



ONESOURCE JOINT COMMITTEE AGENDA

| | | |
|-----------------|---------------------------------|---------------------------------------|
| 10.00 am | Friday 18 March 2016 | Room W4.06 Newham Dockside |
|-----------------|---------------------------------|---------------------------------------|

**COUNCILLORS: 7
QUORUM: 3**

LONDON BOROUGH OF HAVERING

Councillor Ron Ower (Chairman)
Councillor Melvin Wallace
Councillor Damian White

LONDON BOROUGH OF NEWHAM

Councillor Lester Hudson
Councillor Forhad Hussain
Councillor Ellie Robinson

LONDON BOROUGH OF BEXLEY

Councillor Donald Massey

**For information about the meeting please contact:
Andrew Beesley, Committee Administration Manager
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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 ANNOUNCEMENTS

On behalf of the Chair, 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

2 APOLOGIES FOR ABSENCE

(if any) - receive

3 DISCLOSURES OF INTEREST

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

4 MINUTES (Pages 1 - 26)

To approve as a correct record the minutes of the meetings of the Joint Committee held on 22 January and 3 February 2016, and to authorise the Chairman to sign them.

5 MEMBERSHIP OF THE JOINT COMMITTEE

The Joint Committee is invited to note the membership and to welcome Councillor Donald Massey as the representative for the London Borough of Bexley.

6 ONESOURCE 2016-17 BUDGET (Pages 27 - 42)

7 ONESOURCE TRANSFORMATION UPDATE (Pages 43 - 54)

8 JOINT COMMITTEE SCHEME OF DELEGATION TO OFFICERS (Pages 55 - 78)

9 PROPOSED VARIATION TO THE ONESOURCE LEGAL AGREEMENT (Pages 79 - 82)

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**MINUTES OF A
ONESOURCE JOINT
COMMITTEE MEETING
Town Hall, Main Road,
Romford
22 January 2016
10:00-10:50am**

Present:

Councillors Ron Ower (Chair), Lester Hudson, Forhad Hussain and Melvin Wallace were present.

An apology for absence was received for Councillors Damian White and Ellie Robinson.

There were no disclosures of pecuniary interest.

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

16 MINUTES

The minutes of the meeting of the Joint Committee held on 23 October 2015 were agreed as a correct record and signed by the Chairman

17 JOINT COMMITTEE SCHEME OF DELEGATION TO OFFICERS

The report before Members sought approval for the consolidated Scheme of Delegation to Officers. This followed on from the decisions of both Havering and Newham Councils in 2015 to update the delegation of powers to the oneSource Joint Committee.

The Joint Committee agreed the Scheme of Delegation as appended to the minutes.

18 LONDON BOROUGH OF BEXLEY JOINING THE ONESOURCE JOINT COMMITTEE

The report before Members explained that it was intended that Bexley's Financial Services would join oneSource initially with their agreement to delegate the relevant functions to the Joint Committee. The three partner authorities (Havering, Newham & Bexley) would then explore sharing other back office services with a view to their joining oneSource in future phases if

parties agreed. The savings achieved by eliminating duplication and improving processes and maximising efficiency across the finance service would be shared across all three boroughs using an agreed formula.

It was explained that sharing the finance service of another council would give greater resilience to the combined service and therefore to each council. The inclusion of the finance service of Bexley would demonstrate to other councils that it was relatively straight forward to join oneSource and make savings, thus attracting further partners/customers which would generate further savings.

Members expressed their support for the proposal and welcomed the prospect of another authority joining oneSource. In addition, the Joint Committee noted the report.

19 ONESOURCE FORECAST FINANCIAL POSITION AS AT NOVEMBER 2015

The report before Members explained that the oneSource forecast financial position projected an overspend of £569k as at November 2015, principally as a result of delays in implementing service review recommendations and associated service restructures. There was on-going management action in place to hold non-essential vacancies and delay other non-essential expenditure which would deliver savings and/or additional income. It was noted that the overspend would be met from the 2014/15 underspend carry forward and had to be in the context of savings targets of £4.1m for 2014/15 and £3.7m for 2015/16.

In addition, the services managed by oneSource, but not shared, showed a projected overspend of £99k and an underspend of £666k for Newham and Havering respectively.

The Joint Committee noted the current oneSource forecast outturn position based on the financial monitoring as at the end of November 2015 and the future plans to bring oneSource back within budget.

20 DATE OF NEXT MEETING

The Joint Committee noted that the date of the next meeting would be 3 February 2016, with the meeting taking place in Havering Town Hall.

Chairman

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ONESOURCE JOINT COMMITTEE

SCHEME OF DELEGATION

1. Introduction

- 1.1. On 1 April 2014, the London Boroughs of Newham & Havering established a joint committee under s.101 [5) of the Local Government Act 1972 for the discharge of various executive and non-executive functions of each authority via shared arrangements
- 1.2. This is the scheme of delegation to officers from the oneSource Joint Committee of the participating authorities agreed on 22 January 2016 (subject to agreement) following the delegation of powers to the Joint Committee by the participating authorities as follows:

| Authority | Meeting |
|---|---|
| Approval for the delegation of the scheme of executive functions to the oneSource Joint Committee | Havering Cabinet 8 July 2015 Newham Cabinet, 23 July 2015 |
| Approval for the delegation of the scheme of non-executive functions to the oneSource Joint Committee | Havering Council, 15 July 2015 Newham Council, 21 September 2015 |

- 1.3. As and when additional functions are delegated to the Joint Committee, whether by Newham and/or Havering or an additional participating council, this Scheme will be amended where required following a decision of the Joint Committee.
- 1.4. This Scheme does not form part of any participating council's Constitutions but will be published on each participating council's website.

2. Definitions

| Term | Definition |
|------------------------------|--|
| <i>Joint Committee</i> | The Joint Committee of the participating authorities of oneSource. |
| <i>participating council</i> | Any local authority which is a member of the Joint Committee which may delegate functions to the Joint Committee |

| | |
|--------------------------|---|
| <i>officer</i> | An officer of any participating council |
| <i>oneSource</i> | Officers and services of a participating council falling within the management structure and portfolio of services in oneSource |
| <i>Scheme</i> | This Scheme of Delegation |
| <i>Managing Director</i> | The Managing Director of oneSource / the senior management post in oneSource |

3. Scope

- 3.1. This Scheme applies to all services and officers without exception. The Scheme is additional to any powers delegated to officers:
- 3.1.1. in a participating council's Constitution, Scheme of Delegation or otherwise
- 3.1.2. by virtue of holding a statutory office, e.g. monitoring officer
- 3.1.3. by an express delegation of a participating council to an officer
- 3.1.4. through an agreement under s.113 of the Local Government Act 1972 or any other secondment agreement.

4. Variations

- 4.1. Delegations to the Joint Committee can only be agreed by the participating council's executive or council [depending on whether the functions delegated and to be varied are executive or non-executive functions].
- 4.2. The Joint Committee may vary the delegations in this Scheme.
- 4.3. The Managing Director may vary the delegations in this Scheme for operational reasons or to reflect changes to the oneSource officer structure but any variations that are intended to be permanent must be agreed by the Joint Committee.

5. Schedule of Designations

- 5.1. The Scheme delegates powers to officers in accordance with the following designations.

| Level | Category | Current Posts | Power to further delegate functions |
|-------|--|----------------------|-------------------------------------|
| A | Managing Director, Directors, officers reporting to the Managing Director | [list current posts] | Yes |
| B | Officers reporting to a level A officer | [list current posts] | Yes |
| C | Officers reporting to a level B officer | [list current posts] | Yes |

- 5.2. Each post title will include any successor post title that is responsible for any or all of the services delivered by the previous post title.
- 5.3. The **Managing Director** may exercise any of the powers delegated to officers in this Scheme and / or may delegate any of the powers delegated to officers in this Scheme to any officer, save where prohibited by law and in accordance with the requirements below.
- 5.4. **Level A-C officers** may exercise the powers delegated to officers at a lower category within their Directorate or service.
- 5.5. Additionally, in the absence, for whatever reason, of an officer with delegated powers under this Scheme, his/her powers may be exercised in the following order by:
 - 5.5.1. any officer designated to perform the duties of the absent post holder;
 - 5.5.2. their line manager;

6. Officer Powers to Delegate

- 6.1. **Level A and B officers** should further delegate their powers under this Scheme to any officers within their Directorate/Service (a Level B officer's Scheme of Delegation must be consistent with a Level A officers Scheme of Delegation relating to the same powers).
- 6.2. Any further delegations exercised by oneSource officers must be:
 - 6.2.1. Set out in a directorate scheme of delegation [template at Appendix B] or
 - 6.2.2. Set out in writing [this may include emails or other electronic communication].
- 6.3. All directorate schemes of delegation or individual delegations must be notified to the Managing Director and Director of Legal & Governance.
- 6.4. The Managing Director may nominate in writing a Level A officer as their deputy in his/her absence.

7. General Delegation to Officers

- 7.1. In addition to any specific delegation in the Scheme, the Committee delegates to all Level A and B officers all the powers necessary to enable them to ensure the operational delivery of services within their responsibility.

8. Urgency

- 8.1. The Joint Committee delegates power to the Managing Director to exercise any of its decision making powers if a decision is required before the next scheduled meeting of the Joint Committee and the decision is required for one or more of the following circumstances apply;
 - 8.1.1. To manage or avoid financial or legal risk to one or more of the participating authorities.
 - 8.1.2. For health and safety reasons
 - 8.1.3. Any other reason agreed by the Chair of the Joint Committee

- 8.2. The decision must be made following consultation with the Chair of the Joint Committee and reported for information to the next convenient meeting of the Joint Committee.
9. **Governance**
 - 9.1. Delegated decisions must be made in accordance with a participating Council's constitutional requirements including but not limited to access to information, procurement rules and financial procedures, except for any express delegations made to the Joint Committee by participating authorities.
 - 9.2. In the interests of all participating authorities and good governance, oneSource will always seek to align decision making processes and timetables of each authority when making a decision that affects more than one authority
10. **Publication of Officer Decisions**
11. Decisions with a value over £50,000 must be published in accordance with the participating Council's procedures for the publication of executive decisions made by officers.

Appendix A: Joint Committee Schedule of Delegated Powers

This table sets out the delegations to the levels of officers in accordance with this scheme.

Unless where stated or where a power relates to general management functions, delegations to officers are limited to their directorate or service.

Delegated powers are primarily delegated to an officer at the First Level but can also be exercised by an officer at second level where they fall within the services or areas of responsibility. .

In accordance with section 6.1 above, Level A or B officers should agree directorate/service Schemes of Delegation to ensure sufficient powers are delegated to Level C and lower level officers to ensure the effective delivery of operational services.

All references to policies and procedures in this Scheme are to be read as references to the policies and procedures of the participating Council, where not specified or except where stated.

| | Delegated Power | First Level | Second level |
|----|---|-----------------------------------|--|
| | STRATEGIC MANAGEMENT | | |
| A1 | To have overall responsibility for the provision to the participating Councils of the shared services | Managing Director | |
| A2 | To consider and approve the annual report of the activities performance and finances of the shared services operation | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A3 | To consider and approve the annual service plan for each shared service | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A4 | To determine the strategic direction of the shared services operation | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |

| | Delegated Power | First Level | Second level |
|-----|---|---|--|
| A5 | To determine any strategic issue referred to it by the Managing Director | Not Applicable | |
| A6 | To advise the participating Councils what financial resources are required for the delivery of the shared services operation for three financial years ahead from the current financial year | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A7 | To consider and approve the internal budget for the shared services operation within the overall financial constraints set by the participating Councils and to make representation to the Councils on the consequences of those restraints as appropriate. | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A8 | To oversee the delivery of programmes agreed by participating authorities | Managing Director | Level A |
| A9 | Agreeing provision of goods, materials or services to another body or person, provision of staff under S112 and S113 of the Local Government Act 1972 (or such other provision as may permit sharing of resources between public authorities) and deciding on the charges levied for such provision | For contract values over £500,000 – Joint Committee For contract values up to £500,000 – Managing Director | Directors – contract value up to £100,000 |
| | FINANCE [delegations to officers in Finance Directorates except where stated] | | |
| B1. | Advice on revenue and capital budgets of the participating Council, including the Housing Revenue Account and advising on housing rent levels. | Level A | Level B |
| B2. | Monitoring the revenue and capital budgets of the participating Council, including the Housing Revenue Account. | Level A | Level B |
| B3. | To maintain relevant statutory accounts and registers in respect of the participating council's financial arrangements as prescribed in the financial regulations. | Level A | Level B |
| | Council Tax, Business Rates & BID levy | | |
| B4. | Exercise of all of a participating Council's powers and duties in respect of the administration, collection and recovery Council tax and non-domestic rates. | Level A | Level B |
| B5. | Exercise of a participating Council's powers and duties in respect of the administration of | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|--|--------------|
| | housing benefit. | | |
| B6. | Exercise of the participating council's functions in relation to the administration, collection and recovery of the levy for a Business Improvement District under the Local Government Act 2000. | Level A | Level B |
| | Debt Recovery | | |
| B7. | All powers and duties relating to the recovery of debts owed to the Council, including for council tax and no-domestic rates. | Level A | Level B |
| B8. | All powers to write off sums which are deemed irrecoverable pursuant to financial procedures except Council Tax and Business Rates | Level A & B [all directorates relating to their debts] | |
| B9. | All powers to write off Council Tax and Business Rates debts are deemed irrecoverable pursuant to financial procedures. | Level A & B | |
| | Loan Management & Treasury Management | | |
| B10. | Manage the participating councils' loan debt (including borrowing, investing or lending money on the behalf of the Authority), investments, and temporary investments, and pension fund, insurance fund, act as registrar of loan instruments, manage all banking arrangements including numbers and types of accounts at all times subject to compliance to the financial procedures, Treasury Management Policy Statement and borrowing limits and Prudential Code. | Level A | Level B |
| B11. | Approving all loans in accordance with the participating council's financial regulations and procedures | Level A | Level B |
| B12. | Prepare, propose and implement a treasury management policy statement, annual strategies pursuant to the participating councils' financial regulations and procedures. | Level A | Level B |
| | General Financial Powers [All Directorates] | | |
| B13. | To undertake all other financial matters for the participating Council in accordance with the financial procedures of the participating council and professional accounting standards and | Level A, B & C | |

