legal Services to apply for (or to vary, discharge, suspend etc.) and to comply with access orders under the Access to Neighbouring Land Act 1992	Director of Asset Management Services and Property Strategy Manager

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
F13	To negotiate all relevant terms including as to payment of professional fees (but not the waiver of legal professional fees) in respect of the letting and management of commercial premises owned by the Council, apply rent reviews and serve all relevant notices in respect of such premises or instruct the Director Legal Services to issue such notices whether under the lease or statutory provision including retrieval assignments, variations, termination, contracting out of the 1954 Act, and enforcement of such commercial leases and all other relevant landlord action under the Landlord and Tenant Acts and related status	Director of Asset Management Services and Property Strategy Manager
F14	To agree or request guarantee agreements, rent deposits, overriding leases, release from covenant, apportion liability under covenants and agree compensation for Leases or Tenancies under The Landlord and Tenant Act 1927 and Landlord and Tenant (Covenants) Act 1995)	Director of Asset Management Services and Property Strategy Manager
F15	To give any notice, apply to court or lands tribunal, deal with charges, act as mortgagee in possession, deal with proceeds as mortgagee, grant licences and surrender leases (or instruct the Director Legal Services to take any of these actions) under The Law of Property Act 1925	Director of Asset Management Services and Property Strategy Manager
F16	To repair, maintain and insure premises in accordance with the terms of any lease and statutory requirement	Director of Asset Management Services and Property Strategy Manager
F17	To seek mortgagor's consent for the transfer of any interest the Council has as mortgagee under Section 7 of The Local Government Act 1986	Director of Asset Management Services and Property Strategy Manager

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
F18	To propose the alteration of the valuation list or raise objections to any proposed alteration in respect of any property owned by the Council and appealing to the valuation tribunal in respect of such proposals under The Local Government Finance Act 1988 Section 55.	Director of Asset Management Services and Property Strategy Manager
F19	To carry out rent reviews or Lease renewals	Director of Asset Management Services and Property Strategy Manager
F20	To grant way leaves and easements to, and enter similar agreements with statutory undertakers and other bodies, relating to services supplied or transmitted across or under premises under the control of the Authority, provided that where the premises are in occupational use by another department this decision is taken in conjunction with the Relevant Executive Director or Relevant Service Head	Director of Asset Management Services and Property Strategy Manager
F21	To provide valuations of land for the purposes of acquisition and disposal by the Council	Director of Asset Management Services and Property Strategy Manager
F22	To serve any notices extinguishing the rights of statutory undertakers or telecommunications operators (or instruct the Director Legal Services to do so), to pay compensation arising out of such action and refer any dispute to the Land Tribunal under the Town and Country Planning Act 1990, Sections 271, 272, 273, 279 and 282	Director of Asset Management Services and Property Strategy Manager
F23	To approve the Council's participation in Section 106 agreements where the Council is joined in the agreement as landowner. Provided the terms of the Section 106	Director of Asset Management

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
	agreement are in accordance with any decision to dispose of the land.	Services and Property Strategy Manager
F24	Tribunals Courts And Enforcement Act 2007 - section 72 To use the procedure under Schedule 12 of this Act for the purpose of recovering rent payable under a lease of commercial premises. Sections 81 and 83 To serve, withdraw or replace notice on a sub-tenant of commercial premises demanding payment of rent to the Council as head lessor rather than to the immediate tenant and to comply with and exercise and perform any powers and duties contained in any regulations made under this section with regard to the serving of such notices. Section 83	Director of Asset Management Services and Property Strategy Manager
F25	To exercise and perform any powers and duties contained in Part 1 of the Landlord and Tenant Act 1927 which may or shall be exercised or performed by the Council by virtue of its being the Landlord or Tenant as the case may be of any business tenancies. Including compensation for improvements and goodwill on the termination of business tenancies.	Director of Asset Management Services and Property Strategy Manager
F26	To keep a copy of any register sent to the Council under Part X Local Government Planning and Land Act 1980 (register of land held by public bodies) available for inspection, provide copies of such register on payment of a reasonable charge and to amend such register on being notified of amendments made by the Secretary of State. Notify the Secretary of State of any inaccuracies and comply with any directions and make representations as to why proposed directions should not be given or as to the proposed content of any such directions.	Director of Asset Management Services and Property Strategy Manager
F27	To serve notice on the tenant under sections 1 and 3 Landlord and Tenant Act 1988 in response to applications seeking consent for any of the actions to which these sections apply (assignments, underletting etc) taken by the tenant of the subtenant.	Director of Asset Management Services and Property Strategy

F	ASSET MANAGEMENT (INCLUDING PROPERTY STRATEGY)	Delegation to Officer
		Manager
F28	To exercise and perform any powers and duties contained in the Leasehold Property Repairs Act 1938 which may or shall be exercised or performed by the Council by virtue of its being the landlord or tenant of any premises as the case may be. (Enforcement by Landlord of obligation to repair).	Director of Asset Management Services and Property Strategy Manager
F29	Giving instructions to debt collection agencies, issuing legal proceedings, applying for attachment of earnings orders, charging orders, bankruptcy and any other relevant enforcement action to recover any debt including attending creditors meetings, co-operating with administrators, trustees in bankruptcy, liquidators, receivers and exceeding powers to seek administration, bankruptcy or liquidation in relation to debts owed to the Council.	Director of Asset Management Services and Property Strategy Manager
F30	Serving statutory demands, placing and enforcing charges, recovering interest and expenses, appointing receivers, collecting interest and expenses in connection with any debt owed to the Council	Director of Asset Management Services and Property Strategy Manager

G	INTERNAL TRANSACTIONS	Delegation to Officer
G1	To advise on, co-ordinate and manage all payroll functions on behalf of the Council.	Director
G2	The exercise of the client monitoring function in respect of occupational health and the Council's recruitment advertising contracts, and the power to select and accept tenders for external consultants or contracts in accordance with the Council's standing orders.	Director
G3	To undertake the role of appointed person for the Council in all matters relating to the Disclosure and Barring Service.	Director
G4	To grant car and season loans to eligible staff.	Director

H	EXTERNAL TRANSACTIONS	Delegation to Officer
H1	To exercise the Council's discretionary powers in relation to writing off amounts due for national non-domestic rate or	Director

H	EXTERNAL TRANSACTIONS	Delegation to Officer
	surcharge on grounds of hardship or general rate on grounds of poverty, up to a maximum level of £10,000.	
H2	To exercise the Council's discretionary powers in relation to relief for Council Tax and commercial rates.	Director
H3	To act as statutory officer pursuant to for the collection of council tax and commercial rates	Director
H7	To manage the operation of the relevant Contract Service Organisations (CSOs) including marketing the CSOs and consideration of the impact of new legislation on the CSOs.	Director

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HAVERING AND NEWHAM SHARED BACK OFFICE SUPPORT SERVICE

JOINT COMMITTEE	24 October 2014
Subject heading:	Business development plan report
Report author and contact details:	Tony Huff, 01708 434155, tony.huff@oneSource.co.uk
Financial summary:	There are no new financial implications outside of those budgeted for
Is this a Key Decision?	No

SUMMARY

- 1.1 oneSource is ambitious in continuing to find savings in addition to the £40 million already identified in the Business Case. In order to do this oneSource is exploring ways of attracting additional business and what would be the best way for others to join oneSource.
- 1.2 Our vision is to be the one source of innovative, high quality and affordable support to all public services. In order to do this we need to develop commercially to become more profitable by growing the business to create income and further savings.
- 1.3 Shared services is now being considered a viable transformation initiative to find savings to aid the fiscal challenges ahead for councils. Due to this we feel there is a window of opportunity to market our services over the next eighteen months to the public sector if we are to meet our objective of being a preferred provider of shared services within the market.
- 1.4 In order to understand the opportunity available to us, the market and potential for further savings a Business Development Plan has been produced. This document will help oneSource start to understand how we can:

- compete effectively in the shared service market
- take advantage of opportunities for further income and savings
- develop services to meet the needs of our customers and the market
- gain buy in and secure resources to develop our commercial competence
- develop the business to ensure sound commercial decision making
- save costs for other councils / organisations.

1.5 The document will help oneSource decide how to trade within the shared service market and plan how to achieve our commercial aspirations.

RECOMMENDATIONS

- 2.1 It is recommended that the Joint Committee agree the approach to business development outlined in the Business Development Plan. Any potential opportunities will be fully considered and reported to the Joint Committee.
- 1.2 It is also recommended that a further piece of work is undertaken to review the resources required to operate commercially in the longer term.

REPORT DETAIL

- 3.1 The Business Development Plan outlines how oneSource can approach business development over the next three years to generate further income and savings to support Havering and Newham Councils' financial strategies.
- 3.2 It considers the dichotomy of how oneSource can be a commercial organisation whilst retaining our original vision and aims and how we can maximise our current differential advantages.
- 3.3 oneSource have identified three unique selling points it has to promote itself and offer the market, being:
- an alternative to outsourcing
 - our public sector experience
 - having a flexible approach to on-boarding.
- 3.4 oneSource have a number of products to offer the market, these have been broken into four main areas of opportunity, which are:
- A total shared service offering - all back office services
 - Individual services or a group of services
 - Transactional service centre – undertaking transactional activity
 - Consultation and project management.

