

**MINUTES OF A SHARED
SERVICES JOINT
COMMITTEE MEETING
Stratford Town Hall,
Stratford
Friday, 13 February 2015
(9.00 - 10.00 am)**

Present:

Members Present

Councillor Forhad Hussain

Councillor Ron Ower

Councillor Ellie Robinson (Chair)

Councillor Melvin Wallace

Councillor Damian White

Apologies were received for the absence of Councillor Lester Hudson

There were no declarations of pecuniary interest.

Unless otherwise indicated, all decisions were agreed unanimously.

13 MINUTES

The minutes of the meeting of the Joint Committee held on 24 October 2014 were agreed as a correct record and signed by the Chairman

14 MEMBERSHIP OF THE JOINT COMMITTEE

The Committee **NOTED** the membership of the Joint Committee and welcomed Councillor Ron Ower who had replaced Councillor Roger Ramsey.

15 ONESOURCE 2015-16 BUDGET

The report detailed the oneSource budget for 2015-16 (£44.589m) with a breakdown provided of each of the budgets for individual Service areas.

The joint working arrangement was set to realise at least £10.6m of savings in the period up to 2018/19. It was reported that savings of £4.1m for 2014/15 were on target to be delivered and £3.7m of additional savings were reflected in the 2015/16 budget.

The Joint Committee:

1. Noted the 2015-16 oneSource budget;
2. Approves the 2015-16 budget allocation to services;
3. Approved the changes to the oneSource service portfolio.

16 **ONESOURCE FORECAST FINANCIAL POSITION AS AT DECEMBER 2014**

It was noted that at December 2014, the overall oneSource forecast outturn showed a projected underspend of £125k.

It was explained that at Service level there were four significant variances. There had been overspends of £230k and £123k in Asset Management and, Legal and Governance respectively. These had been largely due to delays in completing the transformation reviews, and associated implementation of service improvements and efficiencies. These had however been offset by salary underspends and additional income generation in Finance, and Exchequer and Transactional Services.

Members noted that the variances were not expected to be ongoing and would be removed following the outcome of current and forthcoming service reviews and in meeting future savings targets.

With regards to OneSource Key Performance Indicators (KPIs), the report provided details of two KPIs which had a direct financial implication to oneSource and the London Borough of Havering and the London Borough of Newham as they related to the collection of Council Tax (oKPI 3) and Business Rates (oKPI 4).

oKPI 3 – Percentage of Council Tax collected

For the London Borough of Havering council tax collection, Members were informed that the performance indicator had exceeded target every month this year with an outturn for December 2014 of 85.77% which equated to the collection of £106.6m.

For the London Borough of Newham the collection rate for December 2014 council tax was 75.71% (£64.6m collected), which was up by 0.21% on the re-profiled target for the current year.

Members were advised that the lower payment rate for Newham households went some way to explain the difference between the collection rates of the two councils. Aside from that, Havering had a greater proportion of household paying in 10 instalments than Newham and therefore would effectively finish collection in January. Newham offers 12 monthly instalments to all households entitled to Council Tax Reduction to enable them to spread the repayment of their minimum 20% liability as far

as possible and more generally to other households where it would assist them in repaying in full for the year.

oKPI 4 - Percentage of National Non-Domestic Rates (NNDR) collected

It was noted that for the London Borough of Havering NNDR collection there had been a drop from 85% (£65.3m) in December 2013 compared to this year's 84.17% (£63.4m). This was due to businesses now being able to pay over 12 months as opposed to the previous 10 months. The monthly collectible figure had reduced and targets were yet to be redefined; however collection rates were on course to meet the annual target of 98%.

For the London Borough of Newham NNDR collection indicator had been performing slightly lower compared to same period last year with 87.18% (£115.4m) collected out of a total of £133.8m collectable debit. It was explained however that this could be attributable to there not being a re-profiled target to take into account the changes to legislation allowing ratepayers to pay over 12 months as opposed to the previous 10 months.