| | Delegated Power | First Level | Second level |
|------|--|---|---------------------|
| | the authority to incur expenditure approved by the participating Council or the Cabinet [or as provided by this Scheme of Delegation] as appropriate pursuant to limits stipulated in the financial procedures or otherwise and excluding statutory functions retained by the s.151 officer. | [all services] | |
| B14. | To incur expenditure within the revenue and capital budgets for the relevant service in oneSource as approved by the participating Council, subject to any ICT variation permitted by the participating council's contract and financial procedure rules. | Level A, B & C [all services] | |
| B15. | After consultation with the relevant Cabinet Member to apply for, accept and manage grants and other external funding up to a financial limit of up to £500k. | Level A | |
| B16. | To authorise the making of ex gratia payments [or grant of any other benefit] under s.92 of the Local Government Act 2000 [on recommendation by local government ombudsman] | Level A | |
| | Procurement | | |
| B17. | To approve commencement of a tendering process for all contracts up to £500k. | Managing Director up to £500,000 | Level A up to £100K |
| B18. | Power to obtain quotes, to provide tender documents and specifications, invite tenders, evaluate tenders (PQQ) and make recommendations to award tender or select contractors using available frameworks in compliance with the participating council's procedure rules | Level A | Level B |
| B19. | Power to approve contractual documents up to the values stated in the financial procedures including contractual extensions and renewals, amendments or variations to contracts | Level A to C | |
| B20. | Power to refer contracts to arbitration, to terminate contracts, withhold payments and enforce contract terms pursuant to financial procedures. | Level A | Level B |
| B21. | To award contracts on behalf of participating councils | Over £500,000 retained by Committee Up to £500,000 – Managing Director | |

| | Delegated Power | First Level | Second level |
|------|---|---------------------------|--|
| | | Up to £100,000 – Level A. | |
| B22. | To sign contracts on behalf of the participating council's which do not require sealing | Level A & B | |
| B23. | Authorising or approving purchase orders and payments pursuant to the limits set out in the financial procedures. | Level A & B | |
| B24. | To make or enter into leasing arrangements for vehicles, plant and equipment. | Level A, B & C | |
| | Audit & Insurance [Finance Directorate only] | | |
| B25. | To manage insurance claims against the participating Council including the power to: To instruct insurers [and their solicitors] to defend claims and, upon their advice, to negotiate and settle insurance claims up to limits provided for in the financial procedures | Level A | Level B (& manager responsible for insurance)_ |
| B26. | To make provision for insurance in respect of the participating Councils functions, premises, property, employees, Members and third parties including self-insurance and the selecting of and accepting of tenders for insurance cover and related services which are considered to be best value. | Level A | Level B |
| B27. | To approve indemnities to officers/members including insurance cover within any existing policy of the participating council [including the agreement of the s.151 and / or monitoring officer where required by the participating council] | Level A | Level B |
| B28. | To authorise activities under the Regulation of Investigatory Powers Act 2000 in relation to oneSource services [subject to training] | Level A & B | |
| B29. | Acting as participating council's reporting officer to the National Criminal Intelligence Service under the Proceeds of Crime Act. | Level A & B | |
| | Fees & Charges | | |
| B30. | To implement and collect approved fees, charges, rents etc. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|--|-------------------------------------|
| B31. | To set and collect statutory fees and charges for services where the fee/charge is levied under a statutory obligation to do so. | Level A | Level B |
| | Pensions | | |
| B32. | The administration of the pension fund of the participating council including the outsourcing of services and borrowing, investing or lending money on the behalf of the Authority. | Level A | Level B & C |
| B33. | To exercise discretionary and appeal powers delegated to the Pensions Panel | Level A [finance, legal and human resources] | Level B & C [as substitute members] |
| B34. | To exercise of all pension powers delegated to officers other than those delegated to the Pensions Panel | Level A | Level B & C |
| B35. | To make direct investments in local infrastructure assets as part of the Pension Fund local infrastructure portfolio after consultation (and in accordance with the direction of the Pensions Committee) with the Chair of the relevant committee. | Level A & B | |
| B36. | To agree early retirements granted by any school governing body with delegated powers to do so and to make discretionary severance payments in accordance with regulations and guidelines for making such payments to non- school based staff | Level A | Level B |
| | LEGAL & GOVERNANCE | | |
| | Legal Proceedings: General [Legal Officers only unless specified] | | |
| C1. | To take any action to commence and / or conduct any civil or criminal proceedings on behalf of a participating council, including but not limited to the instruction of counsel or expert witnesses, any action in respect of any appeal stage or any alternative dispute resolution, mediation or other form of negotiation. | Level A | Level B & C |
| C2. | To institute proceedings under s.222 of the Local Government Act 1972 on behalf of a participating council and to take any action to represent the authority in those proceedings | Level A | Level B & C |
| C3. | To settle claims in proceedings commenced or about to be commenced against a participating Council in a court or tribunal up to a limit of £250,000 settlement value if in | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|------------------------------|--|
| | accordance with client officer instructions and in consultation with the s.151 officer. | Managing Director | Level C up to £100,000 Senior Lawyer up to £50,000 |
| C4. | To agree the settlement of claims where the value of the settlement exceeds £250,000 <u>with the approval of the relevant individual Cabinet Member</u> unless the decision is required to be made immediately before, at, or during a hearing in which case the decision maker must report to the relevant Cabinet member for information. | Level A Managing Director | Level B up to £500,000 |
| C5. | To take any step to sign, serve, publish, advertise and receive notices and documents on behalf of the participating council in accordance with any statutory or other legal requirement. | Level A, B & C | Senior Lawyer, Lawyer, Legal Officer. |
| C6. | To serve requisitions for information and other documents to enable the participating council to receive information in the pursuance of legal proceedings. | Level A, B & C | Senior Lawyer |
| C7. | Where the issue of any document, notice or order will be a necessary step in legal proceedings on behalf of the participating council, to sign such document unless any enactment otherwise requires or unless the participating council has given the necessary authority to some other person for the purposes of such proceedings. | Level A, B & C | Senior Lawyer |
| C8. | To authorise participating council staff to represent the participating council in proceedings in the County Court of the County Courts Act 1984 and the Magistrates Court under Section 223 Local Government Act 1972. | Level A & B | |
| C9. | To amend the financial procedures in Financial and Contract Procedures specifically relating to EU contracts and occurring either due to exchange rate changes or EU directed amendments. | Level A & B | |
| C10. | To give notice, publish and take any necessary action in respect of Compulsory Purchase Orders under the Acquisition of Land Act 1981 or any other enabling legislation, and pay or recover compensation, home loss, disturbance, serve notices, reach agreement, accept undertakings, instruct the Services to issue notices, warrants for possession, redeem mortgages, and such functions and powers position to Compulsory Purchase (Vesting Declarations) Act 1981, and Compulsory Purchase Act 1965 and any other related legislation | Level A, B & C | Senior Lawyer, Lawyer [with planning or property experience] |

| | Delegated Power | First Level | Second level |
|------|---|--|--|
| | and Land Compensation Acts 1961 and 1973 but not confirming CPO's | | |
| C11. | Signing Statements of Truth, providing witness statements and statutory declarations in respect of matters within their own knowledge and giving evidence in person on behalf of the Authority | Level A, B and C | Senior Lawyer, Lawyer & Legal Officer * *on own casework only |
| C12. | Administering cautions in any criminal proceedings. | Level A, B and C | Senior Lawyer |
| C13. | Applying for Confiscation Orders, restraint, Charging Orders, deduction of wages, injunctions, possession and any other appropriate orders in connection with all criminal legal proceedings initiated by the participating council | Level A, B and C | Senior Lawyer, Lawyer, Legal Officer |
| C14. | Institute and conduct proceedings, agree to any form of ADR in respect of collection of NNDR, Council Tax or other debt and other related enforcement action in respect of such options including attending creditor 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 participating council. | Level A [finance – in addition to Legal delegations] | Representation in court subject to C8 authorisation |
| C15. | Representing the participating council at Appeals Service Tribunals | Level A [finance – in addition to Legal delegations] | |
| C16. | Exercising the councils' functions and powers to administer cautions and administrative penalties with regard to benefit offences under the Social Security Fraud Act 2001. | Level A [finance – in addition to Legal delegations] | |
| C17. | Applying for communications data in accordance with the powers conferred by the Social Security Fraud Act 2001 | Level A [finance – in addition to Legal delegations] | |
| C18. | Authorising a prosecution for fraud by an employee or third party in accordance with the Fraud Prosecution Policy. | Level A [finance – in addition to Legal delegations] | Level B [Audit only] |
| | Authentication of Documents & Notices etc. | | |

| | Delegated Power | First Level | Second level |
|------|--|----------------|---------------------|
| C19. | Authorising/affixing the Authority's seal to deeds and other documents and sign any documents not requiring the authorities' seal. | Level A, B & C | Senior Lawyer |
| C20. | To prepare, approve and issue or serve all legal documentation. | Level A, B & C | Senior Lawyer |
| C21. | To certify as a true and correct record any documents in accordance with section 229 of the Local Government Act 1972. | Level A, B & C | Senior Lawyer |
| C22. | To authorise, serve or issue all statutory notices, approvals and licences under any enactment | Level A, B & C | Senior Lawyer |
| C23. | Making any application to apply a caution, withdrawing any caution, objecting to any caution, registering, or objecting to notice or interest or restriction, applying to upgrade any title. | Level A, B & C | Senior Lawyer |
| C24. | To register a notice and apply for a certificate under the Rights of Light Act 1959 Section 2. | Level A, B & C | Senior Lawyer |
| C25. | To publish notice of any intention to dispose of open space under the Local Government Act 1972 and The Town and Country Planning Act 1990. [see also Asset Management] | Level A, B & C | Senior Lawyer |
| C26. | To serve any notices and exercise any powers and duties including payment of compensation arising out of the participating council's ownership of land. | Level A, B & C | Senior Lawyer |
| C27. | All powers in relation to the registration of a participating council's land | Level A, B & C | Senior Lawyer |
| C28. | All legal powers in relation to right to buy applications and disposals. | Level A, B & C | Senior Lawyer |
| C29. | Serving notice on registered keeper of vehicle requiring information about the identity of driver person in charge of the vehicle in relation to any offence concerning the vehicle and to bring proceedings for failure to provide information. | Level A, B & C | Senior Lawyer |
| C30. | To authorise the taking of photocopies of material open for public inspection under a statutory requirement as permitted by copyright Designs & Patents Act 1984. | Level A, B & C | Senior Lawyer |
| C31. | Serving notices on occupiers of any land or premises requiring them to furnish information regarding details of all those with an interest in the land. | Level A, B & C | Senior Lawyer |
| | Administration & Governance | | |
| C32. | All powers and duties in relation to the administration of independent appeals on behalf of a | Level A & B | Level C [Democratic |

| | Delegated Power | First Level | Second level |
|----------|--|------------------------------|-------------------------|
| | participating council. | | Services officers only] |
| C33. | To appoint a Member of the participating council to fill a casual vacancy in any appointment to another organisation arising during the course of a municipal year following nomination by the Group of which the previous appointee is a Member | Level A | |
| C34. | To grant use of the participating council's coat of arms. | Level A Managing Director | |
| D | ICT & BUSINESS SYSTEMS [ICT officers except where stated] | | |
| D1. | To develop the participating council's e-government and t-government strategies | Level A | Level B |
| D2. | To develop the participating council's information systems, and information technology and e-government strategies | Level A | Level B |
| D3. | To develop the participating council's information and communications technology strategies including the supply, withdrawal, data protection, security and integrity of the systems to staff and members. | Level A | Level B |
| D4. | To supply connections and services to public sector partners and other organisations, provided that the integrity of the participating council's information systems is maintained. | Level A | Level B |
| D5. | Agreeing arrangements for the use of any spare capacity in any computers or associated equipment owned by the participating council under Section 38 of the Local Government (Miscellaneous Provisions) Act 1976 | Level A Managing Director | Level B |
| D6. | Approving sales of computer software developed and owned by the participating council | Level A Managing Director | Level B |
| D7. | Agreeing policies procedures and standards relating to the security, integrity and accessibility for ICT infrastructure and systems | Level A | Level B |
| D8. | To develop and implement the participating council's information governance policies and protocols. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|--|---|--------------|
| | HUMAN RESOURCES [limited to HR service managers except where stated] | | |
| E1. | To develop and implement the participating Council's strategies for human resources, organisational development, remuneration and occupational health. | Level A | Level B & C |
| E2. | Implementing all human resources policies and procedures delegated to the Joint Committee | Level A, B & C | |
| E3. | To implement any binding decisions of recognised national negotiating bodies in respect of pay and terms and conditions of employment. | Level A | Level B |
| E4. | Subject to employment decisions reserved to members of the participating council, all powers to implement senior management restructures delegated to the Joint Committee. | Level A & B [All services] Managing Director | Level C |
| E5. | To amend HR policies where necessary in consequence of legislative, organisational or other changes that have no adverse financial effect. | Level A | |
| E6. | All powers and duties in relation to equality impact assessments for staff under s.149 of the Equality Act 2010. | | |
| E7. | All powers and functions of the Authority as an employer under the Trade Union and Labour Relations (Consolidation) Act 1992 | Level A & B | Level C |
| E8. | All powers in relation to redundancy and redundancy payments [excluding pension rights] | Level A, B & C | |
| E9. | All powers in relation to statutory sick pay and leave, incapacity and industrial injury, parental leave and reserve forces leave | Level A, B & C | |
| E10. | All participating council powers in relation to school teachers' pay and terms and conditions of employment. | Level A, B & C | |
| E11. | All powers in relation to attachment of earnings orders. | Level A, B & C | |
| E12. | All duties as an employer under TUPE Regulations 2006 | Level A, B & C Managing Director | |
| E13. | Approving applications for specific staff monitoring where warranted under the participating council's policy and in accordance with the Information Commissioners Code. | Level A & B | |
| E14. | Payment of allowances in accordance with the "Croydon Scheme" to staff injured in the course of their duties | Level A & B | |