- 3.5 There are a flexible range of on-boarding options which oneSource could use with potential partners and customers, which are discussed in the plan, these are:
- a full partner of the Joint Committee
 - a junior partner of the Joint Committee
 - a part share owner of a company
 - customers through a lead authority
 - customers through an OJEU process.
- 3.6 There are two distinct areas of trading for oneSource to consider, firstly using a partnership type on-boarding method and those which require a commercial tendering process. These distinct approaches have different markets, competitors and on-boarding processes which offers a range of challenges to oneSource when developing our commercial approach.
- 3.7 oneSource is currently set-up to and experienced in operating in a partnership capacity, the premise of the programme for Havering and Newham was that it was an alternative to outsourcing, which similarly could be an attractive approach to others. Although oneSource has been successful in competing for small distinct services, in order to compete for full ranges of service with large outsourcing companies we will need to invest in a first class offering and tendering ability, which will need to be robust and include full unit costs, a range of case studies and references. Significant investment in resources would be required for this and there is also a risk of losses of this investment through abandoned or unsuccessful tenders. This would be subject to a further piece of work to review the resource required and viability and may be more relevant to transactional type services.
- 3.8 It is recommended that there are two different strategies to trade firstly with an additional partner and then commercially. The business development plan assesses the current market and potential customer for oneSource's current products and trading ability. A further assessment will need to be undertaken to take oneSource from this to a fully commercial trading organisation.
- 3.9 Therefore the plan focuses on identifying the current areas of opportunity and starts to consider what activity needs to take place to move towards our ultimate longer term commercial objectives. The report concludes that the initial area of opportunity for oneSource is to look for other local government partners to share some or all of their back office services with.
- 3.10 The Business Development Plan suggests that oneSource's trading objectives are to:
- market services through discussing a bespoke full partner or groups of services offerings to regional districts, unitary authorities and London boroughs in the short term (1-2 years)
 - market groups of services to others using a costed service catalogue in the medium term, the offering will be based on a unit cost comparison and timescales for this to be

linked to the service reviews. This would be subject to a further piece of work to review the resource required and viability and may be more relevant to transactional type services. (18 months to 3 years)

- to compete and be successful in a full competitive tender process, to do this oneSource will need to have full unit costs, a range of case studies and references available in the longer term and raise its profile within the wider commercial shared service market in the longer term. Significant investment in resources would be required for this and there is also a risk of losses of this investment through abandoned or unsuccessful tenders. (>3 years).

3.11 oneSource has already been promoting itself in order for the brand and service to be identifiable to others. This has included exhibiting and speaking at the CIPFA conference, networking and meeting with other councils who are considering sharing services and hosting a national shared service learning event on the 25 September 2014.

3.12 An interim marketing plan is to be implemented to maximise awareness of oneSource in its target local government markets and take advantage of any early business opportunities. This interim marketing plan outlines ways that oneSource can do this over the next twelve months, which include:

- a core narrative and key messages
- media targeting
- award entries
- use of social media
- events and speaking opportunities
- best practice communities.

3.13 Marketing activities will be co-ordinated through the Business Services team.

REASONS AND OPTIONS

4.1 Reasons for the decision:

4.1.1 This report identifies ways for oneSource to grow and provide further savings for the London Borough of Havering and Newham as well as others. In order to do this the Joint Committee will need to agree that further potential partners to the Joint Committee and customers should be explored.

4.2 Other options considered:

4.2.1 This paper explores a number of different on boarding options to further generate income, in addition to this it could be decided to not explore developing these business opportunities which would reduce the capacity for oneSource to provide savings over and above those already identified.

IMPLICATIONS AND RISKS

5.1 Financial implications and risks:

5.1.1 There are no new financial implications outside of those currently budgeted for. If it is agreed that a full commercial strategy is required a further piece of work to cost the resources required for this will be undertaken.

5.2 Legal implications and risks:

5.2.1 There are no new legal implications identified for this business development plan, specific legal advice will be taken as part of any project to on board a new partner or customer.

5.3 Human Resources implications and risks:

5.3.1 There are no new human resource implications identified for this business development plan, specific human resource advice will be taken as part of any project to on board a new partner or customer.

5.4 Equalities implications and risks:

5.4.1 Not applicable.

BACKGROUND PAPERS

The document 'Business Development Plan' dated May 2014 has been used in preparation of this report; this is not a published paper.

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Business development plan

2014 v1.1

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Approach to business development

oneSource

May 2014

Purpose

This document outlines how oneSource can approach business development over the next three years to generate further income and savings to support Havering and Newham Councils' financial strategies.

It considers the dichotomy of how oneSource can be a commercial organisation whilst retaining our original vision and aims and how we can maximise our current differential advantages.

This document will help oneSource start to understand how we can:

- compete effectively in the shared service market
- take advantage of opportunities for further income and savings
- develop services to meet the needs of our customers and the market
- gain buy in and secure resources to develop our commercial competence
- develop the business to ensure sound commercial decision making
- save costs for other councils/organisations.

This document will help oneSource decide how to trade within the shared service market and plan how to achieve its commercial aspirations.

Strategic focus

There are two distinct areas of trading for oneSource to consider, firstly using a partnership type on-boarding method and those which require a commercial tendering process. These distinct approaches have different markets, competitors and on-boarding processes which offers a range of challenges to oneSource when developing our commercial approach.

oneSource is currently set-up to and experienced in operating in a partnership capacity, the premise of the programme for Havering and Newham was that it was an alternative to outsourcing, which similarly could be an attractive approach to others. Although oneSource has been successful in competing for small distinct services, in order to compete for full ranges of service with large outsourcing companies we will need to invest in a first class offering and tendering ability, which will need to be robust and include full unit costs, a range of case studies and references. Significant investment in resources would be required for this and there is also a risk of losses of this investment through abandoned or unsuccessful tenders. This would be subject to a further piece of work to review the resource required and viability and may be more relevant to transactional type services.

It is recommended that there are two different strategies to trade firstly with an additional a partner and then commercially. This plan assesses the current market and potential customer for oneSource's current products and trading ability. A further assessment will need to be undertaken to take oneSource from this to a fully commercial trading organisation.

Therefore this plan focuses on identifying the current areas of opportunity and starts to consider what activity needs to take place to move towards our ultimate longer term commercial objectives.

Background

oneSource was developed by Havering and Newham councils. We brought together 21 separate services and 1,350 staff to create a single shared support service. This will save the two authorities £40million by 2018/19.

We recognised that by sharing our back office services we could achieve significant savings through eliminating duplication, reducing senior management costs and introducing more efficient processes. We also saw the opportunity for other councils to join oneSource once established, and reduce their own back office costs.

A detailed business case for a shared support service was produced and oneSource was developed, using in house resources, in just nine months. Already savings are being made from restructuring the senior management team and have been identified by re-engineering our ICT and legal services.

The scope of oneSource and the decision to include transactional, operational and strategic services (unlike many shared service partnerships which are purely transactional) allows us greater flexibility to make savings at different levels.

We looked at other models, such as outsourcing to the private sector, but an in-house shared services approach achieved the highest levels of savings, allowed savings to be delivered more quickly and gave more control over future development.

oneSource was set up under a Joint Committee of Executive Members keeping a level of local democratic control. Staff remain employed by the two councils which avoided a complex TUPE transfer of staff.

oneSource's strategic objective

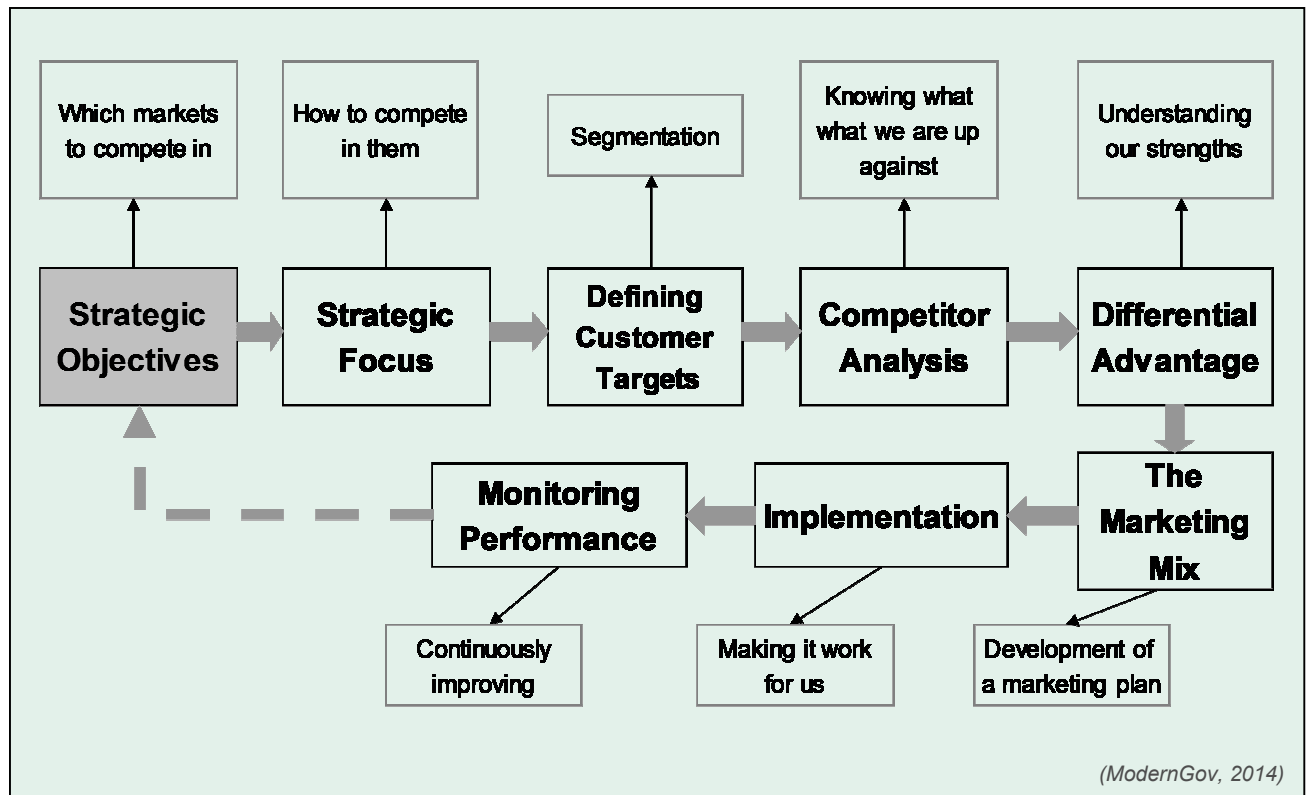
oneSource can now provide a shared service solution to other public sector organisations.

