

A shared back office support service for Havering and Newham

Full Council

Wednesday 27th November

A reminder - why we're planning to share our back office services

- Both councils need to make significant savings, whilst protecting frontline services
- Further cuts to Government funding expected
- Limited scope for further savings in existing back office
- By working together we can do much more
- Take the best from both Councils
- Learn from each other
- Create an outstanding and innovative service

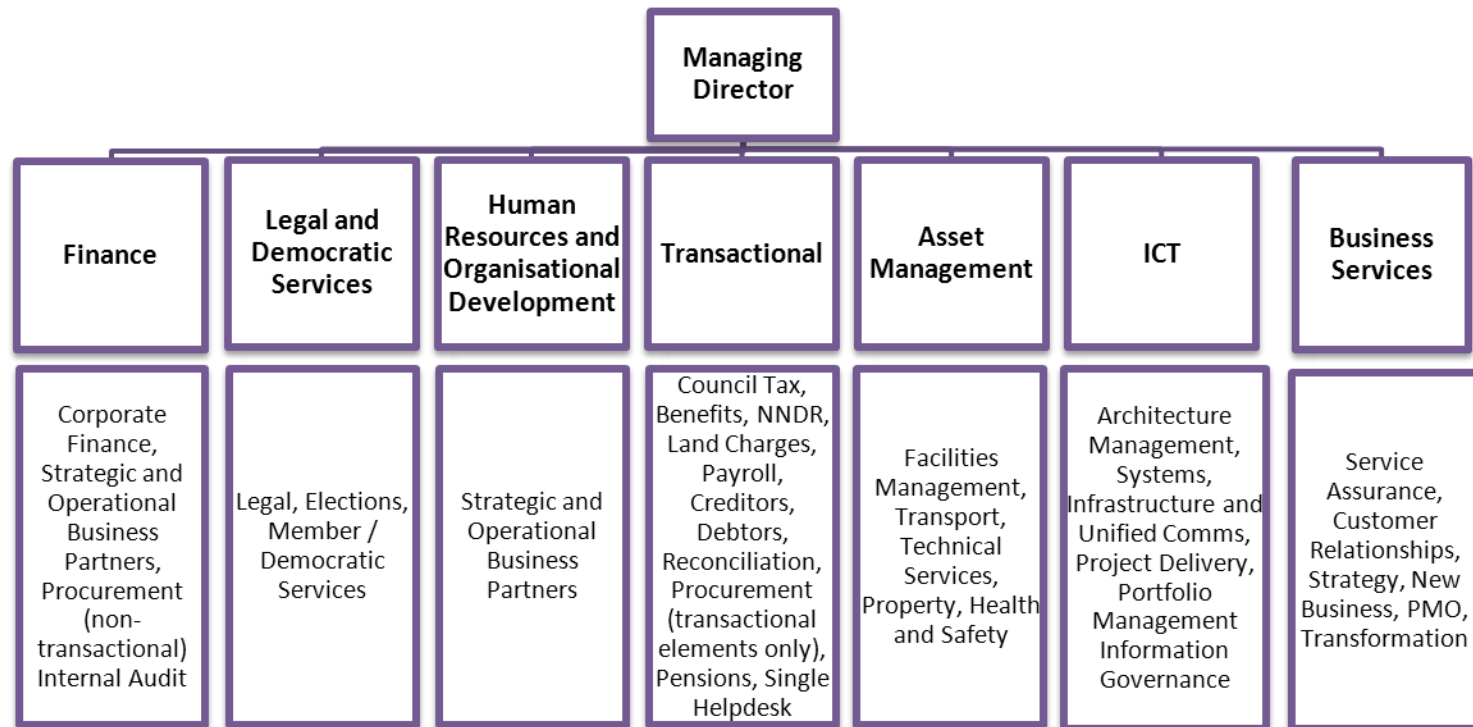
Benefits of a shared back office service

- NO SHARING OF FRONTLINE SERVICES
- Increasing operational efficiency
- Reducing costs by:
 - Sharing staff and assets
 - Common procurement
 - Sharing expertise
- Resilience and flexibility through standard systems and a pool of specialist resources
- Reducing costs of transformation - only do things once

The estimated savings

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

What is being shared and the operating model



How the Joint Committee will work

- Cabinet members (3 & 3)
- Meet at least twice a year
- Rotate chair / vice chair of committee
- Approve senior management structure, service plans, budgets, business / strategic plan
- Monitor service levels and performance

Setting up the service – the review timetable

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

What does it mean for staff?

- Employees are employed by each council.
- Employees retain parent authority terms and conditions.
- No TUPE of staff.
- Employees can opt to join the pension fund of relevant employing council as now.

- Questions?