| | Delegated Power | First Level | Second level |
|------|--|------------------------------|--------------|
| E15. | To approve applications for leave for trade union conferences and training courses | Level A & B | |
| E16. | To approve payment of claims by employees for loss or damage to property and clothes | Level A & B | |
| E17. | To grant permission for employees to undertake outside work or duties. | Level A & B | |
| E18. | To approve honoraria payments | Level A & B | |
| | ASSET MANAGEMENT [Asset Management Officers only unless where stated] | | |
| F1. | All powers and duties in relation to the strategic and operational management of a participating council's property portfolio. | Level A Managing Director | Level B & C |
| F2. | Prepare, propose and implement a Corporate Asset Management Plan and Corporate Property Strategy for the participating council's property assets. | Level A | Level B & C |
| F3. | To conduct preliminary negotiations, negotiate, agree and conclude all property matters including property valuations for all purposes. | Level A | Level B & C |
| F4. | To undertake marketing of any participating council property. | Level A | Level B |
| F5. | To instruct external property advisors, surveyors, auctioneers and consultants where necessary on property transactions. | Level A | Level B |
| F6. | 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. | Level A | Level B |
| F7. | The disposal of any freehold or leasehold land where the capital value does not exceed the maximum amount delegated to officers in financial procedures. | Level A | Level B |
| F8. | The disposal of any land or property subject to a statutory requirement to do so. | Level A | Level B |
| F9. | The acquisition of freehold or leasehold land where the capital value does not exceed the maximum amount delegated to officers in financial procedures. | Level A | Level B |
| F10. | The disposal of assets other than land provided the best possible price is obtained. | Level A | Level B |
| F11. | The disposal of assets other than land with no value (NB this does not extend to disposals at nil value/peppercorn where the asset has a value). | Level A | Level B |
| F12. | Management, insurance and maintenance of all corporate property. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|-------------|--------------|
| F13. | Applying for planning permission in respect of participating council owned land. | Level A | Level B |
| F14. | Entering into planning and highway agreements in respect of participating council owned land. | Level A | Level B |
| F15. | Serving notices to quit, notices seeking possession and tenants' notices; exercising any duty to compensate in respect of land matters or re-housing matters; enforcing covenants; serving notices relating to land and attendant procedures, and disposal of property left on land. Granting wayleaves and easements to and enter similar agreements with statutory undertakers and other bodies, extinguish rights of statutory undertakers and pay compensation. | Level A & B | Level B |
| F16. | Licensing of access works and demolition on participating council owned land and property. | Level A | Level B |
| F17. | To agree or request guarantee agreements, rent deposits, overriding leases, releases from covenants, to seek mortgagor's consent where required. | Level A | Level B |
| F18. | To publish notices of intention to dispose of open space. | Level A | Level B |
| F19. | To make applications to the court or tribunal and all attendant procedures upon matters relating to participating council land. | Level A | Level B |
| F20. | To carry out and conclude rent reviews or lease renewals. | Level A | Level B |
| F21. | To negotiate all relevant terms including payment of professional fees in respect of the letting and management of commercial premises and implement all agreements. | Level A | Level B |
| F22. | To exercise all powers and duties under the Landlord and Tenant Acts, this may be exercised by the participating council as landlord or tenant. | Level A | Level B |
| F23. | To propose alterations to the valuation list or raise objections to an proposed alterations or appeal against valuation decisions and to agree the settlement of all such matters. | Level A | Level B |
| F24. | To exercise all powers and duties of the participating council as landowner in relation to Compulsory Purchase matters. | Level A | Level B |
| F25. | To maintain the participating council's list of Assets of Community Value and to determine applications for inclusion on that list and in respect of appeals and all attendant procedures. | Level A | Level B |
| F26. | To maintain the participating council's register of land held by public bodies. | Level A | Level B |
| F27. | Management, maintenance, provision and hire of public halls and buildings owned/occupied by the participating council, including provision of security services. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|-------------|--------------|
| F28. | To serve demands, place and enforce charges, appoint receivers or debt collection agencies, issue legal proceedings or any other enforcement or other action in relation to debts and interest thereon owed to the participating council. | Level A | Level B |
| F29. | To exercise all powers relating to Romford Market including granting and revoking licences and enforcing relevant byelaws (Havering only) | Level A | Level B |
| F30. | To exercise all powers and duties in relation to concessionary fares and similar schemes, including the taxicard scheme and to issue minibuses and other permits to appropriate organisations (Havering only). | Level A | Level B |
| F31. | Following notification to relevant ward members, to vary but not extend existing agreements for mobile phone masts at school sites in circumstances where installations are to be upgraded and lower emissions will result and to grant Landlord's consent (Havering only). | Level A | Level B |

Appendix B

MODEL DIRECTORATE SCHEME OF DELEGATION

| Post | Category | Delegations | Scheme of Delegation Reference | Delegating Officer |
|------|----------|-------------|--------------------------------|--------------------|
| | | | | |
| | | | | |
| | | | | |

SAMPLE INDIVIDUAL DELEGATION

Delegating Officer title

Delegate Officer title

Date

The following powers under the oneSource Scheme of Delegation are delegated to the above posts

| Delegations | Scheme of Delegation Reference |
|-------------|--------------------------------|
| | |

If the delegation is time limited or otherwise restricted – please state

Delegated authority must be exercised in accordance with the oneSource Scheme of Delegation and any rules or requirements of a participating council.

SIGNED AND DATED

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**MINUTES OF A MEETING OF THE
ONESOURCE JOINT COMMITTEE
Havering Town Hall, Main Road, Romford
3 February 2016
10:00am-12:25pm**

Present:

COUNCILLORS

Councillors Ron Ower (Chairman), +Osman Dervish, Lester Hudson, Forhad Hussain and Melvin Wallace

+Substitute Member: Councillor Osman Dervish (for Damian White)

Apologies were received for the absence of Councillors Damian White and Ellie Robinson.

There were no disclosures of interest.

The Chairman reminded Members of the action to be taken in an emergency.

21 EXCLUSION OF THE PUBLIC

On a motion by the Chairman the Sub-Committee RESOLVED:

That the public be excluded from the remainder of the meeting on the grounds that it was likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during those items there would be disclosure to them of exempt information within the meaning of paragraph 1 of Schedule 12A to the Local Government Act 1972

22 APPOINTMENT TO THE POST OF DEPUTY DIRECTOR - LEGAL & GOVERNANCE

The Committee interviewed the two applicants for appointment to this position. It carefully considered their respective merits and satisfied itself as to their competency by reference to their written profiles, oral presentations and the answers to questions concerning the role and by wider questioning.

The Joint Committee accepted that each candidate had presented a strong case and considered that both were more than capable of doing the role but felt that one candidate in particular had more relevant experience in delivering a shared service arrangement which was of particular importance moving forward for oneSource. The Committee had no hesitation in deciding which of the two excellent applicants it would recommend for appointment.

The Joint Committee agreed on a suitable candidate for the post and indicated a provisional intention to make an offer to Shirley Jarlett, with the other candidate held as a reserve in the event that the preferred candidate did not accept the provisional offer.

Chairman



ONESOURCE JOINT COMMITTEE

18 March 2016

Subject heading:

OneSource 2016-17 Budget

Report author and contact details:

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01708 432203

Financial summary:

The overall oneSource shared 2016-17 budget is £43.595m. This is analysed at service level in the body of the report. The Havering and Newham non shared budgets are £0.783m and £4.518m respectively.

Is this a Key Decision?

NO

SUMMARY

The total oneSource shared budget for 2016-17 is £43.595m. This is the controllable budget and after the 2016/17 savings target of £3.1m has been removed. These figures include the services Bexley are bringing into the partnership from April 2016.

The Havering and Newham non shared budgets are £0.783m and £4.518m respectively.

RECOMMENDATIONS

The Joint Committee is asked to: -

- note the 2016-17 oneSource shared and non shared budgets;
- note the period 9 2015/16 oneSource shared and non shared forecast outturns;
- approve the 2016-17 budget allocation to services.

| |
|----------------------|
| REPORT DETAIL |
|----------------------|

Background

OneSource (shared) is funded by Havering, Newham and Bexley Councils in order to deliver shared back office support services. The joint working is set to realise at least £14.6m of savings in the period up to 2018/19. This includes the original business case savings of £10.4m, an additional £3.5m added as part of the 2016/17- 19 MTFS and a further £0.7m of savings achievable through Bexley joining the partnership.

Savings of £4.1m and £3.7m for 2014/15 and 2015/16, are already included within the existing baseline. £3.1m of additional savings are reflected in the 2016/17 budget.

Each Council has approved funding to oneSource as part of their respective budget reports and Council Tax setting.

OneSource also manages a range of other services, which are not shared on behalf of the individual partner Councils– oneSource non shared budgets.

The 2015/16 Forecast Budget Position as at Period 9 (December 2015) and Impact on the Future Year's Financial Position

The period 9 oneSource shared forecast shows a pressure of £549k, with £88k relating to Havering and £461k relating to Newham. The split between Councils is variable and dependent on the outturn position at service level. This reflects the assumptions set out in the original Full Business Case. Further detail of the forecast position is shown in appendix 1.

The shared overspend is largely due to delays in implementing service review recommendations and associated service restructures. The delay of one year in the 1Oracle implementation in Newham has significantly contributed to the delay in realising savings across oneSource, especially in relation to Finance, Exchequer and Transactional Services and Strategic and Operational HR. The programme is currently on track for go-live on 4 April 2016 and therefore, work is underway to restructure all these services to reflect the new ways of working that result from the Oracle Enterprise Resource Planning system being available in both Havering and Newham.

These restructures will not reduce spending in 2015/16 but they will position oneSource to meet its financial savings targets for 2016/17 and 2017/18. The restructures are to be implemented as early as possible and by delivering the 2017/18 savings targets at the same time, the part-year impact of the implementation should be partially mitigated. This will also allow the new 1Oracle system to bed in before staffing is reduced.

Democratic Services/Committees and Scrutiny Team will be transferred out of oneSource shared. This will have an impact on the original oneSource Business Case and the associated savings targets. These are reflected in the report and include a £19k worsening of the oneSource forecast period 9 position, due to the removal of the service variance to the respective Councils.

The management arrangements of the remaining Electoral services within oneSource will be further explored over the coming months.

There is ongoing management action in place to hold non-essential vacancies and delay other non-essential expenditure. Directors and managers are also continuing to review their budgets to identify further opportunities to deliver savings and/or additional income. It is anticipated the shared overspend will continue to decrease over the remainder of the year. Should the overspend not be completely eliminated by 31 March 2016, a proportion of the 2014/15 over achievement of savings carried forward will be required to support the 2015/16 savings slippage. This has been agreed with both 151 officers.

The oneSource non shared budgets for both Havering and Newham, both show a projected underspend position. Outturn variances on non shared services effect the relevant council only.

The Havering forecast of (£2.494m) is due to underspends reported in relation to the Emergency Assistance Scheme (for which a carry forward request of £1.5m has been submitted), Subsidy, Members' Support and Commercial Property income, offset in part by licencing and hosting costs of the new Pension system (for which funding is being sought).

The Newham projected underspend of £669k is largely due to the NNDR rebate within Asset Management. This is offset in part by a reduction in DWP grant and pressures within commercial property.

Service Reviews

The Transformation Update elsewhere on this agenda sets out in detail the service review programme and assumptions. The major reviews to be finalised during 2016/17 are Asset Management, Finance, Exchequer and Transactional Services and Strategic and Operational HR. A review is also underway of the Council Tax and Benefits service.

A summary of the expected savings to be realised next year in relation to these, against the notional targets is set out below: -

Anticipated Savings Delivery from Programmed 2016/17 Service Reviews

| Service | Indicative Saving Targets 2016 - 2018 | | | Total | Saving Implementation Date | 2016/17 Part Year Effect | 2016/2017 | | |
|---|---------------------------------------|--------------|------------|--------------|----------------------------|--------------------------|--------------------------------|----------------|---------------------|
| | Havering | Newham | Bexley | | | | Savings To Be Achieved | Savings Target | Surplus/(Shortfall) |
| Finance | | | | | | | | | |
| Corporate/Strategic/Operational Finance | 362 | 951 | 421 | 1,735 | Aug 16 | 67% | 1,156 | 1,390 | 234 |
| Exchequer & Transactional | | | | | | | | | |
| Transactional - Finance, HR, Payroll | 368 | 770 | 179 | 1,316 | Sept 16 | 58% | 768 | 1,081 | 313 |
| Council Tax and Benefits | 494 | 826 | | 1,320 | Jan 17 | 25% | 330 | 1,013 | 683 |
| Human Resources and OD | 184 | 489 | | 673 | Sept 16 | 58% | 393 | 571 | 178 |
| Total | 1,408 | 3,037 | 600 | 5,044 | | | 2,647 | 4,055 | 1,408 |
| | | | | | | | Excess Savings Achieved | | |
| | | | | | | | (728) | | |
| | | | | | | | Shortfall/(Surplus) | | |
| | | | | | | | 680 | | |

This shows an expected shortfall in the achievement of savings of £680k for 2016/17. The shortfall is due to the part year effect of the implementation of service restructures and as such will not be an issue for future years.

However, there are a number of mitigations in place to manage the 2016/17 position and these are set out below.

Overall oneSource Financial Position

Although 2016/17 will be a testing year there are robust plans in place to ensure a sound financial basis is maintained for oneSource.

Taking into account current assumptions there will potentially be an overspend position at the end of 2015/16 and difficulties in achieving a full year of savings from the service reviews. This has been known for a period of time and accordingly plans have been put into place to mitigate and address these challenges.

As the reviews are undertaken management action will continue to be put into place to minimise expenditure. This has been particularly successful over the last year, whilst continuing to deliver a high level of service. In addition past reviews have repeatedly delivered more than the notional targets; although with the increased saving levels required it is prudently assumed this will not continue.

The financial situation will be continually reviewed and early discussions undertaken with regard to the requirement for any of the unused carry forward.

The financial position is summarised in the following table: -

Forecast 2016/17 Budget Position (including funding of any 2015/16 year end variance)

| 2016/17 Budget Assumptions | Amount | Notes |
|---|----------------|--|
| | £'000 | |
| Forecast Pressures | | |
| 2015/16 Period 9 Forecast Overspend | 549 | This is a one off issue for 2015/16 and any remaining variance at the year end will be met from the 2014/15 carried forward underspend |
| Shortfall in 2016/17 Savings Targets | 680 | 16/17 only; saving shortfall due to the part year effect of service review savings |
| Total Forecast Pressures | 1,229 | |
| Potential Mitigating Action / Funding | | |
| Savings Achieved Through Continued Management Action (assumed 40% of savings targets) | (765) | To be delivered pending the full implementation of service review recommendations. Ongoing activities such as holding vacancies and delaying other non essential expenditure |
| Use of Available 2014/15 Carry Forward | (549) | This is dependent on the agreement of the appropriate S151 officers and is assumed will offset any 2015/16 overspend |
| Total Potential Mitigating Action / Funding | (1,314) | |
| Forecast 2016/17 Closing (Surplus)/Deficit Position | (85) | |

This table shows indicative resource levels and will be reviewed as assumptions are refined. Any available resource will be reinvested in services, carried forward to meet future challenges or returned to partner Councils as appropriate.