Our vision is to be the one source of innovative, high quality and affordable support to all public services. In order to do this we need to develop commercially to become more profitable by growing the business to create income and further savings.

This document is the starting point of our commercial journey which will help us understand our current position and opportunities whilst working to fully develop the longer term commercial strategy.

oneSource approach to commercial development

We have adopted an approach to our commercial development to link our commercial focus, potential competitive advantage, target customers and marketing plan to oneSource's strategic objectives. This approach is summarised in the following diagram:



In order for us to define our initial commercial approach we need to do a number of things:

- define our products
- analyse the market in which we work and our commercial readiness
- define our potential target markets and customers
- define our differential advantage/unique selling points
- agree our marketing plan
- provide resources to undertake business development activities.

oneSource products

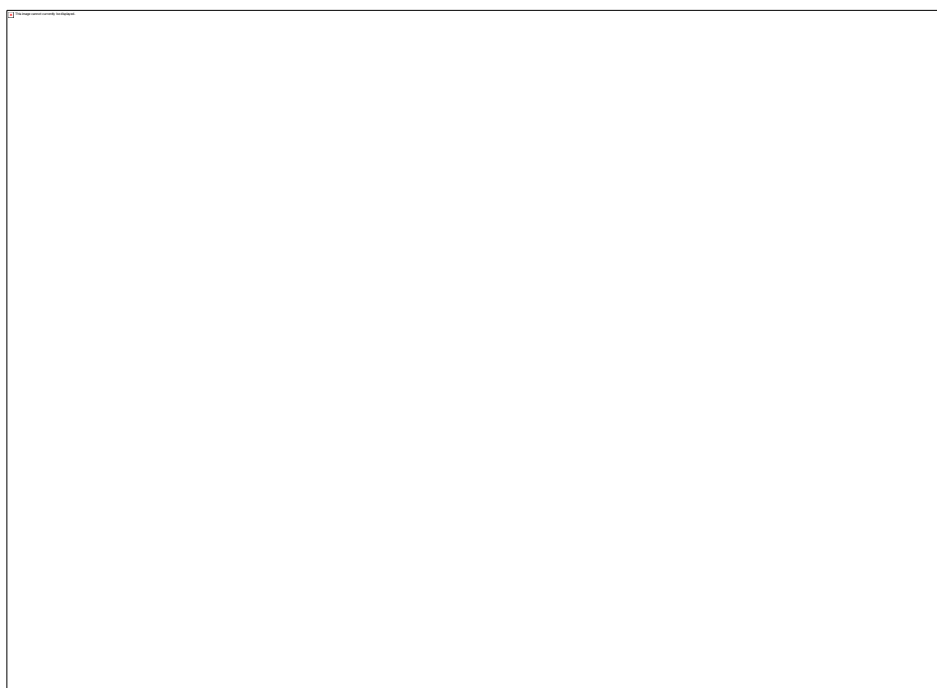
oneSource can provide either a full shared service solution or individual support services to the market, which are:

- Accounts payable and receivable
- Systems reconciliation
- Democratic Services
- Election services
- Financial services – operational, strategic
- Human resources - transactional, operational, strategic
- Organisational development
- Legal
- Payroll
- Pension administration

- Transport services
- ICT
- Council tax
- Benefits
- NNDR
- Debt recovery
- Bailiffs
- Facilities management
- Health and safety
- Property services
- Technical services.

Market analysis

The local government shared service market has been growing strongly, with an additional 210 local government shared service arrangements since 2011. It is now common place for councils to share services, with 337 of the 353 councils in England using 383 shared services. The following table, taken from the Local Government Association shared service map, shows that there has been a particular growth in the number of these arrangements taking place in London.



The recent growth has been largely due to shared services being considered a viable transformation initiative to find savings to aid the fiscal challenges ahead for councils. Due to this we feel there is a window of opportunity to market our services over the next eighteen months to the public sector if we are to meet our objective of being a preferred provider of shared services within the market.

The shared services seen to date have tended to be geographically focused. There may be some opportunities for oneSource to provide a national coverage for some of the services it offers, for example transactional services, but initially our most likely market geographically is considered to be London and Essex due to potential constraints with the staffing location of new customers (depending on the on-boarding method and TUPE requirements).

An analysis of our geographically close local government market shows a number of established local government partnerships across London and Essex (appendix 1). These back office shared service partnerships are mainly for discrete services such as HR and Legal rather than for the full range of services which oneSource offers. This shows that these councils are open to sharing services with others and that there are opportunities for them to make further savings through a larger partnership with

organisations such as oneSource.

In addition to this geographic group, Havering and Newham have a number of existing partnership links which could be explored and further developed. The One Oracle group is currently considering options for a shared service between the founding six partners for their transactional services. This could offer a potential opportunity for oneSource, with Havering and Newham being members of the group, should the One Oracle group consider the option of utilising an existing partnership.

Analysis of the macroeconomic environment:

A PESTLE analysis is in effect an audit of our environmental influences with the purpose of using this information to guide our strategic decision-making. The assumption is that if we are able to audit our current environment and assess potential changes, we will be better placed than its competitors to respond to changes.

To help make decisions and to plan for future events, we need to understand our wider 'macro-economic' environments in which we operate (the macro-environment includes all factors that influence an organisation but are out of its direct control). An organisation on its own cannot affect these factors, nor can these factors directly affect their profitability, but by understanding these environments, it is possible to take the advantage to maximise the opportunities and minimise the threats to oneSource.

Political

There is some political uncertainty with the general elections in 2015 and how this may affect future opportunities to work together. With the current financial settlement it is expected that collaboration across councils will continue and likely to gather further pace. Havering and Newham have evidenced that different political parties can work together and by having an existing shared service in place it is hoped that this will help position oneSource well for any future collaboration policies.

Economic

Each customer segment will be subject to different economic pressures with local government having front loaded budget reductions and higher education and blue light services being back loaded. This will mean that the sectors will be choosing the harder strategic projects at different times when they need to make the more difficult budget decisions. This will affect how we will target and segment our customers as there will be some sectors which will be keener to have a discussion on collaboration than others.

Our approach to business development will need to be able to adapt to changing EU procurement caselaw. Over the last year the public procurement rules have been challenged in the Piepenbrock case which considered the scope of "in-house" exceptions, this helped clarify the partnership model for oneSource and level of decision making required. Emerging caselaw may change our differential advantage with competitors, particularly from the private sector when it effects if an OJEU process is needed or not, as being able to partner without a tendering process is a clear advantage for us.

Socio-cultural

A major factor for oneSource in on-boarding new customers or partners will be culture, which will be different to each sector and organisation. Central government may have an issue with having services run by a local authority or other councils may have difficulties

being actively supported by another. These issues will need to be considered early in discussions with potential partners/customers and are likely to affect the most probable on-boarding method.

In terms of oneSource's culture we have begun to define and embed this, but our cultural change activity does need to increase in order to meet the challenges of incorporating further cultures into oneSource.

A further challenge for us will be to adapt to the changes in our customer population, this may be due to large demographic changes or changes in customer base where the councils themselves have shrunk. We need to ensure that our service model is adaptable and sizable.

Technological

Technological issues can determine barriers to entry, efficiency levels and influence commercial decisions for new partners and customers. Although we have actively utilised common systems and processes to maximise savings, this does not need to be a deal breaker for new partners. We can work with organisations with different systems and processes but this would affect the level of savings achieved, in fact having different systems for some services, such as benefits may help our differential advantage as we could service a wider proportion of the market.

Costs of providing ICT services to others, which will include infrastructure, linking different systems and differing levels of security across sectors will need to be considered within our on-boarding planning and potential savings levels.

Legal

There are a number of regulatory factors which affect oneSource. The main legal areas that concern business development are EU procurement issues, legal challenge and insurance. All of these factors have been built into how we have partnered to date and will be included in the process of bringing on-board potential new partners and customers.

Environmental

The main environmental concern for oneSource is around the geographical location of the partnering organisations. When looking at the business model and future partners consideration of the locality of services will be assessed to take into account transport requirements; how easy it is to service remote bodies and if we can travel there without impacting the environment, as this will directly affect how the business will operate.

Customer segmentation

It is important for us to understand who our potential customers are and their different characteristics and perceptions of them through segmentation. A segment is a group of customers with similar characteristics, by breaking customers into segments we can identify; how best to access them, give them something they want and prioritise which customers are most important and why.