Following a query, it was explained that a report would be presented at the next Joint Committee detailing performance of oKPI 5 for customer satisfaction.

The Joint Committee:

1. Noted the current oneSource forecast outturn position;
2. Noted the oneSource key performance indicators (KPIs).

17 STRATEGIC AND DELIVERY PLAN REPORT

The report presented the Joint Committee with the draft oneSource Strategic Plan for 2015-18 and the Delivery Plan for 2015-16.

By way of background, it was explained that oneSource was currently the largest public sector shared service in London and one of the largest in the country. It had been formed by the London Boroughs of Havering and Newham by bringing together 22 services and 1350 staff.

The Strategic Plan outlined oneSource's strategic direction and how this would be delivered. The Plan provided an overview of our strategy for the next three years, considered the key business challenges for oneSource over this period and detailed the priorities and activities which would be taking place during 2015/16 in order to deliver the strategic objectives of oneSource.

The task of fully working together and implementing our target operating model had begun. To move forward six key strategic business objectives had been developed, which would be used to steer efforts over the next three years. These were:

1. Delivering savings
2. Focusing on our customers
3. Embedding the oneSource culture
4. Transforming our services
5. Having the technology we need to deliver
6. Growing our business – new partners and customers

The Interim Managing Director explained that a report would be presented at the next meeting of the Joint Committee concerning a delay in the go live for One Oracle in Newham which had been scheduled for April 2015. The delay would have an impact on a number of transformation reviews the detail of which would be included in that report.

A number of Members remarked that it would be beneficial for them to have an away day with senior staff to explore in more detail the strategic objectives, priorities and activities in the Strategic Plan and Delivery Plan.

The Joint Committee AGREED the strategic direction, six key strategic objectives, priorities and activities in the 2015-18 oneSource Strategic Plan and the 2015-16 Delivery Plan.

18 ONESOURCE TRANSFORMATION UPDATE

The report before Members looked at the transformation projects being undertaken to deliver the oneSource savings as outlined in the shared service business case approved by both councils.

The report outlined the processes used for transforming services within oneSource and provides an update on progress to date.

Joint Committee Members were informed that there would be a delay in the Democratic Services transformation review. The review, unlikely to commence before the summer of 2015, would be led by the Interim Director of Legal and Governance Services in consultation with Lead Members / Leader / Mayor once the Legal Services review had been finalised and implemented.

A number of Members commented that they would like greater involvement in the process with more input and ownership of the transformation programme. Officers reminded Members that such functions had been delegated by both Councils to management. Officers would provide Members with a separate briefing on the operation of the transformation review process and were to be included as part of the distribution list for emails which were issued to staff on oneSource matters.

The Joint Committee NOTED progress on delivering the required savings from oneSource in 2014/15.

19 **APPOINTMENT OF MANAGING DIRECTOR - ONESOURCE**

Members of the Joint Committee were provided with an update with regard to the recruitment and selection process for the Managing Director of oneSource.

It was noted that the Managing Director of oneSource was a 1st tier post and reports to the Chief Executive of the Authority of which the post holder was an employee. Discussions were currently underway regarding which council would employ the new Managing Director.

An external consultancy would be engaged, via a mini competition off an existing framework agreement. It was explained that they had the experience, expertise and networks to search and contact potential recruits to ensure reach with a wide market of suitably qualified candidates. The cost associated with the use of an external company was likely to be in the region of £25,000.

In terms of timescale for appointment, when taking into account the need to contract a company to undertake the campaign on behalf of oneSource and both councils, the time necessary to advertise the post and search for suitable candidates and the selection process itself, it was likely to take in the region of 3-4 months for this phase of the process. Once a candidate was appointed, the individual would likely to be on a notice period of up to 3 months. With this in mind, and once the process commenced, it would be up to 6-7 months before a new Managing Director took up the position.

The Joint Committee NOTED the process for recruitment and selection and the indicative timeline associated with this.

Chairman