OneSource 2016/17 Budget

The 2016/17 total oneSource shared controllable budget is £43.595m. The non shared budgets for Havering and Newham are £0.783m and £4.518m respectively. These are analysed by service in the tables below.

OneSource Shared

| Service | 16/17 Budgets | | | Total |
|---|---------------|---------------|--------------|---------------|
| | Havering | Newham | Bexley | |
| Finance | | | | |
| Corporate/Strategic/Operational Finance | 1,899 | 3,169 | 1,521 | 6,589 |
| Audit, Risk, Insurance & Fraud | 278 | 610 | 353 | 1,241 |
| Procurement | 188 | 781 | | 969 |
| Exchequer & Transactional | | | | |
| Finance | 1,167 | 1,383 | 449 | 2,999 |
| HR | 543 | 383 | | 926 |
| NNDR | 209 | 345 | | 554 |
| Council Tax and Benefits | 1,759 | 8,668 | 233 | 10,660 |
| Debt Management / Recovery | (70) | (59) | (133) | (262) |
| Debt Management - Other | 3 | 127 | | 130 |
| Payroll | 248 | 824 | | 1,072 |
| DETs Management | 754 | | 16 | 770 |
| ICT / Business Systems | 4,444 | 3,531 | | 7,975 |
| Legal Services | | | | |
| Legal | 859 | 1,580 | | 2,439 |
| Electoral Services* | 416 | 300 | | 716 |
| Asset Management | | | | |
| Facilities management | 111 | 930 | | 1,041 |
| Management of Schools Capital | 59 | 76 | | 135 |
| Health & Safety | 306 | 368 | | 674 |
| Property | (38) | (5) | | (43) |
| Technical Services | (638) | (1,161) | | (1,799) |
| Post Room | 490 | 373 | | 863 |
| Asset Management Support | 598 | 30 | | 628 |
| Human Resources and OD | 1,063 | 1,997 | | 3,060 |
| Business Services & MD | 1,193 | 1,016 | 49 | 2,258 |
| Total | 15,841 | 25,266 | 2,488 | 43,595 |

* Excludes Democratic Services/Committees and Scrutiny Team

OneSource Non Shared

| Service | 16/17 Budgets | |
|--|---------------|--------------|
| | Havering | Newham |
| Havering Non Shared | | |
| Exchequer & Transactional Services (Housing Benefits) | (1,122) | |
| Internal Shared Services (Pensions) | (4) | |
| Legal & Governance (Members costs and Elections) | 1,522 | |
| Asset Management Services (Transport, Commercial Property, Schools, Premises Management) | 27 | |
| Strategic & Operational HR (Unions, Apprentices) | 360 | |
| Newham Non Shared | | |
| Finance oneSource (oneSource MD, External Audit, Unallocated Overheads) | | 843 |
| Business Services (Verto/PMO team) | | 285 |
| Exchequer & Transactional Services (Housing Benefits, Pensions) | | 1,156 |
| Legal & Governance (Members costs and Borough Elections) | | 2,022 |
| Asset Management Services (Commercial property, facilities management and schools) | | (466) |
| Strategic & Operational HR (Union costs, Occupational Health, Training) | | 678 |
| Total | 783 | 4,518 |

Controllable budgets as shown reflect expenditure and income which service managers directly influence and control through the delivery of their services and financial management activity. The non-controllable elements, which have been excluded, largely relate to corporate activity and technical accounting adjustments e.g. recharges, capital charges etc.

Joint Committee, 18th March 2016

As part of budget development the oneSource allocation has been subject to a number of adjustments to take account of additional savings and one off budget adjustments. The movement from the 2015/16 period 9 position is summarised at appendix 2.

In addition a number of other minor adjustments, largely in relation to inflation, will be made from central allocations before the start of the financial year. These are not significant.

The figures above reflect the transfer of the Democratic Services/Committees and Scrutiny Team budget of £1m. This will be moved to oneSource non shared in Havering and to the Corporate Services budget in Newham. A transfer of the associated savings target of £294k is also similarly reflected.

OneSource One Off Funding

Development Grant

OneSource received a grant of £750k from the DCLG – Challenge Transformation Award for the development of partnership working. This was partly utilised on an innovative proof of concept exercise to explore if oneSource staff could access One Oracle for Havering and Newham through a single sign-on. Unfortunately, this eventually proved not to be technically possible. The remainder will support the ongoing service review teams into 2016/17 and further investment in technology to support joined up and mobile working.

Carry Forward From 2014/15

OneSource achieved an underspend of £1.3m in 2014/15, which was carried forward by the partner Councils. This was largely in recognition of the challenging savings targets in future years and difficult circumstances in which they were to be achieved.

The use of the carry forwards is not under the direct control of oneSource, but in consultation with the relevant Section 151 officers in consideration of the wider financial position of the partner Councils.

Further detail is set out in the table below.

Available One Off Funding

| Description | Havering (£'000) | Newham (£'000) | Total (£'000) |
|---|---------------------|-------------------|------------------|
| Development Grant | (263) | (487) | (750) |
| Oracle Partnership Working - Proof of Concept | 109 | 202 | 311 |
| Total Unallocated Development Grant | (154) | (285) | (439) |
| 2014/15 Underspend Carry Forward | (500) | (800) | (1,300) |
| Forecast Overspend (As at period 9) | 88 | 461 | 549 |
| One Oracle Funding | | 430 | 430 |
| Other Resources | | (91) | (91) |
| Total Unallocated Carry Forward | (412) | 0 | (412) |

IMPLICATIONS AND RISKS

Financial implications and risks:

OneSource shared is funded by the partner Councils, Havering, Newham and Bexley. The budgets shown are net of the 2016-17 savings target of £3.1m and contribute towards the delivery of the respective medium term financial strategies. An established programme of service reviews is in place to deliver the savings target along with ongoing management action to minimise expenditure.

Any budget variances at the year-end will directly affect the financial positions of each authority. Robust financial management processes are embedded to minimise the risk of any budget overspends.

The non shared oneSource budgets relate to the relevant Council only and are also subject to review and savings targets.

All oneSource budgets are managed through robust financial procedures.

Legal implications and risks:

There are no immediate legal implications arising from this report.

Human Resources implications and risks:

There are extensive HR implications from the restructures that need to be undertaken during 2016/17 across oneSource. These risks will be managed through the established oneSource reorganisation process, in full consultation with staff and the unions across the three councils and in accordance with relevant corporate policies.

Equalities implications and risks:

There are no significant Equalities implications and risks associated with this report. Equality impact assessments will be undertaken alongside all reorganisations.

BACKGROUND PAPERS

OneSource Joint Committee Agreement
OneSource Business Case

OneSource Financial Position - Period 9 2015/16

Appendix 1

| REVISED CONTROLLABLE BUDGET | | | | | | | | | |
|------------------------------------|-------------|--------------|------------|-------------|------------------|------------------------|----------------------|-------------------------------|--|
| SERVICE | EXPENDITURE | INCOME | NET | YTD ACTUALS | YTD ENCUMBRANCES | ACTUALS + ENCUMBRANCES | FY PROJECTED OUTTURN | FY PROJECTED OUTTURN VARIANCE | REASON FOR FY PROJECTED OUTTURN VARIANCE |
| Finance oneSource | 8,948,580 | (1,478,160) | 7,470,420 | 6,541,843 | 22,599 | 6,564,442 | 7,635,028 | 164,608 | Period 9 variance is due to slippage on review within Finance, offset to an extent by vacancies. |
| Business Services | 2,683,930 | (426,000) | 2,257,930 | 1,016,506 | 0 | 1,016,506 | 2,111,232 | (146,698) | Underspend relates to invest to save budget and vacancies. |
| Exchequer & Transactional Services | 18,936,086 | (1,771,687) | 17,164,399 | 13,083,648 | 13,131 | 13,096,779 | 17,304,639 | 140,240 | The variance is due to slippage on the service review, offset to an extent by vacancies. |
| Legal & Governance | 3,982,597 | (624,740) | 3,357,857 | 3,099,540 | 9,743 | 3,109,283 | 3,592,476 | 234,619 | Pressure is due to part year effect of service review, partly offset by vacancies. |
| ICT Services | 14,015,307 | (5,271,730) | 8,743,577 | 8,055,303 | 208,853 | 8,264,156 | 8,713,577 | (30,000) | ICT is forecasting a £30k underspend, achieved by delaying some elements of desktop refresh into 2016/17. |
| Asset Management Services | 5,389,564 | (3,754,890) | 1,634,674 | 3,414,100 | 17,820 | 3,431,920 | 1,817,468 | 182,794 | Pressure represents outstanding balance of £1.4m efficiency target and inability to deliver savings from Technical Services as a result of non-sharing. |
| Strategic & Operational HR | 3,251,509 | (116,099) | 3,135,410 | 2,632,964 | 20,178 | 2,653,142 | 3,138,402 | 2,992 | |
| TOTAL | 57,207,573 | (13,443,306) | 43,764,267 | 37,843,904 | 292,324 | 38,136,228 | 44,312,822 | 548,554 | Period 9 forecast of £549k pressure is due to delays in service reviews which are not fully off-set by staffing vacancies and/or income. Delays are due to investigations with other partners, delays in implementation of 1Oracle and questions over some services' future within oneSource. Any overspend at year end will be met from the oneSource reserve (funded by the 14/15 underspend and development grant). |
| NOTES | | | | | | | | 87,769 | |
| | | | | | | | | 460,786 | |

The variance apportionment between Councils is based on the current forecast and will vary to reflect the final outturn position.

The budget figures above include controllable budgets only.

The reported variance excludes the oneSource development grant and the reserve funded by the 14/15 underspend.

Joint Committee, 18th March 2016

OneSource Havering non-shared Financial Position at Period 9 2015/16

| SERVICE | REVISED CONTROLLABLE BUDGET | | | YTD ACTUALS | YTD ENCUMBRANCES | ACTUALS + ENCUMBRANCES | FY PROJECTED OUTTURN | FY PROJECTED OUTTURN VARIANCE | REASON FOR FY PROJECTED OUTTURN VARIANCE |
|--|-----------------------------|---------------------|------------------|--------------------|------------------|------------------------|----------------------|-------------------------------|--|
| | EXPENDITURE | INCOME | NET | | | | | | |
| Exchequer & Transactional Services (Housing Benefits) | 78,128,230 | (77,601,350) | 526,880 | (5,841,909) | 0 | (5,841,909) | (1,661,941) | (2,188,821) | Period 9 forecast shows underspends that need to be carried forward to fund the resilience contract and the Emergency Assistance Scheme for future years (there is no permanent grant allocation). Subsidy forecasted surplus has increased from £300k to £500k, however, subsidy is a volatile area therefore the forecast will continue to be intensely monitored each month. |
| Internal Shared Services (Pensions) | 356,040 | (360,240) | (4,200) | 450,671 | 0 | 450,671 | 50,585 | 54,785 | Period 9 forecast shows a pressure of £55K as only 90% of the pension admin cost is funded. Further discussions are continuing on this issue. Growth bid to be considered. |
| Legal & Governance (Members costs and Elections) | 1,565,408 | (700) | 1,564,708 | 1,451,080 | 60 | 1,451,140 | 1,521,733 | (42,975) | Underspend from vacancies within Members support have been offset in part by transfer in of previously shared democratic budgets and associated savings targets. Transfer out of sharing arrangement due to Newham's decision to align the service elsewhere within the borough. |
| Asset Management Services (Transport, Commercial Property, Schools, Premises Management) | 7,326,330 | (7,131,730) | 194,600 | (426,119) | 16,191 | (409,928) | (117,785) | (312,385) | Improving forecast is derived from over-recovery in commercial rent, Transport income and reduced expenditure in premises management. |
| Strategic & Operational HR (Unions, Apprentices) | 578,660 | (158,286) | 420,374 | 272,365 | 2,046 | 274,411 | 415,338 | (5,036) | |
| TOTAL | 87,437,360 | (85,251,606) | 2,702,362 | (4,577,834) | 18,291 | (4,559,543) | 207,930 | (2,494,432) | The forecast of (£2,494,432) is due to underspends reported in relation to the Emergency Assistance Scheme (for which a carry forward request has been submitted), Subsidy, Members' Support and Commercial Property income, offset in part by licencing and hosting costs of the new Pension system (for which funding is being sought). This has increased from (£666k) in Period 8 because the carry forward of the EAS underspend was assumed within last month's figures. |

NOTES

The non-shared position has been included for information. The budgets and spend are not part of the cost sharing arrangement, however, they are managed by oneSource.

The budget figures above include controllable budgets only.

OneSource Newham non-shared Financial Position at Period 9 2015-16

| REVISED CONTROLLABLE BUDGET | | | | | | | | | | |
|---|-------------|---------------|-----------|---------------|------------------|------------------------|----------------------|-------------------------------|---|--|
| SERVICE | EXPENDITURE | INCOME | NET | YTD ACTUALS | YTD ENCUMBRANCES | ACTUALS + ENCUMBRANCES | FY PROJECTED OUTTURN | FY PROJECTED OUTTURN VARIANCE | REASON FOR FY PROJECTED OUTTURN VARIANCE | |
| Finance oneSource (oneSource MD, External Audit, Unallocated Overheads) | 873,100 | (30,000) | 843,100 | 566,604 | | 566,604 | 780,984 | (62,116) | Underspend resulting from non-shared oneSource MD budget and overhead costs. Plans are in place for use of this next year as part of the budget strategy. | |
| Business Services (Verto/PMO team) | 285,420 | | 285,420 | 148,982 | | 148,982 | 237,300 | (48,120) | | |
| Exchequer & Transactional Services (Housing Benefits, Pensions) | 290,469,000 | (289,601,000) | 868,000 | (118,994,021) | | (118,994,021) | 1,028,269 | 160,269 | Budget variance due to DWP grant reduction. S151 and Director of Finance aware of issues and have agreed to fund from 16/17. | |
| Legal & Governance (Members costs and Borough Elections) | 2,092,955 | (53,000) | 2,039,955 | 1,785,708 | 1,592 | 1,787,300 | 2,009,300 | (30,655) | Underspend associated with democratic area previously within oneSource shared. | |
| IT Services (One Oracle implementation) | 0 | 0 | 0 | 1,991,525 | 0 | 1,991,525 | 0 | 0 | One Oracle spending awaiting part capitalisation and transfer of revenue funding. | |
| Asset Management Services (Commercial property, facilities management and schools) | 33,856,750 | (32,652,550) | 1,204,200 | 3,392,453 | 4,618 | 3,397,071 | 481,909 | (722,291) | Significant improvement in P9 forecast primarily as a result of 5year NNDR rebate for East Ham Town Hall. Offset in part by pressure within commercial property. Work continues to be undertaken to reduce this pressure. | |
| Strategic & Operational HR (Union costs, Occupational Health, Training) | 929,300 | (90,500) | 838,800 | 449,576 | 0 | 449,576 | 872,868 | 34,068 | | |
| TOTAL | 327,969,970 | (322,374,050) | 6,079,475 | (66,189,969) | 6,429 | (110,996,224) | 5,410,630 | (668,845) | The projected underspend is largely due to the NNDR rebate within Asset Management. This is offset in part by a reduction in DWP grant and pressures within commercial property. | |

NOTES

The non-shared position has been included for information. The budgets and spend are not part of the cost sharing arrangement, however, they are managed by oneSource.
The budget figures above include controllable budgets only.