Defining oneSource's target customers

These customer segments have been analysed and scored to identify our target customers. The scoring considered:

- accessibility

- size of the customer segment
- readiness to trade
- profitability
- fit with oneSource strengths
- relative weakness of competition.

The scoring results are shown in the table below.

	Accessibility	Size of segment	Readiness to trade	Profitability	Fits in with our Strengths	Relative weakness of competition	Total
Central Government	1	5	5	3	3	1	18
London Councils	5	5	5	2	5	2	24
County Councils / Unitary	4	5	5	2	5	2	23
District Councils	4	4	5	2	5	3	23
Education (up to FE)	5	3	2	2	4	3	19
Council owned Companies	4	3	2	3	5	2	19
Voluntary / 3rd Sector	3	5	2	1	3	3	17
CCG (health)	4	4	3	3	4	1	19
Housing Associations	4	3	3	4	4	2	20
Education (HE)	4	4	2	4	4	2	20

(high score = target market)

The results show that our initial target customers is local government, this is due to the sectors readiness to trade and our strengths and experience within this market, these target customers will be used in the marketing plan and in PR campaigns.

Competitor analysis

Readiness to trade

oneSource is new to the shared service market, being created April 2014. We have been focusing our efforts on integrating our Havering and Newham services and are now looking at potential opportunities to trade.

There is a well-established history of local government sharing services with the private sector on an outsourcing partnership model. Such private sector partnerships would be awarded through a full OJEU tendering process. There is a growing market for local government to trade with each other on a greater scale, using the various local government acts rather than contract tendering to share services and operate together. These acts include:

- Section 101(5) and 102 Local Government Act 1972
- Sections 9EA and 9EB of the Local Government Act 2000
- Section 123 Local Government and Public Involvement in Health Act 2007

- the Local Authorities (Committee System) (England) Regulations 2012
- Section 1 of the Localism Act 2011
- Section 111 Local Government Act 1972.

oneSource has an opportunity to market itself as a real alternative to outsourcing by using a partnership on-boarding method, the same as how Havering and Newham have partnered, offering the advantage of reduced setup costs, speed of implementation and reducing the need for TUPE and the impact on pension funds.

The private sector market has been developing shared service offerings for over 20 years, since shared services became a mainstream business strategy, so private sector organisations such as Capita and Serco are well placed and resourced to tender for large scale contracts.

In order to compete in this market, oneSource would need to trade through a company and be able to provide detailed costing, method statements, credit checks, references and have a track record of managing such contracts.

When reviewing our readiness to trade, our ability to compete within a fully competitive tender process has been considered. It is thought that we are currently not in a position to participate in a full OJEU tendering process due; to the resources required for this activity, the ability to provide full costings, the availability of references and case studies and the maturity of services. In order to decide if competing in this market is viable it is recommended that a further piece of work is undertaken to develop this potential offering, considering the value of the market against the expected investment costs and potential cost of failed contract bids which can be significant.

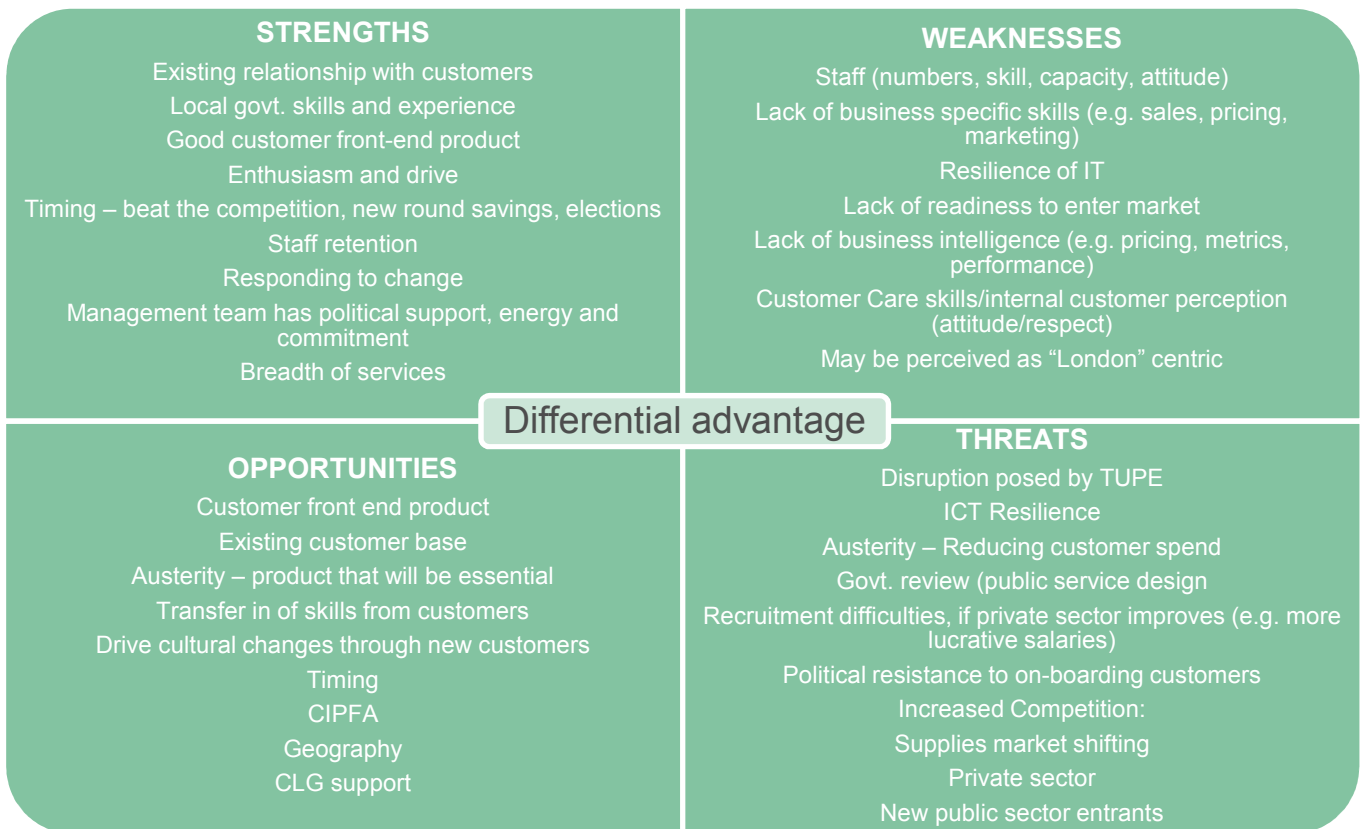
The ability to trade has been concentrated to the short and medium term in this document with the overall ambition to be for oneSource to fully compete within the wider commercial market in the longer term, subject to the above study and it's viability.

Differential advantage

In order to fully understand our differential advantage in the market a SWOT analysis has been undertaken to consider our strengths, weaknesses, opportunities and threats.

The strengths and opportunities will form part of our product offering, unique selling point and promotional pitch. These include:

- the potential level of savings that can be achieved through being a oneSource partner or customer
- oneSource being a real alternative to outsourcing
- how we understand the public sector
- offering a flexible approach to on-boarding.



It is proposed that we develop the identified weaknesses and threats into an action plan, to reduce the impact of those which can be influenced. It is recommended that each service analyses its own strengths, weaknesses, commercial viability and market opportunities to establish those which are ready to market their services and where action needs to be taken to make services ready.

Unique selling points

An alternative to outsourcing

oneSource offers public services a true alternative to outsourcing to the private sector as a way of reducing the costs of their back office services, as well as a number of significant advantages which include:

- immediate savings through reducing duplication and cutting management costs
- on-going efficiency gains through re-engineering services and adopting common processes
- a shared service that can be set up quickly, compared with the time and cost of a lengthy procurement process
- a way to potential avoiding the complexity and costs of a lengthy TUPE transfer of staff, depending on on-boarding method
- the opportunity to take a close look at existing services and introduce more efficient ways of working
- access to a greater pool of resources, skills and professional expertise, giving organisations more flexibility and resilience

- gives customers more control over the future direction and development of their support services, depending on on-boarding method
- benefits from new systems and technologies introduced across oneSource
- a flexible approach to on boarding to help set up shared service.

Our public sector experience

oneSource has been developed by local government specialists who have a wide range of experience and expertise across many different public services.

This means that we understand the financial pressures, political issues and people challenges that organisations face, and have used this understanding to build oneSource. Our model was developed in consultation both with shared services experts, our own internal customers, trade unions and staff.

We bring a strong public service ethos to our work. We recognise that high levels of customer satisfaction are key to the future success of oneSource and have put customer focus at the heart of our organisational values.

A flexible approach to on-boarding

We know that if an organisation is considering becoming part of a shared service, one size may not necessarily fit all.

That's why we will offer new organisations joining us a highly flexible approach to achieving the maximum benefits and savings from working with oneSource.

This means flexibility in the range of services shared - we will work with potential customers to develop a full shared support service but are equally happy to discuss how we can support organisations in providing finance, HR, payroll, or any other individual support services.

We will tailor the best approach to on-boarding an organisations services that make it as easy as possible to deliver a shared services solution.

On-boarding options

There are a range of onboarding methods available for partners and customers to join oneSource depending on the type and size of product they choose. This flexibility is a big potential differential advantage for oneSource. We will use five main on-boarding methods for new business. Each new customer opportunity will be dealt with individually, offering an onboarding method with suits that organisation thus optimises the savings available to them and manages the risk for us. The on-boarding options are detailed below.

