

ONESOURCE JOINT COMMITTEE

28th July 2023

Subject heading:

OneSource – amendment to the joint committee agreement and scheme of delegations

Report author and contact details:

Gavin Milnthorpe, Deputy Director of Legal and Governance.
gavin.milnthorpe@haverling.gov.uk

SUMMARY

1. As the various services within OneSource are to be returned to the sovereign control of the London Boroughs of Havering (“LBH”) and Newham (“LBN”), it is important that the joint committee (“JC”) is sighted on the necessary changes to the governance of, and management reporting lines within, OneSource.
2. This report provides information to the JC on those matters and details the changes envisaged to the underlying legal documentation.
3. This report also details a proposal to dissolve the limited company incorporated around the time of the creation of the JC, but which has never been used.
4. The proposed changes are to be noted by the JC.
5. The authority to agree and enact the required changes have already been taken by LBH and LBN by way of Executive decisions dated 12 April 2023 and 4th April 2023 respectively.

RECOMMENDATIONS

6. The joint committee is asked to note:
 - 6.1 the proposed changes to the joint committee agreement and the ancillary scheme of delegations of functions;
 - 6.2 the revised organisational structure chart as appended to this report; and
 - 6.2 the proposed dissolution of OneSource Partnerships Ltd (company number 08986114).

REPORT DETAIL

Background

7. By way of an agreement dated 1 September 2014 (the “Agreement”), LBH and LBN established the JC under s.101(5) of the Local Government Act 1972 for the discharge of various functions via a shared service, known as OneSource.
8. The attached scheme of delegation of functions (the “Scheme”) was approved by LBH and LBN in 2015.
9. By way of Executive decisions dated 12 April 2023 (LBH) and 4th April 2023 (LBN) both LBH and LBN have approved the return of certain services into their sovereign control. The returning services include procurement, property management, etc as fully detailed in those reports (the “Returning Services”). It is envisaged that the Returning Services will be absorbed into the LBN and LBH on a staged basis.
10. The following services shall remain within OneSource (the “Retained Services”):
 - 10.1 Legal Services;
 - 10.2 Exchequer and Transactional; and
 - 10.3 Corporate Business Systems Team
 - 10.4 Print Services
11. As a result the Agreement and the Scheme require an update.
12. This report details the proposed changes to the Agreement and the Scheme.
13. Further, LBN and LBH propose to dissolve OneSource Partnerships Ltd (the “Company”), a limited company set up around the time of the formation of the JC, but which has laid dormant ever since.
14. The substantive decisions associated with this process have been delegated to the s.151 officers at LBN and LBH by virtue of the following Cabinet resolution: (below is an extract from the LBH Cabinet decision made on 12 April 2023. LBN made the same resolution within its Cabinet report):

Cabinet authorised the s.151 Officer, in consultation with the Chief Executive, to make all necessary arrangements to give effect to the authorisation at 1 above, including but not limited to:

 - b) Agreeing the dates for the withdrawal of those services listed at 1(a).
 - c) Agreeing, amending and finalising any variation or variations to the Agreement and the delegations contained therein as necessary to give effect to 1 above, and thereafter to sign and complete any variation on behalf of LBH.
 - e) Making arrangements to allow LBH to share some of the proposed withdrawn services for a transitional period beyond the agreed date of implementation whilst permanent arrangements are put in place within LBH.
15. The JC is therefore asked to note the proposals only.

The agreement and ongoing governance arrangements

16. Once the Returning Services have been returned to LBN and LBH it is envisaged that the Agreement will be restated in its entirety so as to properly reflect the governance and management processes required to administer the Retained Services.
17. Clause 13 of the Agreement allows for the Agreement to be varied from time to time with the consent of the parties. It is envisaged that the Agreement will be restated in accordance with this clause.
18. In the meantime, the JC shall continue to apply to the Retained Services and those Returning Services until the date upon which they are formally returned to LBN and / or LBH, as notified by the s.151 officers.
19. The Agreement shall continue in full force and effect except as detailed in this report. Where there is any discrepancy or contradiction within the Agreement, arising for whatever reason, the s.151 officers from LBN and LBH shall jointly determine the issue. If they are unable to resolve the issue between themselves, the dispute resolution mechanism within the Agreement shall apply.
20. Attached to this report is a proposed line management diagram which shall apply to the Retained Services.

The Scheme

21. The Scheme shall continue in full force and effect in relation to the Retained Services and any of those Returning Services up to and until they are formally returned to LBH and / or LBN as notified by the s.151 officers.
22. As both LBN and LBH are currently undergoing internal constitutional reviews and given the reduced scope of OneSource with the Retained Services, it is envisaged that the Scheme shall no longer be necessary.
23. The variation to the Agreement as referred to above shall formally bring the Scheme to an end.

The company

24. The Company was incorporated around the commencement of the JC. It was created to allow OneSource to trade on a commercial basis, if it chose to do so. This has not transpired and the Company has laid dormant since incorporation. It is therefore deemed sensible to dissolve / strike off the Company.
25. The costs, if any, of dissolving the company shall be borne equally by LBH and LBN.

Implications and Risks

Legal implications and risks:

The legal work required as a result of the proposals of this report will be undertaken by OneSource Legal Services, with all necessary due diligence.

Financial Implications and risks:

There are no financial implications resulting directly from the recommendations set out in this report.

HR Implications and risks:**Background Papers**

None.

Appendix 1 - one source remaining services chart