Joint Committee, 18th March 2016

Budget Development Movements from Period 9 2015/16 to Estimated Original 2016/17

Appendix 2

| Description | Havering (£'000) | Newham (£'000) | Bexley (£'000) | Total | Comments |
|--|---------------------|-------------------|-------------------|---------------|--|
| OneSource Shared | | | | | |
| Revised Period 9 Budget 2015/16 | 16,931 | 26,766 | 2,933 | 46,630 | |
| Less one-off funding in 2015/16 | (56) | (18) | | (74) | Redundancy payments, other adjustments |
| Less Savings for 2016/17 | (1,004) | (1,579) | (445) | (3,028) | Includes £60k adjustment for Democratic Services transfer |
| Estimated Original Budget 2016/17 | 15,871 | 25,169 | 2,488 | 43,528 | |
| | 15871 | 25169 | 2488 | | |
| OneSource Non Shared | | | | | |
| Revised Period 9 Budget 2015/16 | 2,186 | 5,596 | | 7,782 | |
| Less one-off funding in 2015/16 | (1,777) | | | | Emergency Assistance Scheme grant funding, Resilliance contract and Apprentice carry forward from 14/15 funded from reserves |
| Less Savings for 2016/17 | (100) | (1,831) | | (1,931) | |
| Add Growth for 2016/17 | | 288 * | | 288 | 14/15 and 15/16 Housing Benefit Admin grant reduction funding |
| Estimated Original Budget 2016/17 | 309 | 4,053 | | 6,139 | |

* note - further growth will be sought once the 16/17 HB Admin grant allocation reduction notification has been received



ONESOURCE JOINT COMMITTEE

18 MARCH 2016

Subject heading:

oneSource Transformation Update

Report author and contact details:

**Tony Huff, 01708 434155,
tony.huff@oneSource.co.uk**

Financial summary:

oneSource is required to deliver savings to the councils through transformation and creating shared services to remove duplication and improve process efficiency. . This report identifies progress on delivering savings in the Finance, HR & OD and Transactional Services of oneSource. The transformation projects are on course to deliver £2.349m savings in 2015/16 and £3.633m in 2017/18.

Is this a Key Decision?

No

SUMMARY

The transformation projects covering Finance, HR & OD and Transactional Services are coming to a finish with staff consolation of new structures due to commence in April for Finance and May for HR & OD and Transactional. Once implemented savings of £2.349m will be delivered in 2015/16 against a target of £3.042m an under achievement of £0.693m. The difference will be found through the current level of vacant posts. £3.633m will be achieved in 2017/18 compared to a target of £3.724m a difference of £0.091m.

A transformation project for Council Tax & benefits has commenced and will be completed later this year with a new shared structure in place by 1 January 2017. This project will also look at improving performance regarding the collection rates for council tax across both councils. Other projects commencing in 2016/17 include the potential for digitising of processes in oneSource, procurement processes and the in sourcing of legal work to oneSource from external sources.

RECOMMENDATIONS

The Joint Committee is recommended to note progress on delivering the required savings from oneSource from the current transformation projects covering Finance, HR & OD and Transactional Services.

REPORT DETAIL

1.0 Introduction

1.1 At its meeting on 26 June 2015, the Joint Committee received a transformation report that identified the transformation projects for 2015/16 as follows:

- Transactional HR (including payroll)
- Transactional Finance
- Operational & Strategic Finance
- Operational & Strategic HR
- Debt management / Recovery Team
- Pensions (Contract at LBN)
- Democratic & Electoral Services

1.2 This report provides an update on progress on these projects and updates the committee on future projects planned for 2016/17

2.0 General update on 2015/16 projects

2.1 Work commenced on the following projects in the spring of 2015:

- Operational & Strategic Finance
- Transactional Finance
- Transactional HR (including payroll)
- Operational & Strategic HR

At the outset of the work it was recognised that the delivery of the above reviews was dependent on Newham Council Go Live on the 1-Oracle ERP system. At the time the expected date for go live was not known but was not expected to be until at least later in 2015. The actual go live date has now been set at 4 April 2016 and the implementation of the transformation proposals are based on this date. The resultant restructures go live dates are planned post go live of 1-Oracle to enable time for 1-Oracle to bed down in Newham and to enable the savings based on 1-Oracle use to be realised.

- 2.2 In addition to the uncertainty regarding 1-Oracle go live date in Newham, work was being undertaken to explore the potential for sharing services with Bexley. The initial work was undertaken by the transformation teams over the summer of 2015 that lead to a suspension of the above project work for 6 weeks. The eventual on joining of Bexley financial services has meant that the work has had to look at the “As Is” position for Bexley and look at revised proposals for the development of a shared finance service (including transactional) across three councils.
- 2.3 The expected savings required from these projects needed to be amended (an increase) during the year for two reasons. Firstly to build in the anticipated savings from the on boarding of Bexley and secondly to allow for the increase in savings required by Havering & Newham councils, as reported to the Joint Committee in October 2015.
- 2.4 The revised savings requirements are shown in table 1 below:

| Service | Savings Target | |
|---------------------------------|-------------------|-------------------|
| | 2016/17 £000's | 2017/18 £000's |
| Operational & Strategic Finance | 1.390 | 1.735 |
| Transactional Finance & HR | 1.081 | 1.316 |
| Operational & Strategic HR | 0.571 | 0.673 |
| Total | 3.042 | 3.724 |

Table 1

3.0 Operational & Strategic Finance

- 3.1 This project began in February 2015 working to bring Havering and Newham finance functions together to deliver savings through the removal of duplication and process improvement. In October 2015, proposals for the potential on-boarding of Bexley finance functions were provisionally agreed (subject to a Business Case being agreed by the three councils).
- 3.2 The key elements of work undertaken include the following:
- An analysis of the current service across the three councils and establish an “As Is” position
 - Reviewing the current service structure and budgets
 - Developing key functions and processes across the service
 - Reviewing demand and capacity
 - Reviewing and identifying key performance indicators
 - Voice of the Customer exercise including the three Section 151 Officers
 - Identifying key systems and process efficiencies including 1-Oracle
 - Development of the Target Operating Model (TOM) and structure options
 - Development of the proposed savings schedule and implementation plan
- 3.3 The key issue affecting the project and delivery timescales was the potential on-boarding of Bexley and the introduction of another council service to build into the proposals half way through the project without having certainty of the actual on boarding. As the Bexley on boarding looked to be more certain, another group of potential customers needed to be consulted as well as having another service to analyse.

- 3.4 A potential shared TOM has been produced in conjunction with the councils' Section 151 Officers. This has been shared with senior managers and staff with the three current finance functions. The next stage will be to formally consult with staff. This is covered later in para. 3.6 of this report.
- 3.5 The proposed savings to be delivered by the new TOM are identified below in Table 2 below:

| Year | Proposed savings £000's | Cumulative Savings £000's |
|-------------|------------------------------------|--------------------------------------|
| 2016/17 | 1.188 | 1.188 |
| 2017/18 | 0.594 | 1.782 |
| 2018/19 | 0 | 1.782 |

Table 2

- 3.6 A project plan has been developed to map out the implementation of the proposed structure and beyond. The key milestones are shown in table 3 below.

| Task | Anticipated Completion date |
|---|------------------------------------|
| Job descriptions written / evaluated x3 councils | 11 March 2016 |
| Assimilation / matching exercise x 3 councils | 5 April 2016 |
| Consultation Report finalised / Unions engagement | 8 April 2016 |
| Consultation start | 11 April 2016 |
| Consultation end | 25 May 2016 (45 days) |
| Assimilations confirmed & Ring-fence Interviews | 13 June 2016 |
| Go live | 1 August 2016 |
| Embedding of revised ways of working | 1 August onwards |

Table 3

The above timescales are tight and each task is dependent on the preceding one. The whole process is based on a set of protocols agreed across oneSource.

- 3.7 The Business Improvement Team will project manage the restructure with the Director of Finance. Once the new structure is implemented and live, the team will continue to work with the service to embed revised processes and ways of working to enable delivery of the savings.

- 3.8 The proposed restructure of Assurance, Insurance & Fraud will follow the same timescales as above. The review of the service completed in the spring of 2015/16 for Havering and Newham but was then delayed for the potential joining of the Bexley service. The restructure proposal is on course to save the required savings target of £1.126m in 2016/17 and £1.394m in 2017/18. The savings for 2016/17 will come from the new structure and the current level of vacant posts.

4.0 Operational and Strategic HR & OD

- 4.1 Work commenced on this project in March 2015. The key elements of work undertaken include the following:
- Obtain a baseline position of the service – the “As Is”, identifying current service budget, establishment, service offering, cost, performance and customer satisfaction.
 - Identify and standardise key processes for a shared HR & OD service.
 - Develop a Target Operating Model for a shared HR & OD service.
 - Develop a savings schedule identifying where savings from a shared HR & OD service can be made.
 - Deliver an implementation plan to support implementation of the preferred shared service Target Operating Model, and improved processes.
- 4.2 One of the key issues encountered was that the service does not record all work, nor operate a time-recording system. The required demand data was not available for some of the functions and that has prevented the calculation of some unit costs and being able to accurately determine the level of resources required. This has been mitigated through the application of activity analysis, using available demand data and reviewing key processes. The service has also developed an advice and casework recording spreadsheet in the meantime. Alternative longer term systems are being explored for the future.
- 4.3 The proposed savings delivered by the new TOM are identified below in Table 4.

| Year | Proposed savings £000's | Cumulative Savings £000's |
|-------------|------------------------------------|--------------------------------------|
| 2016/17 | 0.334 | 0.334 |
| 2017/18 | 0.274 | 0.608 |
| 2018/19 | 0 | 0.608 |

Table 4

- 4.4 A project plan has been developed to map out the implementation of the proposed structure and beyond. The key milestones are shown in table 5 below.

| Task | Anticipated Completion date |
|---------------------------------------|------------------------------------|
| Job descriptions written | 10 March 2016 |
| Job description evaluated x3 councils | 1 April 2016 |

| | |
|---|------------------------|
| Assimilation / matching exercise x 3 councils | 22 April 2016 |
| Consultation Report finalised | 29 April 2016 |
| Unions engagement | 2 May 2016 |
| Consultation start | 9 May 2016 |
| Consultation end | 22 June 2016 (45 days) |
| Assimilations confirmed & Ring- fence Interviews | 16 August 2016 |
| Go live | 1 September 2016 |
| Embedding of revised ways of working | 1 September onwards |

Table 5

- 4.5 An implementation date of 1 September is challenging. The HR service will still need to support 40 other restructures pending for LBN due by September in addition support the LBH Terms and Conditions consultation due in September as well. The process for implementing the restructure will be taking part over the school holidays and staff in the HR transactional service may have claims on posts in the HR & OD structure. The process for this service will also run in parallel.

5.0 Transactional Services – Finance & Transactional

- 5.1 Transactional services were split into two projects: Finance and HR. The two projects coordinated with the relevant operation / strategic project where there were potential cross over issues. In some areas all four projects crossed over (e.g. restructure processes in 1-oracle). Most of the proposed savings for Havering and Newham are through using the same 1-Oracle processes across both councils reducing duplication. However the review did look at how 1-Oracle is used in Havering to see where improvements could be made to either deliver savings or improve the customer experience. This work will continue in 2016/17 as per para. 9.1.3 later in this report.
- 5.2 The Transactional Finance project was complicated by the potential on boarding of Bexley. Bexley does not follow the oneSource TOM and therefore work was required to disaggregate the transactional elements from operational and strategy. In addition, Bexley use a different version of Oracle from Havering and Newham and therefore different processes need to be allowed for in the structure proposals. The proposed TOM is a shared function between the three councils.
- 5.3 Both projects followed a similar process with the key elements as shown below:
- Establish a baseline position in relation to budgets, establishment, processes, demand and performance.
 - Review functions, performance, demand and resource to identify restructure savings opportunities and develop proposals for a shared service model.

- Propose restructure options for a shared service and possible integration of work from/to other teams.
- Review team budgets and identify any opportunities for savings from controllable spend.
- Engage staff and customers in the process of identifying proposals for the shared service.
- Identify how the agreed TOM can be more effectively implemented during the change to a shared service through the realignment of activities to either transactional or operational services.
- Review and redesign key processes as agreed by the Senior Responsible Officer (SRO).
- Produce a savings schedule mapped over at least a three year period.
- Produce an initial implementation plan for the delivery of the agreed proposals.
- Finalise To Be Report
- Assist SRO with Organisation Change Report
- Agree process improvement activity

5.4 Both projects were limited at times by the level of resource available as the projects were running in parallel with the Newham 1-Oracle implementation project and the availability of key staff at times during the review.

5.5 The proposed Transactional HR savings are shown in Table 6 below:

| Year | Proposed savings £000's | Cumulative Savings £000's |
|-------------|------------------------------------|--------------------------------------|
| 2016/17 | 0.272 | 0.272 |
| 2017/18 | 0.197 | 0.469 |
| 2018/19 | | 0.469 |

Table 6

5.6 The proposed Transactional Finance savings are shown in Table 7 below:

| Year | Proposed savings £000's | Cumulative Savings £000's |
|-------------|------------------------------------|--------------------------------------|
| 2016/17 | 0.562 | 0.562 |
| 2017/18 | 0.212 | 0.774 |
| 2018/19 | | 0.774 |

Table 7

5.7 A common project plan has been developed to map out the implementation of the proposed structure and beyond. This is due to the nature of the functions and the potential for staff to claim posts in either structure. The timescales follow that for HR & OD implementation. The key milestones are shown in table 8 below.

| Task | Anticipated Completion date |
|---|------------------------------------|
| Job descriptions written | 10 March 2016 |
| Job description evaluated x3 councils | 1 April 2016 |
| Assimilation / matching exercise x 3 councils | 22 April 2016 |
| Consultation Report finalised | 29 April 2016 |
| Unions engagement | 2 May 2016 |
| Consultation start | 9 May 2016 |
| Consultation end | 22 June 2016 (45 days) |
| Assimilations confirmed & Ring-fence Interviews | 16 August 2016 |
| Go live | 1 September 2016 |
| Embedding of revised ways of working | 1 September onwards |

Table 8

- 5.8 As for the other projects the proposed go live date is challenging. This is due to the number of staff involved and the potential ring fencing of staff between the two functions. To some extent there may be also ring fencing issues between the HR Transactional team and HR & OD.