Full partner of the Joint Committee

This option would mean there would be a new equal partner joining the oneSource Joint Committee. The new partner council would delegate authority to undertake services to the joint committee as Havering and Newham have. The main benefits for this method for the joining partner are lower implementation costs and that as staff remain employed by the partner council there is no TUPE of staff and it minimises the impact on the council's pension fund. This method offers oneSource a potential share in savings and further efficiency savings through economies of scale, although would see a reduced control of existing partners on the joint committee and may require a restructure of the senior management and service structure of oneSource.

As this was the chosen method for Havering and Newham it is likely that this method would be attractive to others who are looking to share some or all of their support services particularly to those who want to retain a high level of control. They will receive the expertise of services already sharing and could be seen as a favorable alternative to outsourcing.

Junior partner of the Joint Committee

This option would see a new partner joining the Joint Committee as a reduced member so that the founder members have a majority seat, again the new partner council would delegate authority to undertake services to the joint committee as Havering and Newham have. As with a full partner, the main benefits for this method for the joining partner are the lower implementation costs and that as staff remain employed by the partner council there is no TUPE of staff and it minimizes the impact on the council's pension fund. This method offers oneSource a potential share in savings and further efficiency savings through economies of scale, although may require a restructure of the senior management and service structure of oneSource.

This could be an option for new partners who would like to share just some of their support services; they will receive the expertise of services already sharing and could be seen as a favorable alternative to outsourcing.

Part share owner of a joint committee company

This option would require a joint committee company to be setup, where new customers would own a proportion of shares. The founding members would also own a proportion of shares, the number of which would be decided depending on the level of control required. Such an approach would protect the current joint committee and would not require an OJEU process for the new partner and may be useful for smaller customers or those who do not want the joint committee option. This option would require staff to be TUPEed to the company. A company has been set up for this use with 50/50 ownership between the two founding councils.

Customer through a lead authority

This option offers being a basic customer of the Joint Committee, where the customer organisation will delegate its required functions to either/or both Havering and Newham. This option would need to be tested to see if it meets the requirements following new caselaw on the EU procurement rules on public procurement, to ensure that it does not require an OJEU process. This option offers the benefits of a reduced cost of no OJEU process and retaining control for the founding partners over the joint committee, but would require a staff TUPEing to the lead authority and therefore would have some pension fund issues.

Customer through an OJEU process

This option again would find the new customer being basic customer of the joint committee but would require a full OJUE contract tendering process. This option would require oneSource to setup a company and although it would protect the joint committee membership, it would require TUPEing of staff and managing the associated pension issues.

The profitability of all of the above options would need to be reviewed when considering each potential approach to on-boarding, it's offering and would need to be tested on the market to check how competitive it would be.

The on-boarding methods, when it would be used and their advantages and disadvantages for all of these options are detailed further in appendix 2.

We are keeping the on-boarding options open in order to be flexible for new partners or customers and to tailor each opportunity. Within the target customer market it is likely that a full partner option would be attractive when wanting to share on a large scale. It is recommended that the approach to how savings would be calculated and shared for this type of option is discussed early in assessing our business development, as savings levels need to be a key driver to our new business decisions.

Implementation

Current offering

oneSource have a number of products to offer the market, these have been broken into four main areas of opportunity, which are:

- A total shared service offering - all back office services – through discussions with potential partners
- Individual services or a group of services
- Transactional service center – undertake transactional activity
- Consultation and project and programme management.

These products available will be tailored into a bespoke offering to each potential customer which will consider:

- the number and size of services being offered
- the potential savings level and income opportunity
- the onboarding method options
- TUPE and staffing requirements
- oneSource capacity and readiness
- ICT requirements and constraints (considering the similarities and differences in ICT systems)
- cultural and political fit
- any geographical constraints (including the impact on the management capacity if managing staff in multiple non neighboring areas)
- any risk to current oneSource partners.

oneSource business objectives are to:

- market services through discussing a bespoke partner or groups of services offerings to regional districts, unitary authorities and London boroughs in the short term (1-2 years)
- market groups of services to others using a costed service catalogue in the medium term, the offering will be based on a unit cost comparison and timescales for this to be linked to the service reviews. This would be subject to a further piece of work to review the resource required and viability and may be more relevant to transactional type services. (18 months)
- to compete and be successful in a full competitive tender process, to do this oneSource will need to have full unit costs, a range of case studies and references

available in the longer term and raise its profile within the wider commercial shared service market in the longer term. Significant investment in resources would be required for this and there is also a risk of losses of this investment through abandoned or unsuccessful tenders. (>3 years).

The marketing mix

Marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably. It is all about getting the right product or service to the customer at the right price, in the right place, at the right time. Both business history and current practice remind us that without proper marketing, companies cannot get close to customers and satisfy their needs, and if they don't, a competitor surely will (*Chartered Institute of Marketing*).

The marketing of the oneSource brand and products will be targeted to the market; this will be undertaken through a range of activities detailed in this section. The marketing approach has been based around product, price, promotion and place, which have been extended to include people.

Development of an interim marketing plan

A full marketing plan needs to be developed for oneSource. In the meantime an interim marketing plan should be implemented to maximise awareness of oneSource in its target local government markets and take advantage of any early business opportunities.

This interim marketing plan recommends ways that oneSource can do this over the next twelve months using:

- a core narrative and key messages
- media targeting
- award entries
- use of social media
- events and speaking opportunities
- best practice communities.

A more detailed plan of external profile raising activities has also been produced - some of these are highlighted below, and a calendar of activities and events is being developed. Marketing activities will be co-ordinated through the Business Services team.

To support these activities oneSource will:

- produce high-quality marketing material for use at events and to send in response to enquiries
- further develop the oneSource website; including taking specialist advice on Search Engine Optimisation to ensure that oneSource appears high on any appropriate searches.

Core narrative and key messages

oneSource needs to have a core narrative and key messages which are used consistently in any marketing activities and conversations with potential customers. The following key messages are suggested:

- Havering and Newham councils have worked in partnership to create oneSource, a new shared back office support service
- we would welcome other public services joining oneSource to reduce the costs of

their own back office functions.

- we believe that oneSource offers a real alternative to outsourcing your support services because:
 - The shared service can be set up and start to achieve savings very quickly
 - you retain control over future development of the service
 - you can avoid the complexity and cost of a complex TUPE transfer (depending on the on-boarding method used).
- oneSource can help you make savings through:
 - reductions in senior management costs
 - productivity gains through eliminating duplication
 - efficiency gains through re-engineering services and adopting common processes.
- we offer a flexible approach to on-boarding, allowing other public services to join oneSource in the way that works best for them
- oneSource can work with you in three ways:
 - full sharing of support services
 - providing individual services such as payroll, HR or finance
 - providing consultancy and advice.

Talking to others in our target customer market

The decision to collaborate on a large scale with others is likely to be a difficult one and only considered when there is a real financial motivation to do so and when other transformation initiatives have been tried or discounted. The type of collaboration preferred is likely to be different for each customer segment or organisation, with some favouring a true partnership and others an outsourcing model with elements of working together. The decision to fully collaborate and partner with others within local government is likely to be a political one and therefore building trusted relationships at a Leader, Mayoral and CEO level will be critical.

Therefore in order to identify potential new partners we are actively looking to meet with like minded councils who are considering collaboration to see how we can work together. This will be explored through existing working relationships and by identifying those who are considering a shared service journey through networking events and exhibitions.

Media targeting

oneSource should carry out a proactive programme of targeting positive news release and features at the national, trade and specialist media. This would include local government media and the specialist media for each oneSource function.

Media targeting activities would include:

- regular news releases on key oneSource milestones and achievements (e.g. new customers, senior level appointments, external validation)
- identifying opportunities to pitch feature and interview ideas to editors
- regular scanning of forward features lists for possible opportunities
- offering to contribute to comment or opinion pages.

Award entries

Entering appropriate professional awards gives the opportunity for oneSource to tell its story and raise its profile. The oneSource narrative should be used as the basis for all the

award entries, which will ensure consistency and reduce the workload in writing individual entries. Examples of possible awards to enter in 2014-15 are:

- APSE Public Service Awards (*already entered*)
- MJ Awards
- LGC Awards.

Use of social media

Well managed use of social media channels will provide opportunities to increase awareness of oneSource amongst its target markets and potential customers. In particular oneSource should make use of Twitter and LinkedIn.

Use of Twitter would include:

- regular, managed tweets of oneSource news and information
- following potential customers, decision-makers and business leaders
- engaging in Twitter conversations about relevant shared service and public sector issues.

oneSource already has a Twitter account set up, which is @onesourceuk. This will be managed within by the Business Services team.

Use of LinkedIn would include:

- ensuring that all oneSource Directors and senior managers have up-to-date profiles, referencing oneSource
- actively connecting with potential customers, decision-makers and business leaders and joining relevant LinkedIn groups
- setting up a oneSource LinkedIn company page
- investigating use of the new LinkedIn blogging feature.

Marketing activities using social media channels should direct people to the oneSource website as their primary source of further information.

Events and speaking opportunities

oneSource should identify any appropriate professional events and conferences where there may be:

- benefit in taking exhibition space
- opportunities for the oneSource Managing Director and Senior Management team to speak about oneSource
- networking opportunities.