6.0 Total savings identified from Finance and HR & OD projects.

- 6.1 The total savings from the four transformation projects lead by the Business Services Team amount to £2.349m in 2016/17, increasing to £3.633m in 2017/18. The summary figures are shown in Table 9 below and compare the actual savings against targets for each year.

| Service | 2016/17 | | 2017/18 | |
|---------------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| | Target £000's | Proposed £000's | Target £000's | Proposed £000's |
| Operational & Strategic Finance | 1.390 | 1.181 | 1.735 | 1.782 |
| Transactional Finance & HR | 1.081 | 0.834 | 1.316 | 1.243 |
| Operational & Strategic HR | 0.571 | 0.334 | 0.673 | 0.608 |
| Total | 3.042 | 2.349 | 3.724 | 3.633 |
| Shortfall against target | | 0.693 | | 0.091 |

Table 9

- 6.2 There is a shortfall of savings against target of £693k in 2016/17. This shortfall is due to the target being set in the business case for oneSource as a full year saving. In reality the saving will be part year. However, with the number of vacant posts in the services

that already exist prior to any restructures it is likely that any shortfall will be minimised. There is minimal risk to delivering the Bexley share of the savings as only a part year requirement has been budgeted. There is a minimal shortfall (£91k) forecast for 2018/19. Further savings will be found if necessary.

7.0 Council Tax & Benefits

- 7.1 The Council Tax and Benefit transformation review was due to commence in 2016/17. A decision was made to commence the review earlier leading to the earlier delivery of savings and work started in January 2016. The review will look at creating a shared service between the three councils. However, the Bexley function is provided through a contract with Capita that has a number of years to run. The review will therefore only look at this stage at how the client function of this contract will work within oneSource.
- 7.2 The aim of the project is to create one integrated and shared Council Tax and Housing Benefits service, providing an efficient, high performing and affordable service for the councils and residents.
- 7.3 The objectives are as follows:
- To maximise income collection
 - To improve performance for our customers
 - To reduce costs through increased efficiency
 - To seek new opportunities to grow the business
 - To deliver these objectives through innovative thinking and digital by design
- 7.4 A project board has been created and will lead the transformation process. A project plan has been approved with the following high level milestones shown below in table 10:

| Task | Anticipated Completion date |
|--|------------------------------------|
| Analysis of current position "As Is" | 30 March 2016 |
| "To Be" completed including final report, structures, job descriptions, evaluation of job descriptions and high level process design | 30 August 2016 |
| Staff Consultation end | 15 October 2016 |
| Assimilations confirmed & Ring-fence Interviews | 16 December 2016 |
| Go live | 2 January 2017 |
| Embedding of revised ways of working | 2 January 2017 onwards |

Table 10

The detail of project plan will be developed in the next couple of weeks.

- 7.5 The financial targets for savings from the project are shown in table 11 below. At this stage the financial benefits to each council of improved cash collection for council tax are excluded. The project plan includes targeted improvement but the financial values are yet to be determined.

| Year | Savings Target £000's | Cumulative Savings £000's |
|-------------|----------------------------------|--------------------------------------|
| 2017/18 | 1.013 | 1.013 |
| 2018/19 | 0.307 | 1.320 |
| 2019/20 | 0 | 1.320 |

Table 11

8.0 Update on other 2015/16 projects

- 8.1 The other projects due to be looked at in 2015/16 are as follows:
- Debt management / Recovery Team
 - Pensions (Contract at LBN)
 - Democratic & Electoral Services
- 8.2 Currently a project is being undertaken in oneSource to look at how the different elements of debt recovery within Havering can be brought together. This review is still progressing. Any lessons from this will be used to look at processes within Newham and Bexley. oneSource has a debt enforcement team that collects some debt on behalf of Newham and Havering Councils. Since a change in regulations was made the service keeps the fee payable by the debtor; making an income for oneSource and therefore the two councils. This service is due to be shared with Bexley in 2016/17. A report will be brought to the next Joint Committee meeting in June outlining the service and the additional income being generated.
- 8.3 Consideration has been given to the way in which the pension administration service is delivered across oneSource as currently it is a mixed approach. Havering has an in house team whilst Newham outsources to the LPFA under a contract which is due to expire on 31st March 2016.
- 8.4 Proposals outlining a restructure of the service were formerly launched on 25th February 2016 which detailed one team reporting to a pension's manager. The team comprised of an in house pensions administration team alongside a projects and contracts team. The future proposals mean that Havering will remain in house with an improved structure to deal with the complex regulations and rules on pensions, and Newham are entering into a shared service arrangement with Lancashire County Council (in partnership with the LPFA). This approach underpins stability and continuity of service for pensions administration along with improvement and consistency of service provision (including guidance and actioning Admitted and Scheduled body status, systems development, self-service etc.).
- 8.5 There are no current plans to share Democratic Services across both councils. Newham is considering delivering efficiencies in this area through different means.

There may be the possibility for Havering and Bexley sharing this service but no proposals exist at this moment in time.

- 8.6 Currently there is no proposal to share the management of election services between Havering and Newham but they will remain as parallel services within oneSource. After the 2016 elections, the teams will look at the potential for back office sharing in respect of electoral registration (especially data entry) on the electoral management software (Xpress) and also shared canvass teams. Potential savings are limited and efficiencies will be in large part risk mitigation for the removal of Cabinet Office funding for the transition to individual electoral registration that ends this year.

9.0 2017/18 Projects

- 9.1 In addition to the Council Tax and Benefit transformation projects and continued project management of the Finance and HR & OD projects, the transformation team will be involved in the following projects commencing in the new financial year. Full project plans will be developed.

9.1.1 Legal Services

- (a) Legal Services are on track to have achieved its 16/17 savings and recent work on reducing expenditure and increasing income and costs recovery has halved the existing overspend. The remainder should disappear with the removal of additional pay protection costs and senior agency staff costs.
- (b) Legal Services has reviewed the implementation of its transformation programme following the creation of the single structure and location for legal services. We will now be working on full implementation of the transformation with the support of the Business Improvement Team focussed on the maximisation of the functionality of the IKEN case management system
- (b) Bringing work back in-house. A large amount of legal work (and therefore Council spend) is still undertaken by external solicitors firms and barristers. This has been for a variety of reasons and a mixed economy of suppliers will be necessary, especially for court work, niche specialisms and some major projects. Inevitably external legal support is more expensive and provides for little or no knowledge transfer. Legal Services will continue its review on identified potential gains / savings for oneSource and the Councils if the current use of externalised work was rationalised. There are ongoing discussions with client departments with some ad hoc arrangements in place currently, e.g. legal support to Newham's CSSB service. In 16/17, a project will begin to bring Havering's Housing work back in house (at least £500,000 of spend) allowing for the creation of a specialist Housing team, that will benefit both boroughs and be attractive to new clients.

- 9.1.2 In 2014/15 the Procurement team underwent a restructure to deliver full year savings of £343k which was in line with the assumptions made in the original business case for setting up the shared service. However, no review was made of the processes undertaken within the function. It is proposed that such process reviews will be undertaken in 2016/17. This will potentially enable efficiencies to be made some of which may be cashable through a reduction in resources required.

9.1.3 During the 2015/16 projects a number of processes were identified that had potential to be digitalised. In addition other oneSource services have a number of paper based processes that could be made electronic. The transformation team will work in conjunction with ICT to identify relevant processes that could be put online or digitised and to undertake the review of the processes to maximise the efficiencies that could be made.

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 and subsequent amendments to savings targets agreed by the councils.

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

None



ONESOURCE JOINT COMMITTEE

18 MARCH 2016

Subject Heading:

Joint Committee Scheme of Delegation to Officers

Report Author and contact details:

Daniel Fenwick, Director of Legal & Governance

Financial summary:

Nil

Is this a Key Decision?

Not Applicable

SUMMARY

This report seeks the committee's approval for proposed delegations to officers of Bexley Finance functions that form part of the Joint Committee's delegated powers from 1 April. .

RECOMMENDATIONS

For the reasons set out in this report, the Joint Committee is asked to agree the delegations below and to delegate authority to the Director of Legal & Governance to amend the Joint Committee Scheme of Delegation to reflect these changes.

REPORT DETAIL

1. Background

- 1.1 The oneSource model is to delegate the powers to operate the shared services from both authorities to the Joint Committee. The Joint Committee then agrees a Scheme of Delegation of those powers to senior officers working for oneSource. Where further delegation of powers to frontline services is required, the Managing Director and Directors agree their own schemes of delegation. Bexley have delegated the

Finance functions set out in this report to the Joint Committee and these now need to be delegated to officers for operation from 1 April.

2. Proposal

- 2.1 It is proposed that the delegations follow the model agreed for Newham and Havering. In summary, all officer powers are delegated to the Managing Director and Directors, with the former being able to exercise any powers that are delegated to other officers, subject to legal exceptions. Directors are then responsible for agreeing their own scheme of delegation for their functions.
- 2.2 The Committee will retain the functions in the Scheme of Delegation that are currently reserved for both Newham and Havering and relate to the strategic management of oneSource.
- 2.3 The Bexley financial delegations are incorporated into the Scheme as follows:

| Bexley Financial Delegation | Scheme of Delegation Reference |
|--|---|
| Finance Corporate Finance / Business Partnering, Financial systems, Financial control & reconciliations, Finance Administration (inc. accounts payable, accounts receivable) Internal Audit, Risk, Insurance and Fraud Pensions administration | B1-3, B10-12, B13-16, B30-31. B25-29 B32-36 |
| Exchequer Services Benefits Council Tax and Business Rates Corporate Debt Recovery | B4-6 B4-6 B7-9 |

- 2.4 The proposed Scheme delegates the powers to the relevant Directors so they can establish schemes of delegation for each service area.

REASONS AND OPTIONS

3. To ensure the effective and lawful operation of oneSource activities, it is essential that the Joint Committee agree a Scheme of Delegation to officers.

4. Reasons for the decision:

4.1 The Scheme of Delegation must be approved by the Joint Committee as the body delegating powers.

5. Other options considered:

5.1 Not applicable. Delegation is required for the transferred functions to operate.

IMPLICATIONS AND RISKS

6. Financial implications and risks

6.1 There are no financial implications to the proposals. Decisions are still subject to the financial and other regulations of participating authorities.

7. Legal implications and risks

7.1 The Joint Committee has statutory power to delegate its functions to officers.

7.2 For non-executive powers, Under Section 101(5) of the Local Government Act 1972 two or more authorities may discharge any of their functions by a joint committee of their functions by a joint committee of theirs. This empowers the Councils to delegate non-executive powers to the Joint Committee and s.101 also provides that the Joint Committee may delegate powers to officers.

7.3 For executive powers, section 9EB of the Local Government Act 2000 (as amended) and Regulation 11 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 provide the power to delegate executive functions to a joint committee set up under section 101(5) of the Local Government Act 1972. Regulation 11(8) provides that a Joint Committee may arrange for the discharge of any of its function by an officer of one of the authorities concerned.

7.4 For information, most of the functions delegated are executive powers and the Scheme will be kept under review. If additional powers are required to carry out oneSource functions, they must be first delegated from the two authorities.

Human Resources implications and risks:

The Scheme of Delegation ensures officers have the necessary statutory authority to carry out their jobs.

Equalities implications and risks:

There are no direct equalities implications of this decision.

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| BACKGROUND PAPERS |
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APPENDICES

A – Current Joint Committee Scheme of Delegation to Officers



ONESOURCE JOINT COMMITTEE

SCHEME OF DELEGATION

1. Introduction

- 1.1. On 1 April 2014, the London Boroughs of Newham & Havering established a joint committee under s.101 [5) of the Local Government Act 1972 for the discharge of various executive and non-executive functions of each authority via shared arrangements
- 1.2. This is the scheme of delegation to officers from the oneSource Joint Committee of the participating authorities agreed on 22 January 2016 (subject to agreement) following the delegation of powers to the Joint Committee by the participating authorities as follows:

| Authority | Meeting |
|---|---|
| Approval for the delegation of the scheme of executive functions to the oneSource Joint Committee | Havering Cabinet 8 July 2015 Newham Cabinet, 23 July 2015 |
| Approval for the delegation of the scheme of non-executive functions to the oneSource Joint Committee | Havering Council, 15 July 2015 Newham Council, 21 September 2015 |

- 1.3. As and when additional functions are delegated to the Joint Committee, whether by Newham and/or Havering or an additional participating council, this Scheme will be amended where required following a decision of the Joint Committee.
- 1.4. This Scheme does not form part of any participating council's Constitutions but will be published on each participating council's website.

2. Definitions

| Term | Definition |
|------------------------------|--|
| <i>Joint Committee</i> | The Joint Committee of the participating authorities of oneSource. |
| <i>participating council</i> | Any local authority which is a member of the Joint Committee which may delegate functions to the Joint Committee |

| | |
|--------------------------|---|
| <i>officer</i> | An officer of any participating council |
| <i>oneSource</i> | Officers and services of a participating council falling within the management structure and portfolio of services in oneSource |
| <i>Scheme</i> | This Scheme of Delegation |
| <i>Managing Director</i> | The Managing Director of oneSource / the senior management post in oneSource |

3. Scope

- 3.1. This Scheme applies to all services and officers without exception. The Scheme is additional to any powers delegated to officers:
- 3.1.1. in a participating council's Constitution, Scheme of Delegation or otherwise
- 3.1.2. by virtue of holding a statutory office, e.g. monitoring officer
- 3.1.3. by an express delegation of a participating council to an officer
- 3.1.4. through an agreement under s.113 of the Local Government Act 1972 or any other secondment agreement.

4. Variations

- 4.1. Delegations to the Joint Committee can only be agreed by the participating council's executive or council [depending on whether the functions delegated and to be varied are executive or non-executive functions].
- 4.2. The Joint Committee may vary the delegations in this Scheme.
- 4.3. The Managing Director may vary the delegations in this Scheme for operational reasons or to reflect changes to the oneSource officer structure but any variations that are intended to be permanent must be agreed by the Joint Committee.