Contacting the organisers at an early stage and offering to provide a speaker, or contribute to a workshop, before they draw up the event programme can often pay dividends.

Possible conference and speaking opportunities for 2014/15 are set out below. As with awards entries, there may be additional opportunities which individual oneSource colleagues are aware of.

- LGA annual Conference and exhibition 2014 or 2015
- individual LGA conferences or events
- Local government conferences, organised by private companies e.g; Capita,LGC
- Government Knowledge (Future of Public Service Design and Delivery)

- Public Sector People Management (PPMA) – Annual Seminar (have a session on Transforming Public Services)
- CIPFA Annual Conference
- Lawyers in Local Government Conference
- Public Sector ICT Conference
- Government ICT Conference.

There may also be opportunities for the Mayor/Leader to make reference to oneSource in any appropriate speeches that they are giving at events. They should be encouraged to do so and provided with background notes.

The oneSource Senior Management Team should also actively promote oneSource at their own professional events and networking meetings and offer to give presentations at their annual conferences, for example:

- Society of London Treasurers
- London Connects Board
- London Councils Heads of HR Network.

Best practice communities

Local government, and its individual professions, have a variety of best practice communities and websites, which welcome and actively encourage contributions on appropriate topics. oneSource should actively identify and contribute to these.

Examples include:

- Local Government Association Knowledge Hub
- SOLACE Policy Briefings
- Guardian Local Leaders Network/Public Leaders Network
- CIPD Community and blogs.

Measurement and monitoring

The success of oneSource's commercial development will be monitored by the oneSource Management team. All new commercial opportunities should be reported to this group detailing the commercial opportunity, this should include details of:

- impact on the oneSource operating model
- a financial analysis of the Income/savings
- HR implications for oneSource (for example TUPE)
- details of how the new opportunity will be resourced (spare capacity or additional staff) including details of volume of expected work and impact on the management structure of oneSource
- risks of the opportunity to oneSource including impact of level of understanding of the work/customer and the ability of the service to take on additional customer opportunities (critical mass).

The oneSource Management team will make a commercial decision if to pursue each opportunity, referring to the Joint Committee where necessary, taking into account other opportunities, the oneSource overall commercial development and fit with the oneSource operating model.

Income/savings from other customers will be reported within the oneSource key

performance indicators so they can be reflected in the overall savings oneSource offers to Havering and Newham Councils.

Appendix 1 – Current shared service arrangements in London and Essex

London

Partners	Service	Financial benefits realised	Efficiency Figure
Brent, Ealing, Harrow, H&F	Property and Asset Management	£10.3m over 5 years	£10.3m
B&D, Brent, Croydon, Havering, Lambeth, Lewisham, Newham	Oracle's ERP software	£0	Not stated
Camden, Wandsworth	Pensions	£50,000	£50,000
Camden, Islington	Internal Audit	£150,000	Not stated
Camden, Islington, Hackney	One CedAr (Potential single financial service, individual services not listed)	£0	Not stated
Croydon, Lambeth, Southwark, Newham	Barristers Framework Contract	£25,000	£100,000 per year over a four year period
Havering, Newham	Shared ICT Service	£3M	Not stated
Havering, Newham	oneSource		£40M
Brentree District Council, Brentwood Borough Council, Basildon District Council, Castle Point Borough Council, Chelmsford Borough Council, Colchester Borough Council, Harlow District Council, Maldon District Council, Rochford Borough Council, Uttlesford District Council, Southend-on-Sea Borough Council, Thurrock Council, Tendring District Council, Epping Forest District Council, Essex County Council, London Borough of Havering, Essex Cares, Lee Valley Park Authority	HR (Vine HR)	£1,000,000	Not stated
Lambeth, Southwark	Legal	£166,500	£100,000 per year over a 4 year period
Kingston, Richmond	HR	£290,000	Not stated
Merton, Richmond	Legal	£250,000	
Merton, Kingston, Richmond	HR databases and Payroll	£260,000 p.a.	£10m for all 3 for the duration of the contract
Merton, Sutton	HR	£250,000	Not stated
Kingston, Richmond	Internal Audit and Investigation	£85,000	£85,000 p.a.
Merton, Kingston, Richmond, Sutton	Legal (in development)	£0	£600,000 potentially over four years between the four boroughs

Merton, Sutton	ICT Services	£303,000	Not stated
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Essex

Partners	Service	Financial benefits realised	Efficiency Figure
Braintree District Council, Brentwood Borough Council, Basildon District Council, Castle Point Borough Council, Chelmsford Borough Council, Colchester Borough Council, Harlow District Council, Maldon District Council, Rochford Borough Council, Uttlesford District Council, Southend-on-Sea Borough Council, Thurrock Council , Tendring District Council, Epping Forest District Council, Essex County Council, London Borough of Havering, Essex Cares, Lee Valley Park Authority	Vine HR	£1,886,216 (since 2004)	Not stated
Braintree District Council, Colchester Borough Council, Epping Forest District Council, Harlow District Council, Tendring District Council, Uttlesford District Council	North Essex Parking Partnership	£20,000 saved per year	Not stated
Essex County Council, Southend Borough Council, Thurrock District Council, Basildon District Council, Braintree District Council, Brentwood Borough Council, Castle Point District Council, Chelmsford Borough Council, Colchester Borough Council, Epping Forest District Council, Harlow Council, Maldon District Council, Rochford District Council, Tendring District Council, Uttlesford District Council, Plus fire and rescue and police authorities.	Improvement East Asset Management Project	£0	Not stated
Essex County Council, Southend Borough Council, Thurrock District Council, Basildon Borough Council, Braintree District Council, Brentwood Borough Council, Castle Point District Council, Chelmsford Borough Council, Colchester Borough Council, Harlow Council, Maldon District Council, Rochford District Council, Tendring District Council, Uttlesford District Council, Essex Police and Essex Fire and Rescue	Essex Online Services (Technology)	£0	Not stated
Braintree District Council, Brentwood Borough Council, Basildon District Council, Castle Point Borough Council, Chelmsford Borough Council, Colchester Borough Council, Harlow District Council, Maldon District Council, Rochford Borough Council, Uttlesford District Council, Southend-on-Sea Borough Council, Thurrock Council , Essex County Council	Essex Public Law Partnership	£235,081 savings and £157,421 income	Not stated
Broxbourne Borough Council and Harlow District Council	Head of Internal Audit	£17,000	£24,000 from 2014
Braintree District Council, Uttlesford District Council	Climate Change	£0	Not stated
Cambridgeshire County Council, Suffolk County Council, Norfolk County Council, Central Bedfordshire Council, Bedford Council, Southend-on-Sea Borough Council, Thurrock Council , Luton Borough Council , Milton Keynes Council , Peterborough City Council	E2BN (Regional Broadband Consortia). Procurement exercises, sets up framework arrangements for the purchase of school related IT infrastructure and services. In addition it also	£1m across region	Not stated

	provides Content Services, Network Services and Training Services		
Braintree District Council, Castle Point Borough Council, Colchester Borough Council, Rochford District Council	Joint Procurement of ICT Contract	£1,050,000	£7,000,000 over 5 years
Chelmsford City Council and Maldon District Council	Community Safety and Emergency Planning	£22,500	Not stated
Chelmsford City Council and Maldon District Council	Emergency Planning and Business Continuity	£13,250	Not stated
Colchester Borough Council, Braintree District Council	Shared HR/Payroll System	£10,000	Not stated

Appendix 2 – On-boarding methods

Boarding Method	Full Partner of Joint Committee	Junior Partner of Joint Committee	Part Share Owner of JC Company	Customer Through Lead Authority <i>(NB: may not be possible through EU procurement rules)</i>	Customer Through OJEU Process
Description of option	Equal partner on Joint Committee	Reduced members on JC so that founder members have majority	Company owned by Joint Committee. Founder members own proportion of shares. (Proportion TBD). New customers to own further proportion (TBD) – (note issues for legal services)	Basic customer of Joint Committee. No shared membership of JC or a company.	Basic customer of Joint Committee. No shared membership of JC or a company.
Governance issues	Voting mechanism to protect founder members? Need to amend JC Agreement	Voting mechanism to protect founder members? Need to amend JC Agreement	Interaction between JC members and share holders Share holder majority issues	Customer voice. Possible customer sub-committee? Customer Client Unit	Customer voice. Possible customer sub-committee? Customer Client Unit
Basis of on boarding	Partner delegates to JC Staff remain with partner	Partner delegates to JC Staff remain with partner	Staff TUPE to company. Could TUPE to JC councils and SLA costs to company Management Agreement between company and partner	Delegates to either or both JC councils Staff TUPE to either or both councils	OJEU tender process Staff TUPE to either or both councils of JC or company
When would option be used?	Partner wishes to join all / majority of services provided by JC Minimum cash value of services shared Agreement of 2 founder members required Councils only	Dependent on services to be shared with JC and / or cash value Number of members on JC could depend on services shared / cash value Councils only	Partner not interested in JC membership Founder member(s) not wanting to give membership to JC Small customers not wanting OJEU process Customer cannot be a member of the Joint Committee i.e. not a local authority	Partner not interested in JC membership Founder member(s) not wanting to give membership to JC Small customers not wanting OJEU process	If customer wants to use an OJEU process to market test services Company option could still be used to bid
Advantages of boarding method for customer	No expensive OJEU process Minimises any pension fund issues No TUPE of staff Possible share of future customer savings	No expensive OJEU process No TUPE of staff Minimises any pension fund issues	No expensive OJEU process if company shareholder Possible share of company surplus	No expensive OJEU	Market testing