5. Schedule of Designations

- 5.1. The Scheme delegates powers to officers in accordance with the following designations.

| Level | Category | Current Posts | Power to further delegate functions |
|-------|--|----------------------|-------------------------------------|
| A | Managing Director, Directors, officers reporting to the Managing Director | [list current posts] | Yes |
| B | Officers reporting to a level A officer | [list current posts] | Yes |
| C | Officers reporting to a level B officer | [list current posts] | Yes |

- 5.2. Each post title will include any successor post title that is responsible for any or all of the services delivered by the previous post title.
- 5.3. The **Managing Director** may exercise any of the powers delegated to officers in this Scheme and / or may delegate any of the powers delegated to officers in this Scheme to any officer, save where prohibited by law and in accordance with the requirements below.
- 5.4. **Level A-C officers** may exercise the powers delegated to officers at a lower category within their Directorate or service.
- 5.5. Additionally, in the absence, for whatever reason, of an officer with delegated powers under this Scheme, his/her powers may be exercised in the following order by:
 - 5.5.1. any officer designated to perform the duties of the absent post holder;
 - 5.5.2. their line manager;

6. Officer Powers to Delegate

- 6.1. **Level A and B officers** should further delegate their powers under this Scheme to any officers within their Directorate/Service (a Level B officer's Scheme of Delegation must be consistent with a Level A officers Scheme of Delegation relating to the same powers).
- 6.2. Any further delegations exercised by oneSource officers must be:
 - 6.2.1. Set out in a directorate scheme of delegation [template at Appendix B] or
 - 6.2.2. Set out in writing [this may include emails or other electronic communication].
- 6.3. All directorate schemes of delegation or individual delegations must be notified to the Managing Director and Director of Legal & Governance.
- 6.4. The Managing Director may nominate in writing a Level A officer as their deputy in his/her absence.

7. General Delegation to Officers

- 7.1. In addition to any specific delegation in the Scheme, the Committee delegates to all Level A and B officers all the powers necessary to enable them to ensure the operational delivery of services within their responsibility.

8. Urgency

- 8.1. The Joint Committee delegates power to the Managing Director to exercise any of its decision making powers if a decision is required before the next scheduled meeting of the Joint Committee and the decision is required for one or more of the following circumstances apply;
 - 8.1.1. To manage or avoid financial or legal risk to one or more of the participating authorities.
 - 8.1.2. For health and safety reasons
 - 8.1.3. Any other reason agreed by the Chair of the Joint Committee

- 8.2. The decision must be made following consultation with the Chair of the Joint Committee and reported for information to the next convenient meeting of the Joint Committee.

9. **Governance**

- 9.1. Delegated decisions must be made in accordance with a participating Council's constitutional requirements including but not limited to access to information, procurement rules and financial procedures, except for any express delegations made to the Joint Committee by participating authorities.
- 9.2. In the interests of all participating authorities and good governance, oneSource will always seek to align decision making processes and timetables of each authority when making a decision that affects more than one authority

10. **Publication of Officer Decisions**

11. Decisions with a value over £50,000 must be published in accordance with the participating Council's procedures for the publication of executive decisions made by officers.

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Appendix A: Joint Committee Schedule of Delegated Powers

This table sets out the delegations to the levels of officers in accordance with this scheme.

Unless where stated or where a power relates to general management functions, delegations to officers are limited to their directorate or service.

Delegated powers are primarily delegated to an officer at the First Level but can also be exercised by an officer at second level where they fall within the services or areas of responsibility. .

In accordance with section 6.1 above, Level A or B officers should agree directorate/service Schemes of Delegation to ensure sufficient powers are delegated to Level C and lower level officers to ensure the effective delivery of operational services.

All references to policies and procedures in this Scheme are to be read as references to the policies and procedures of the participating Council, where not specified or except where stated.

| | Delegated Power | First Level | Second level |
|----|---|-----------------------------------|--|
| | STRATEGIC MANAGEMENT | | |
| A1 | To have overall responsibility for the provision to the participating Councils of the shared services | Managing Director | |
| A2 | To consider and approve the annual report of the activities performance and finances of the shared services operation | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A3 | To consider and approve the annual service plan for each shared service | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A4 | To determine the strategic direction of the shared services operation | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |

| | Delegated Power | First Level | Second level |
|-----|---|---|--|
| A5 | To determine any strategic issue referred to it by the Managing Director | Not Applicable | |
| A6 | To advise the participating Councils what financial resources are required for the delivery of the shared services operation for three financial years ahead from the current financial year | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A7 | To consider and approve the internal budget for the shared services operation within the overall financial constraints set by the participating Councils and to make representation to the Councils on the consequences of those restraints as appropriate. | None. Retained by Joint Committee | Managing Director [in cases of urgency only] |
| A8 | To oversee the delivery of programmes agreed by participating authorities | Managing Director | Level A |
| A9 | Agreeing provision of goods, materials or services to another body or person, provision of staff under S112 and S113 of the Local Government Act 1972 (or such other provision as may permit sharing of resources between public authorities) and deciding on the charges levied for such provision | For contract values over £500,000 – Joint Committee For contract values up to £500,000 – Managing Director | Directors – contract value up to £100,000 |
| | FINANCE [delegations to officers in Finance Directorates except where stated] | | |
| B1. | Advice on revenue and capital budgets of the participating Council, including the Housing Revenue Account and advising on housing rent levels. | Level A | Level B |
| B2. | Monitoring the revenue and capital budgets of the participating Council, including the Housing Revenue Account. | Level A | Level B |
| B3. | To maintain relevant statutory accounts and registers in respect of the participating council's financial arrangements as prescribed in the financial regulations. | Level A | Level B |
| | Council Tax, Business Rates & BID levy | | |
| B4. | Exercise of all of a participating Council's powers and duties in respect of the administration, collection and recovery Council tax and non-domestic rates. | Level A | Level B |
| B5. | Exercise of a participating Council's powers and duties in respect of the administration of | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|--|--------------|
| | housing benefit. | | |
| B6. | Exercise of the participating council's functions in relation to the administration, collection and recovery of the levy for a Business Improvement District under the Local Government Act 2000. | Level A | Level B |
| | Debt Recovery | | |
| B7. | All powers and duties relating to the recovery of debts owed to the Council, including for council tax and no-domestic rates. | Level A | Level B |
| B8. | All powers to write off sums which are deemed irrecoverable pursuant to financial procedures except Council Tax and Business Rates | Level A & B [all directorates relating to their debts] | |
| B9. | All powers to write off Council Tax and Business Rates debts are deemed irrecoverable pursuant to financial procedures. | Level A & B | |
| | Loan Management & Treasury Management | | |
| B10. | Manage the participating councils' loan debt (including borrowing, investing or lending money on the behalf of the Authority), investments, and temporary investments, and pension fund, insurance fund, act as registrar of loan instruments, manage all banking arrangements including numbers and types of accounts at all times subject to compliance to the financial procedures, Treasury Management Policy Statement and borrowing limits and Prudential Code. | Level A | Level B |
| B11. | Approving all loans in accordance with the participating council's financial regulations and procedures | Level A | Level B |
| B12. | Prepare, propose and implement a treasury management policy statement, annual strategies pursuant to the participating councils' financial regulations and procedures. | Level A | Level B |
| | General Financial Powers [All Directorates] | | |
| B13. | To undertake all other financial matters for the participating Council in accordance with the financial procedures of the participating council and professional accounting standards and | Level A, B & C | |

| | Delegated Power | First Level | Second level |
|------|--|---|---------------------|
| | the authority to incur expenditure approved by the participating Council or the Cabinet [or as provided by this Scheme of Delegation] as appropriate pursuant to limits stipulated in the financial procedures or otherwise and excluding statutory functions retained by the s.151 officer. | [all services] | |
| B14. | To incur expenditure within the revenue and capital budgets for the relevant service in oneSource as approved by the participating Council, subject to any ICT variation permitted by the participating council's contract and financial procedure rules. | Level A, B & C [all services] | |
| B15. | After consultation with the relevant Cabinet Member to apply for, accept and manage grants and other external funding up to a financial limit of up to £500k. | Level A | |
| B16. | To authorise the making of ex gratia payments [or grant of any other benefit] under s.92 of the Local Government Act 2000 [on recommendation by local government ombudsman] | Level A | |
| | Procurement | | |
| B17. | To approve commencement of a tendering process for all contracts up to £500k. | Managing Director up to £500,000 | Level A up to £100K |
| B18. | Power to obtain quotes, to provide tender documents and specifications, invite tenders, evaluate tenders (PQQ) and make recommendations to award tender or select contractors using available frameworks in compliance with the participating council's procedure rules | Level A | Level B |
| B19. | Power to approve contractual documents up to the values stated in the financial procedures including contractual extensions and renewals, amendments or variations to contracts | Level A to C | |
| B20. | Power to refer contracts to arbitration, to terminate contracts, withhold payments and enforce contract terms pursuant to financial procedures. | Level A | Level B |
| B21. | To award contracts on behalf of participating councils | Over £500,000 retained by Committee Up to £500,000 – Managing Director | |

| | Delegated Power | First Level | Second level |
|------|---|---------------------------|--|
| | | Up to £100,000 – Level A. | |
| B22. | To sign contracts on behalf of the participating council's which do not require sealing | Level A & B | |
| B23. | Authorising or approving purchase orders and payments pursuant to the limits set out in the financial procedures. | Level A & B | |
| B24. | To make or enter into leasing arrangements for vehicles, plant and equipment. | Level A, B & C | |
| | Audit & Insurance [Finance Directorate only] | | |
| B25. | To manage insurance claims against the participating Council including the power to: To instruct insurers [and their solicitors] to defend claims and, upon their advice, to negotiate and settle insurance claims up to limits provided for in the financial procedures | Level A | Level B (& manager responsible for insurance)_ |
| B26. | To make provision for insurance in respect of the participating Councils functions, premises, property, employees, Members and third parties including self-insurance and the selecting of and accepting of tenders for insurance cover and related services which are considered to be best value. | Level A | Level B |
| B27. | To approve indemnities to officers/members including insurance cover within any existing policy of the participating council [including the agreement of the s.151 and / or monitoring officer where required by the participating council] | Level A | Level B |
| B28. | To authorise activities under the Regulation of Investigatory Powers Act 2000 in relation to oneSource services [subject to training] | Level A & B | |
| B29. | Acting as participating council's reporting officer to the National Criminal Intelligence Service under the Proceeds of Crime Act. | Level A & B | |
| | Fees & Charges | | |
| B30. | To implement and collect approved fees, charges, rents etc. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|--|-------------------------------------|
| B31. | To set and collect statutory fees and charges for services where the fee/charge is levied under a statutory obligation to do so. | Level A | Level B |
| | Pensions | | |
| B32. | The administration of the pension fund of the participating council including the outsourcing of services and borrowing, investing or lending money on the behalf of the Authority. | Level A | Level B & C |
| B33. | To exercise discretionary and appeal powers delegated to the Pensions Panel | Level A [finance, legal and human resources] | Level B & C [as substitute members] |
| B34. | To exercise of all pension powers delegated to officers other than those delegated to the Pensions Panel | Level A | Level B & C |
| B35. | To make direct investments in local infrastructure assets as part of the Pension Fund local infrastructure portfolio after consultation (and in accordance with the direction of the Pensions Committee) with the Chair of the relevant committee. | Level A & B | |
| B36. | To agree early retirements granted by any school governing body with delegated powers to do so and to make discretionary severance payments in accordance with regulations and guidelines for making such payments to non- school based staff | Level A | Level B |
| | LEGAL & GOVERNANCE | | |
| | Legal Proceedings: General [Legal Officers only unless specified] | | |
| C1. | To take any action to commence and / or conduct any civil or criminal proceedings on behalf of a participating council, including but not limited to the instruction of counsel or expert witnesses, any action in respect of any appeal stage or any alternative dispute resolution, mediation or other form of negotiation. | Level A | Level B & C |
| C2. | To institute proceedings under s.222 of the Local Government Act 1972 on behalf of a participating council and to take any action to represent the authority in those proceedings | Level A | Level B & C |
| C3. | To settle claims in proceedings commenced or about to be commenced against a participating Council in a court or tribunal up to a limit of £250,000 settlement value if in | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|------------------------------|--|
| | accordance with client officer instructions and in consultation with the s.151 officer. | Managing Director | Level C up to £100,000 Senior Lawyer up to £50,000 |
| C4. | To agree the settlement of claims where the value of the settlement exceeds £250,000 <u>with the approval of the relevant individual Cabinet Member</u> unless the decision is required to be made immediately before, at, or during a hearing in which case the decision maker must report to the relevant Cabinet member for information. | Level A Managing Director | Level B up to £500,000 |
| C5. | To take any step to sign, serve, publish, advertise and receive notices and documents on behalf of the participating council in accordance with any statutory or other legal requirement. | Level A, B & C | Senior Lawyer, Lawyer, Legal Officer. |
| C6. | To serve requisitions for information and other documents to enable the participating council to receive information in the pursuance of legal proceedings. | Level A, B & C | Senior Lawyer |
| C7. | Where the issue of any document, notice or order will be a necessary step in legal proceedings on behalf of the participating council, to sign such document unless any enactment otherwise requires or unless the participating council has given the necessary authority to some other person for the purposes of such proceedings. | Level A, B & C | Senior Lawyer |
| C8. | To authorise participating council staff to represent the participating council in proceedings in the County Court of the County Courts Act 1984 and the Magistrates Court under Section 223 Local Government Act 1972. | Level A & B | |
| C9. | To amend the financial procedures in Financial and Contract Procedures specifically relating to EU contracts and occurring either due to exchange rate changes or EU directed amendments. | Level A & B | |
| C10. | To give notice, publish and take any necessary action in respect of Compulsory Purchase Orders under the Acquisition of Land Act 1981 or any other enabling legislation, and pay or recover compensation, home loss, disturbance, serve notices, reach agreement, accept undertakings, instruct the Services to issue notices, warrants for possession, redeem mortgages, and such functions and powers position to Compulsory Purchase (Vesting Declarations) Act 1981, and Compulsory Purchase Act 1965 and any other related legislation | Level A, B & C | Senior Lawyer, Lawyer [with planning or property experience] |