Disadvantages of boarding method for customer	No market testing (although could do so for this basis of boarding)	No market testing (although could do so for this basis of boarding)	No market testing (although could do so for this basis of boarding) TUPE of staff Possibly pension fund issues	No market testing TUPE of staff Possibly pension fund issues	TUPE of staff Pension fund issues
Advantages of boarding method for founder members	Reduced costs as no OJEU process Minimal pension fund impact	Reduced costs as no OJEU process Minimal pension fund impact	Reduced costs as no OJEU process No pension fund impact (possible?) Control over JC retained	Reduced costs as no OJEU process Control over JC retained	JC Membership protected
Disadvantages of boarding method for founder members	Control within JC reduced Possible major senior management restructure	Control over JC possibly reduced	Additional overheads of running company	TUPE of staff Pension fund issues	TUPE of staff Pension fund issues Cost of tendering through OJEU process if unsuccessful

Appendix 3 – Action plan

Activity Details of the activity that needs to be completed	Output What is the intended output (result/deliverable) from the action?	Who (Responsible owner) Who is responsible for the activity?	Who (Implementation team) Who is delivering the activity?	Start When will the activity be started	When (Implementation deadline) When must the activity be complete?
Cost service catalogue.	Costed service catalogue complete offering the ability to provide unit costs for competitive tendering.				
oneSource offering sheet including general benefits and high level costs/savings.	oneSource offerings sheet to use for promotional events and new business enquiries, to show the overall benefits of using oneSource.				
Each service area to analyse its own commercial viability and market opportunities to establish those which are ready to market their services and identify the action needs to be taken to make services ready.	Ability for each service to successfully market services and be able to compete in a competitive tendering environment.				
Develop marketing brochure.	Marketing brochure available to promote oneSource	Tim Smith	Tim Smith	June 2014	End June 2014
Develop full oneSource website.	Full oneSource website in place which will include a complete re-design of the current interim site and search engine optimisation.				
Agree marketing key narrative and core messages.	Crib sheet of key narrative and core messages available for the marketing and promotion of oneSource.	OMT	Tim Smith	June 2014	End June 2014
oneSource stand at CIPFA Conference	To raise the profile and promote oneSource to the wider market.	Sandy Hamberger	Business Development team	June 2014	July 2014
Agree oneSource marketing activity	To raise the profile and promote oneSource to the wider market.	OMT	Tim Smith	June 2014	ongoing
Senior oneSource stakeholders to have conversations with key senior council contacts, to promote the service.	To raise the profile and promote oneSource to the wider market. Marketing brochure, key narrative and core messages to be provided. Meetings to be agreed by MDs and logged to monitor marketing activity.	MDs	Business Development team	July 2014	ongoing

<p>oneSource Senior Management Team to actively promote oneSource at their own professional events and networking meetings and offer to give presentations at their annual conferences.</p>	<p>To raise the profile and promote oneSource to the wider market. Marketing brochure, briefing notes, key narrative and core messages to be provided. Such activity to be logged to monitor marketing activity.</p>	<p>OMT</p>	<p>OMT</p>	<p>July 2014</p>	<p>ongoing</p>
<p>Evaluate potential to trade commercial, including required resources and viability.</p>	<p>To understand how oneSource can trade commercially and compete in the outsourcing market.</p>	<p>OMT</p>	<p>OMT</p>	<p>TBD</p>	<p>TBD</p>



HAVERING AND NEWHAM SHARED BACK OFFICE SUPPORT SERVICE

JOINT COMMITTEE	24 October 2014
Subject heading:	oneSource Transformation Update
Report author and contact details:	Tony Huff, 01708 434155, tony.huff@oneSource.co.uk
Financial summary:	<p>The oneSource Business Case identified that savings of £4.1m could be achieved in 2014/15. This report identifies that to date projected savings from transformation reviews and other restructures have identified savings of £2.1m in 2014/15. Other transformation reviews are currently in progress or still to be commenced in 2014/15 that will contribute to the target. The overall budget monitoring report shows that oneSource is on target to deliver the required savings.</p>
Is this a Key Decision?	No

SUMMARY

This report looks at the transformation projects being undertaken to deliver the oneSource savings as outlined in the shared service business case approved by both councils. The report outlines the processes used for transforming services within oneSource and provides an update on progress to date.

Overall benefit realisation is being managed by the Business Services Team.



RECOMMENDATIONS

The Joint Committee is recommended to note progress on delivering the required savings from oneSource in 2014/15.

REPORT DETAIL

1. Background

1.1 The business case approved by Newham and Havering Councils in November / December 2014 set out challenging and substantial savings to be delivered by oneSource over a 5 year period. The saving targets are set out in table 1 below.

	Estimated Savings				
	Year 1 2014/15 (£000)	Year 2 2015/16 (£000)	Year 3 2016/17 (£000)	Year 4 2017/18 (£000)	Year 5 2018/19 (£000)
Havering	1,460	2,829	3,314	3,566	3,904
Newham	2,652	4,961	5,629	6,182	6,708
Total	4,112	7,790	8,943	9,748	10,612

Table1. OneSource Business Case savings

1.2 The business case savings were predicated on a complete review of services provided by oneSource within an overall timetable. This timetable was revised and noted by the Joint Committee at its last meeting. The revised timetable is shown in table 2 below.

Year 1	Year 2	Year 3
<ul style="list-style-type: none"> • NNDR • Facilities Management • Health and Safety • Management of School Capital • Property • Technical Services • Audit, Insurance and Risk • Pensions (contract at LBN) • Procurement • Democratic Services • Election Services 	<ul style="list-style-type: none"> • Payroll • Transactional Finance • Transactional HR • Operational / Strategic Finance • Operational / Strategic HR • Debt Management / Recovery team 	<ul style="list-style-type: none"> • Benefits • Council Tax

Table 2. Transformation Programme timetable

- 1.3 The transformation programme is lead by a team within Business Services. The Business Improvement team consists of 5 permanent posts topped up with 7 further temporary posts (funded for 2 years). There are 4 teams of 3 people in each team. Each team works on a service project in conjunction with the relevant Director / Manager. Transformation projects can take up to six months to fully analyse the functions and to make their recommendations.
- 1.4 A number of business improvement techniques are used depending on the nature of the service being reviewed. Techniques used include LEAN systems thinking techniques such as value steam mapping, process waste analysis and other techniques such as “rough cut” activity based costing. In addition consultation is undertaken with internal customers of the service (and external customers if relevant).
- 1.5 Outputs of the transformation projects include:
- An executive summary report
 - A savings profile
 - An implementation plan
 - A business case for the recommended restructure
- 1.6 During the review key products are produced that are discussed and agreed at checkpoint meetings with the relevant Director and lead officers. These include:
- An As-Is report – current operating model of LBH and LBN
 - A To-Be report – new model for oneSource
- 1.7 The objective of these projects are to analyse the current operating structures and process models of both council’s back office functions in scope in order to produce the new target operating model for oneSource.

2. Transformation Project / Other Restructure Updates

2.1 ICT

- 2.1.1 The ICT transformation project commenced in the summer of 2013 to test the assumptions in the oneSource business case. By April 2014 final proposals were in place to consult with staff during May / June 2014. The final restructure was implemented over the summer of 2014. The total savings identified are shown in Table 3 below.

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Restructure Saving	485	880	880	880	880
License Savings	100	100	100	100	100
Income from CCTV	100	100	0	0	0
Income from 6th Form College	145	145	145	0	0
Network Savings	80	80	80	80	80
Data Centre Savings	60	285	285	285	285
Total	970	1,590	1,490	1,345	1,345

Table 3. Savings identified in the ICT transformation Review.

- 2.1.2 The transformation project resulted in a restructure of the ICT service across both councils. The new structure is a joint management arrangement, with postholders being responsible for delivering the service in both authorities. There was a net reduction of 34 FTE posts, 17 of which were vacant. The post reductions came from three categories.
- Duplication - where the same or equivalent role existed in both current structures and where proposals were to go down to one role in the new structure.
 - Efficiency - where the “rough cut” activity based costing exercise carried out in the transformation project showed that efficiencies could be made by adopting the operating model and processes in the more efficient council (this varied by function).
 - Capacity - where ICT capacity has been reduced in some areas in order to achieve savings targets. Capacity reductions were kept to a minimum in order to continue to support wider organisational change.
- 2.1.3 Microsoft Licences and Services savings have been achieved through a shared Enterprise Agreement which commenced in April 2014 and enables licence pooling around infrastructure and full sharing of technical support and consultancy services. This new agreement is a subscription model which will also facilitate future cost reductions in a timely fashion as overall council staffing levels reduce.
- 2.1.4 Income from CCTV relates to wiring up of tower blocks to enable a new concierge operating model. This funding covers time limited staff capacity which will be released when the programme ends.
- 2.1.5 Income from the 6th form college is initially for 3 years, with a reasonable expectation that it will be renewed.
- 2.1.6 Network savings arise from renegotiation of local and wide area networks contracts.
- 2.1.7 Data Centre and infrastructure savings arise from the cessation of Newham and Havering’s external data centre and disaster recovery contracts enabled by the sharing of on premise data centres and associated hardware infrastructure.

2.2 Legal Services

2.2.1 The Legal Services transformation project commenced in December 2014 and at this moment in time has a number of draft proposals. These proposals are as yet provisional and a draft structure is currently being designed. Staff will be consulted with in the coming weeks. The provisional savings are shown in table 4 below.