| | Delegated Power | First Level | Second level |
|------|---|--|--|
| | and Land Compensation Acts 1961 and 1973 but not confirming CPO's | | |
| C11. | Signing Statements of Truth, providing witness statements and statutory declarations in respect of matters within their own knowledge and giving evidence in person on behalf of the Authority | Level A, B and C | Senior Lawyer, Lawyer & Legal Officer * *on own casework only |
| C12. | Administering cautions in any criminal proceedings. | Level A, B and C | Senior Lawyer |
| C13. | Applying for Confiscation Orders, restraint, Charging Orders, deduction of wages, injunctions, possession and any other appropriate orders in connection with all criminal legal proceedings initiated by the participating council | Level A, B and C | Senior Lawyer, Lawyer, Legal Officer |
| C14. | Institute and conduct proceedings, agree to any form of ADR in respect of collection of NNDR, Council Tax or other debt and other related enforcement action in respect of such options including attending creditor 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 participating council. | Level A [finance – in addition to Legal delegations] | Representation in court subject to C8 authorisation |
| C15. | Representing the participating council at Appeals Service Tribunals | Level A [finance – in addition to Legal delegations] | |
| C16. | Exercising the councils' functions and powers to administer cautions and administrative penalties with regard to benefit offences under the Social Security Fraud Act 2001. | Level A [finance – in addition to Legal delegations] | |
| C17. | Applying for communications data in accordance with the powers conferred by the Social Security Fraud Act 2001 | Level A [finance – in addition to Legal delegations] | |
| C18. | Authorising a prosecution for fraud by an employee or third party in accordance with the Fraud Prosecution Policy. | Level A [finance – in addition to Legal delegations] | Level B [Audit only] |
| | Authentication of Documents & Notices etc. | | |

| | Delegated Power | First Level | Second level |
|------|--|----------------|---------------------|
| C19. | Authorising/affixing the Authority's seal to deeds and other documents and sign any documents not requiring the authorities' seal. | Level A, B & C | Senior Lawyer |
| C20. | To prepare, approve and issue or serve all legal documentation. | Level A, B & C | Senior Lawyer |
| C21. | To certify as a true and correct record any documents in accordance with section 229 of the Local Government Act 1972. | Level A, B & C | Senior Lawyer |
| C22. | To authorise, serve or issue all statutory notices, approvals and licences under any enactment | Level A, B & C | Senior Lawyer |
| C23. | Making any application to apply a caution, withdrawing any caution, objecting to any caution, registering, or objecting to notice or interest or restriction, applying to upgrade any title. | Level A, B & C | Senior Lawyer |
| C24. | To register a notice and apply for a certificate under the Rights of Light Act 1959 Section 2. | Level A, B & C | Senior Lawyer |
| C25. | To publish notice of any intention to dispose of open space under the Local Government Act 1972 and The Town and Country Planning Act 1990. [see also Asset Management] | Level A, B & C | Senior Lawyer |
| C26. | To serve any notices and exercise any powers and duties including payment of compensation arising out of the participating council's ownership of land. | Level A, B & C | Senior Lawyer |
| C27. | All powers in relation to the registration of a participating council's land | Level A, B & C | Senior Lawyer |
| C28. | All legal powers in relation to right to buy applications and disposals. | Level A, B & C | Senior Lawyer |
| C29. | Serving notice on registered keeper of vehicle requiring information about the identity of driver person in charge of the vehicle in relation to any offence concerning the vehicle and to bring proceedings for failure to provide information. | Level A, B & C | Senior Lawyer |
| C30. | To authorise the taking of photocopies of material open for public inspection under a statutory requirement as permitted by copyright Designs & Patents Act 1984. | Level A, B & C | Senior Lawyer |
| C31. | Serving notices on occupiers of any land or premises requiring them to furnish information regarding details of all those with an interest in the land. | Level A, B & C | Senior Lawyer |
| | Administration & Governance | | |
| C32. | All powers and duties in relation to the administration of independent appeals on behalf of a | Level A & B | Level C [Democratic |

| | Delegated Power | First Level | Second level |
|----------|--|------------------------------|-------------------------|
| | participating council. | | Services officers only] |
| C33. | To appoint a Member of the participating council to fill a casual vacancy in any appointment to another organisation arising during the course of a municipal year following nomination by the Group of which the previous appointee is a Member | Level A | |
| C34. | To grant use of the participating council's coat of arms. | Level A Managing Director | |
| D | ICT & BUSINESS SYSTEMS [ICT officers except where stated] | | |
| D1. | To develop the participating council's e-government and t-government strategies | Level A | Level B |
| D2. | To develop the participating council's information systems, and information technology and e-government strategies | Level A | Level B |
| D3. | To develop the participating council's information and communications technology strategies including the supply, withdrawal, data protection, security and integrity of the systems to staff and members. | Level A | Level B |
| D4. | To supply connections and services to public sector partners and other organisations, provided that the integrity of the participating council's information systems is maintained. | Level A | Level B |
| D5. | Agreeing arrangements for the use of any spare capacity in any computers or associated equipment owned by the participating council under Section 38 of the Local Government (Miscellaneous Provisions) Act 1976 | Level A Managing Director | Level B |
| D6. | Approving sales of computer software developed and owned by the participating council | Level A Managing Director | Level B |
| D7. | Agreeing policies procedures and standards relating to the security, integrity and accessibility for ICT infrastructure and systems | Level A | Level B |
| D8. | To develop and implement the participating council's information governance policies and protocols. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|--|---|--------------|
| | HUMAN RESOURCES [limited to HR service managers except where stated] | | |
| E1. | To develop and implement the participating Council's strategies for human resources, organisational development, remuneration and occupational health. | Level A | Level B & C |
| E2. | Implementing all human resources policies and procedures delegated to the Joint Committee | Level A, B & C | |
| E3. | To implement any binding decisions of recognised national negotiating bodies in respect of pay and terms and conditions of employment. | Level A | Level B |
| E4. | Subject to employment decisions reserved to members of the participating council, all powers to implement senior management restructures delegated to the Joint Committee. | Level A & B [All services] Managing Director | Level C |
| E5. | To amend HR policies where necessary in consequence of legislative, organisational or other changes that have no adverse financial effect. | Level A | |
| E6. | All powers and duties in relation to equality impact assessments for staff under s.149 of the Equality Act 2010. | | |
| E7. | All powers and functions of the Authority as an employer under the Trade Union and Labour Relations (Consolidation) Act 1992 | Level A & B | Level C |
| E8. | All powers in relation to redundancy and redundancy payments [excluding pension rights] | Level A, B & C | |
| E9. | All powers in relation to statutory sick pay and leave, incapacity and industrial injury, parental leave and reserve forces leave | Level A, B & C | |
| E10. | All participating council powers in relation to school teachers' pay and terms and conditions of employment. | Level A, B & C | |
| E11. | All powers in relation to attachment of earnings orders. | Level A, B & C | |
| E12. | All duties as an employer under TUPE Regulations 2006 | Level A, B & C Managing Director | |
| E13. | Approving applications for specific staff monitoring where warranted under the participating council's policy and in accordance with the Information Commissioners Code. | Level A & B | |
| E14. | Payment of allowances in accordance with the "Croydon Scheme" to staff injured in the course of their duties | Level A & B | |

| | Delegated Power | First Level | Second level |
|------|--|------------------------------|--------------|
| E15. | To approve applications for leave for trade union conferences and training courses | Level A & B | |
| E16. | To approve payment of claims by employees for loss or damage to property and clothes | Level A & B | |
| E17. | To grant permission for employees to undertake outside work or duties. | Level A & B | |
| E18. | To approve honoraria payments | Level A & B | |
| | ASSET MANAGEMENT [Asset Management Officers only unless where stated] | | |
| F1. | All powers and duties in relation to the strategic and operational management of a participating council's property portfolio. | Level A Managing Director | Level B & C |
| F2. | Prepare, propose and implement a Corporate Asset Management Plan and Corporate Property Strategy for the participating council's property assets. | Level A | Level B & C |
| F3. | To conduct preliminary negotiations, negotiate, agree and conclude all property matters including property valuations for all purposes. | Level A | Level B & C |
| F4. | To undertake marketing of any participating council property. | Level A | Level B |
| F5. | To instruct external property advisors, surveyors, auctioneers and consultants where necessary on property transactions. | Level A | Level B |
| F6. | 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. | Level A | Level B |
| F7. | The disposal of any freehold or leasehold land where the capital value does not exceed the maximum amount delegated to officers in financial procedures. | Level A | Level B |
| F8. | The disposal of any land or property subject to a statutory requirement to do so. | Level A | Level B |
| F9. | The acquisition of freehold or leasehold land where the capital value does not exceed the maximum amount delegated to officers in financial procedures. | Level A | Level B |
| F10. | The disposal of assets other than land provided the best possible price is obtained. | Level A | Level B |
| F11. | The disposal of assets other than land with no value (NB this does not extend to disposals at nil value/peppercorn where the asset has a value). | Level A | Level B |
| F12. | Management, insurance and maintenance of all corporate property. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|-------------|--------------|
| F13. | Applying for planning permission in respect of participating council owned land. | Level A | Level B |
| F14. | Entering into planning and highway agreements in respect of participating council owned land. | Level A | Level B |
| F15. | Serving notices to quit, notices seeking possession and tenants' notices; exercising any duty to compensate in respect of land matters or re-housing matters; enforcing covenants; serving notices relating to land and attendant procedures, and disposal of property left on land. Granting wayleaves and easements to and enter similar agreements with statutory undertakers and other bodies, extinguish rights of statutory undertakers and pay compensation. | Level A & B | Level B |
| F16. | Licensing of access works and demolition on participating council owned land and property. | Level A | Level B |
| F17. | To agree or request guarantee agreements, rent deposits, overriding leases, releases from covenants, to seek mortgagor's consent where required. | Level A | Level B |
| F18. | To publish notices of intention to dispose of open space. | Level A | Level B |
| F19. | To make applications to the court or tribunal and all attendant procedures upon matters relating to participating council land. | Level A | Level B |
| F20. | To carry out and conclude rent reviews or lease renewals. | Level A | Level B |
| F21. | To negotiate all relevant terms including payment of professional fees in respect of the letting and management of commercial premises and implement all agreements. | Level A | Level B |
| F22. | To exercise all powers and duties under the Landlord and Tenant Acts, this may be exercised by the participating council as landlord or tenant. | Level A | Level B |
| F23. | To propose alterations to the valuation list or raise objections to an proposed alterations or appeal against valuation decisions and to agree the settlement of all such matters. | Level A | Level B |
| F24. | To exercise all powers and duties of the participating council as landowner in relation to Compulsory Purchase matters. | Level A | Level B |
| F25. | To maintain the participating council's list of Assets of Community Value and to determine applications for inclusion on that list and in respect of appeals and all attendant procedures. | Level A | Level B |
| F26. | To maintain the participating council's register of land held by public bodies. | Level A | Level B |
| F27. | Management, maintenance, provision and hire of public halls and buildings owned/occupied by the participating council, including provision of security services. | Level A | Level B |

| | Delegated Power | First Level | Second level |
|------|---|-------------|--------------|
| F28. | To serve demands, place and enforce charges, appoint receivers or debt collection agencies, issue legal proceedings or any other enforcement or other action in relation to debts and interest thereon owed to the participating council. | Level A | Level B |
| F29. | To exercise all powers relating to Romford Market including granting and revoking licences and enforcing relevant byelaws (Havering only) | Level A | Level B |
| F30. | To exercise all powers and duties in relation to concessionary fares and similar schemes, including the taxicard scheme and to issue minibuses and other permits to appropriate organisations (Havering only). | Level A | Level B |
| F31. | Following notification to relevant ward members, to vary but not extend existing agreements for mobile phone masts at school sites in circumstances where installations are to be upgraded and lower emissions will result and to grant Landlord's consent (Havering only). | Level A | Level B |

Appendix B

MODEL DIRECTORATE SCHEME OF DELEGATION

| Post | Category | Delegations | Scheme of Delegation Reference | Delegating Officer |
|------|----------|-------------|--------------------------------|--------------------|
| | | | | |
| | | | | |
| | | | | |

SAMPLE INDIVIDUAL DELEGATION

Delegating Officer title

Delegate Officer title

Date

The following powers under the oneSource Scheme of Delegation are delegated to the above posts

| Delegations | Scheme of Delegation Reference |
|-------------|--------------------------------|
| | |

If the delegation is time limited or otherwise restricted – please state

Delegated authority must be exercised in accordance with the oneSource Scheme of Delegation and any rules or requirements of a participating council.

SIGNED AND DATED

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|---|--|
| ONESOURCE JOINT COMMITTEE | 18 March 2016 |
| Subject Heading: | Proposed variation to the oneSource legal agreement |
| Report Author and contact details: | Andrew Beesley, Committee Administration & Interim Member Services Manager Andrew.beesley@onesource.co.uk |
| Financial summary: | Nil |
| Is this a Key Decision? | N/A |

SUMMARY

This report notifies the joint committee that a request has been received for a variation to the oneSource legal agreement. The request is currently being processed in accordance with the terms as set out in the legal agreement. A verbal update will be provided at the meeting if available.

RECOMMENDATIONS

The Joint Committee is asked to note the report.

REPORT DETAIL

1. Background

- 1.1 In 2014, the London Boroughs of Havering and Newham agreed to establish and participate in a joint committee to facilitate the joint delivery of certain of their functions. A legal agreement was therefore entered into in reliance of the rights given to local authorities to undertake administrative arrangements, as set out in local government legislation.

2. Requested variation to the legal agreement

- 2.1 Clause 13 of the legal agreement sets out the process that is to be followed where a request for a variation is made.
- 2.2 A request has been submitted by the London Borough of Newham for a variation to Schedule 1 – Constitution of the Joint Committee; for non-executive members to be appointed to the Joint Committee.
- 2.3 A second request has also been received from the London Borough of Newham for a variation to Schedule 2 – Delegated Functions and Shared Services. The variation is to remove 'Democratic Services, Committees and Partnerships, and Scrutiny' from the London Borough of Newham portfolio of shared services within oneSource.
- 2.4 The request is currently being considered in accordance with the timescales as set out in Clause 13.2. At time of writing, a decision has yet to be made. Should that position change prior to the meeting, a verbal update will be provided.

| |
|----------------------------|
| REASONS AND OPTIONS |
|----------------------------|

3. Reasons for the decision:

- 3.1 The Joint Committee is not required to make a decision in respect of the request for a variation to the legal agreement.

4. Other options considered:

- 4.1 None.

IMPLICATIONS AND RISKS

5. **Financial implications and risks**

5.1 There are no financial implications associated with this report.

6. **Legal implications and risks**

6.1 Clause 13 of the legal agreement outlines the process to be followed in instances where a request has been made for a variation.

7. **Human Resources implications and risks:**

7.1 There are no human resources implications and risks associated with this report

8 **Equalities implications and risks:**

8.1 There are no direct equalities implications of this decision.

BACKGROUND PAPERS

None

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