Legal Services Savings	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Minimum	248	612	711	711	711
Maximum	248	612	1,120	1,220	1,220

Table 4. Provisional savings identified.

2.2.2 The minimum savings represent guaranteed savings from the service review process. Savings come from a restructure of the function to maximise legal output from lawyers and reduce / eliminate administrative functions. The purchase of a legal case management system is key to this to reduce administration tasks. The cost (£60k) was funded from the Business Services budget. The case management system allows for the standardisation of processes and the removal of any duplication within the service. The new structure will deliver a single legal function able to provide high quality services to the two councils and be scalable for future partners / customers.

2.2.3 Savings can be maximised from reducing external commissioned work at both councils. This proposal will need further consultation with the two councils and will be dependent on capacity building within the legal services function.

2.3 Asset Management / Internal Audit

2.3.1 The Asset Management and Audit reviews are currently in process. The Asset Management review is covering the following functions:

- Health & Safety
- Schools Asset Management
- Technical Services
- Facilities Management
- Business Support
- Property Services (second half of 2014/15)
- Capital Programmes (second half of 2014/15)

2.3.2 The Audit review is covering the following functions:

- Internal Audit
- Insurance
- Risk Management
- Counter fraud

2.3.3 For the services above where the reviews have commenced all services have been analysed in detail to give the "As Is" stage. The projects have now moved on to the "To

Be” stage with final recommendations and reports by the end of October 2014. Total possible savings realisable will be known at this time.

2.4 Exchequer and Transactional Services

2.4.1 A transformation review light of NNDR (business rates) was undertaken and this has lead to a revised combined structure being developed. Staff will be consulted with on the proposed structure in the coming weeks.

2.4.2 The Director has also undertaken a review of vacant posts within Transactional and Exchequer Services and a number of posts can be deleted in advance of the forthcoming transformation project in this area in 2015. A review of the senior Management structure has also been undertaken across the whole service and a revised structure has been proposed. Again this will be subject to consultation with staff in the coming weeks.

2.4.3 The savings identified to date are shown in table 5 below:

Transformation Projects / Restructures to Date	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Transactional & Exchequer Senior Management Restructure	0	65	65	65	65
NNDR	0	119	119	119	119
Transactional	240	240	240	240	240
Transactional / Exchequer	240	424	424	424	424

Table 5. Provisional savings identified

2.5 Procurement

2.5.1 In advance of the transformation project of the Procurement function across both councils a restructure has been proposed in advance. The proposed restructure removes currently vacant post but also introduces category management into Havering Council and creates a single team across both councils. The restructure delivers £249k in 2014/15 and £343k in following years. There are no proposals for any other changes until the transformation review has taken place. Staff are due to be consulted in the coming weeks.

2.6 Summary of savings to date

2.6.1 A summary of the savings delivered by the transformation projects are shown in table 6 below. Also included are the proposed restructures proposed by Directors outside of the transformation project process.

Transformation Projects / Restructures to Date	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Procurement	249	343	343	343	343
ICT / Business Systems	970	1,590	1,490	1,345	1,345
Transactional & Exchequer Senior Management Restructure	0	65	65	65	65
NNDR	0	119	119	119	119
Transactional	240	240	240	240	240
Transactional / Exchequer	240	424	424	424	424
Legal (Minimum savings)	248	612	711	711	711
Legal (Maximum savings)	248	612	1,120	1,220	1,220
oneSource Senior Management Restructure	423	423	423	423	423
Total Savings (includes min savings where relevant)	2,130	3,392	3,391	3,246	3,246
Business Case Savings	4,112	7,790	8,943	9,748	10,612

Table 6. Provisional savings identified

2..2 It can be seen to date that savings amounting to £2.1m have been either delivered (ICT) or identified. This excludes savings that will come out of the reviews currently in progress. Further savings are being delivered by the oneSource Management Team through budget management through vacancy management and other budget savings. The budget report elsewhere on the agenda identifies that oneSource is on target to spend within budget and on course to deliver total savings of £4.1m for 2014/15.

3.0 Benefit realisation

3.1 The benefit realisation process is undertaken by the Business Services team. All proposed savings are monitored by the team and finance to ensure that the savings are delivered in line with the proposals. This will enable actual savings delivery can be monitored against the business plan target and not potentially masked by other one off or unplanned savings within service budgets. In addition non financial benefits are captured to demonstrate gains for oneSource and the two councils such as the creation of resilience within functions.

REASONS AND OPTIONS

Reasons for the decision:

This report is for information only and does not directly require a decision by the Joint Committee.

Other options considered:

Not applicable.

IMPLICATIONS AND RISKS

Financial implications and risks:

The delivery of the transformation programme directly relates to oneSource delivering the required level of savings as per the oneSource business case agreed by both councils. Table 6 above identifies the savings made so far from transformation and other restructures. Transformation projects currently in process will deliver further savings. The oneSource senior management team is managing the overall delivery of savings and management of the overall oneSource budget. The budget monitoring report reports that oneSource is on course to outturn at budget.

Legal implications and risks:

There are no legal implications identified for this report.

Human Resources implications and risks:

The restructure reports that result from the transformation projects are subject to consultation with staff through each council's managing change policies.

Equalities implications and risks:

There are no equality implications identified for this report.

BACKGROUND PAPERS

OneSource Business Case

HAVERING AND NEWHAM SHARED BACK OFFICE SUPPORT SERVICE

JOINT COMMITTEE	24 October 2014
Subject heading:	OneSource forecast financial position as at August 2014
Report author and contact details:	Owen Sparks Owen.sparks@onesource.co.uk 01708 432203
Financial summary:	The oneSource financial forecast shows a balanced position as at August 2014, period 5.
Is this a Key Decision?	No

SUMMARY

The oneSource forecast financial position shows a balanced position as at August 2014, period 5. This is detailed at service level in appendix A.

RECOMMENDATIONS

The Joint Management Team is asked to note the current oneSource forecast outturn position.

REPORT DETAIL

Background

OneSource forecasting is undertaken using the Collaborative Planning (CP) system. Appropriate financial information is extracted from the Councils' ledgers, consolidated and presented to give joined up service financial positions, from which service managers then calculate forecasts.

From an outturn perspective only the consolidated oneSource position is relevant. Actual expenditure incurred within the individual Council's will be adjusted periodically to reflect the shares set out in the Joint Committee agreement. This allows flexibility over where costs are incurred on a day to day basis, although this will be monitored at a summary level, whilst meeting the partnership efficiency aims, and legal and accounting requirements.

August 2014-15 Financial Position

The overall oneSource forecast outturn shows a balanced position; whilst at service level there are 2 significant variances. An overspend of £236k in Asset Management is due to delays in completing the transformation reviews, and associated implementation of service improvements and efficiencies. This is offset by salary underspends in Finance. These variances are not expected to be ongoing and will be removed following the outcome of current and forthcoming service reviews and in meeting future savings targets.

There are no significant issues currently foreseen in meeting the future oneSource savings targets, with these being challenging but achievable.

The variance apportionment within Appendix A is shown at indicative summary level.

Budgets are shown net of recharges and the 2014/15 savings target of £4.1m has been removed.

IMPLICATIONS AND RISKS

Financial implications and risks:

The financial position of oneSource has a direct bearing on the financial position of both Havering and Newham Councils; with any savings or overspends being shared as set out in the Joint Committee agreement.

Robust financial management processes are in place across oneSource. The budget monitoring process is summarised in the body of the report along with the financial position as at August 2014, period 5.

Legal implications and risks:

There are no significant Legal implications and risks associated with this report.

Human Resources implications and risks:

There are no significant HR implications and risks associated with this report.

Equalities implications and risks:

There are no significant Equalities implications and risks associated with this report.

BACKGROUND PAPERS

OneSource Joint Committee Agreement

OneSource Financial Position

Appendix A

Period 5 - August 2014/15

SERVICE	REVISED BUDGET	YTD ACTUALS	YTD ENCUMBRANCES	ACTUALS + ENCUMBRANCES	YTD REMAINING BUDGET	FY PROJECTED OUTTURN	FY PROJECTED OUTTURN VARIANCE	REASON FOR FY PROJECTED OUTTURN VARIANCE
Finance	567,330	539,968	79,675	619,644	(52,314)	295,070	(272,260)	Staffing Vacancies
Business Services	928,210	478,105	4,860	482,965	795,245	928,210	0	
Exchequer & Transactional Services	15,922,947	4,460,044	170,608	4,630,652	11,292,295	15,963,895	40,948	Slight overspend for P5 forecast - however this includes full savings of £542k being made for 14/15.
Legal & Governance	2,187,640	947,488	50,512	998,000	1,189,640	2,187,640	0	
IT Services	(153,600)	(391,975)	3,525,114	3,133,139	(3,486,739)	(153,600)	0	
Asset Management Services	(82,401)	2,223,593	43,733	2,267,325	(2,499,726)	153,951	236,352	The projected pressure of £236k represents the inability to achieve full year effect of the Year 1 oneSource saving - hence £946k less anticipated mitigation measures via use of underspends.
Strategic & Operational HR	(163,647)	367,393	113,692	481,085	(644,732)	(168,147)	(4,500)	
TOTAL	19,206,479	8,624,616	3,988,194	12,612,810	6,593,669	19,207,019	540	

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Indicative Variance Apportionment

Newham	62%	335
Havering	38%	205