

Service Level Agreement February 08 Update – Item 8 Appendix A

SLAs withdrawn from in 2007/08

Department	Service Area	Original 2007/08 SLA Budget £
Chief Executive	Media & Communications (PR)	52,072
	Design and Print Central Reprographics	77,340
Corporate Services	Internal Audit	76,587
Neighbourhood Services	Building Cleaning	4,204
	Fleet Management - Administration	66,787
City Development	Safety Advisors	29,126
		(6,194)
TOTAL		**£299,922
City Development	Environmental Works	N/A – Invoiced on usage
	Pest Control	N/A – Invoiced on usage
	Dog Wardens	N/A – Invoiced on usage

** - It should be noted that the withdrawal from all of or part of an SLA will not necessarily lead to savings of the amounts shown above as the provision of the related services will usually have to be delivered through additional internal resources or by an external provider.

Ongoing SLAs

Department	Service Area	Current Position	Action Required	07/08 Original Budget £	07/08 Forecast £
City Development	Drainage and Drain Testing	Final SLA approved at the October 2007 Performance and Regulatory Committee meeting.	No further action required.	12,150	12,150
	Safety Advisors	New 2007/08 SLA drafted by Glenn Langham (Corporate Health and Safety Manager), but due to City Council staff changes the services outlined within it have	Services required are to be provided internally in future years within the budget and resource allocations associated with the new Organisational Development	29,126	6,194

Department	Service Area	Current Position	Action Required	07/08 Original Budget £	07/08 Forecast £
		been resourced internally from current 2007/08 budgets.	structure.		
Corporate Services	Design & Property Services	<p>Due to the City Council's failure to fully engage in the process of discussing, costing and agreeing a new draft DPS SLA, and the associated time delays this has caused, NCH have informally communicated their intention to withdraw from the SLA.</p> <p>The Asset Management senior management team is currently giving consideration to how NCH's annual DPS requirements, established in the initial draft City Council SLA, can best be provided i.e. by increasing internal resources or by inviting external providers to tender.</p> <p>Further discussions with the City Council have identified that there will be TUPE implications relating to this SLA.</p>	<p>NCH to formally withdraw from the SLA when equitable alternatives, assured to provide VFM, have been established.</p> <p>Market testing to be performed for all alternative scenarios, where services can be provided externally, to ensure that Value of Money is obtained.</p>	343,807	342,038
	Human Resources	<p>January meeting held between Jo Wileman (Director of Organisational Development) and the City Council's Director of HR to review the contents of the draft SLA, notably:</p> <ul style="list-style-type: none"> - The retention of occupational health support; - Access to 'Jobs On-Line'; and - New Employee Assistance Programme. 	<p>Final 2007/08 SLA to subsequently be approved by the Chief Executive.</p> <p>Some benchmarking of costs has been performed and this will be used, together with potential market testing, to ensure that Value for Money is obtained in future year SLAs.</p>	153,948	92,793
	Legal Services	<p>Steve Everson (Interim Director of Finance, Governance and ICT) and the City Council's Legal Services Manager are currently negotiating a revised SLA.</p>	<p>Final 2007/08 SLA to be agreed, signed by both parties and subsequently approved by the Performance and Regulatory Committee in May.</p> <p>Market testing of services provided within the SLA will be performed, subsequent to those services being agreed with the City Council, to ensure that Value for Money is obtained in future year SLAs.</p>	328,966	329,156
	Insurance	<p>Target SLA completion date of December 2007 revised to March 2008 due to the departure of the City Council's Risk &</p>	<p>Director of Finance, ICT and Governance to draft and agree SLA with the City Council by the end of March 2008.</p>	47,150	47,150

Department	Service Area	Current Position	Action Required	07/08 Original Budget £	07/08 Forecast £
		Insurance Manager and subsequent delays in negotiations.	Final 2007/08 SLA to subsequently be approved by the Chief Executive.		
ICT	Phones	The City Council have provided some costing information on the current SLA. However, this is based on outdated equipment levels and different elements of IT services & support are assumed to be consistent across all NCH departments. Rob Allen (Head of ICT) is currently discussing NCH's IT requirements with the City Council to identify the services it wishes to purchase going forward. This work gives consideration to how different IT services and support are used across different user groups and departments and will be informed by a full NCH IT equipment audit.	Draft 2008/09 IT SLA to be compiled based on NCH's IT requirements and the results of the IT equipment audit. Services established within the draft 2008/09 IT SLA are to be agreed with and fully costed by the City Council. Market testing of services provided within the SLA will be performed to ensure that Value for Money is obtained in future year SLAs.	46,977	47,197
	IT Admin.			1,027,849	1,028,769
	Support Services (SX3)	See current position on the IT SLAs above. Limited detailed costing information held on the NCH SLA files in relation to these services. The City Council have provided no Support Service SLA information since it was requested in October 2007 by the Interim Director of Finance, Governance and ICT.	City Council to provide SLA costing information – outstanding since October 2007. NCH EMT to discuss with NCC the transfer of the management and associated costs of the City Council's SX3 team to the Company as an alternative to the current SLA arrangements.	554,706	554,706
Neighbourhood Services	Building Cleaning	SLA is split into two parts. 1) Residential 2) Office 1) Final draft 2007/08 SLA has been completed for both: <ul style="list-style-type: none"> Sheltered Housing Sites; and Low Rise Flats. The charge associated with both SLAs is below £150,000 per annum. 2) Limited progress has been made in establishing and agreeing a 2007/08 Office	1) 2007/08 Residential Cleaning SLAs to be signed by both parties and subsequently approved by the Chief Executive. 2) 2007/08 Office Cleaning SLA to be drafted, agreed with and signed by the City Council and subsequently approved by the Performance and Regulatory Committee in May. Business Case to be compiled to support Value for Money decisions in relation to the future of service provision.	393,536	393,536

Department	Service Area	Current Position	Action Required	07/08 Original Budget £	07/08 Forecast £
		<p>SLA.</p> <p>Some market testing has been performed against the current SLA charges, but no formal analysis has been undertaken to support the decision to retain the City Council as the service provider in 2008/09.</p> <p>Larisa Ciupruk (Housing Operations Administration Officer) has been assigned responsibility to draft and agree a new Office Cleaning SLA and ensure comprehensive and robust market testing has been performed to support VFM decisions on the future provision of the service.</p>			
	<p>Fleet Management:</p> <p>Vehicle repair and maintenance</p> <p>Vehicle leasing</p>	<p>The decision on whether to withdraw from the City Council Fleet Management SLA or retain current/reduced levels of service cannot be made until the results of the Property Services tender are known.</p>	<p>Proposed actions deferred until the result of the Property Services tender is known.</p> <p>NCH Tender includes the assumption that the future provision and maintenance of lease cars will be outsourced.</p>	<p>66,787</p> <p>344,005</p> <p><u>800,000</u></p> <p><u>1,210,792</u></p>	<p>66,787</p> <p>344,005</p> <p>800,000</p> <p><u>1,210,792</u></p>
	Garden Assistance	<p>New 2007/08 SLA has been agreed and signed by both parties.</p>	<p>Signed 2007/08 SLA to be approved by the February Performance and Regulatory Committee – see attached.</p> <p>Service specification to be reviewed and market testing of the services provided within the SLA will be performed to ensure that Value for Money is obtained in future year SLAs.</p>	<p>1,030,550</p>	<p>1,016,879</p>
	Refuse Collection, including Skip Hire	<p>Final SLA approved at the October 2007 Performance and Regulatory Committee meeting.</p>	<p>No further action required.</p>	<p>252,490</p>	<p>252,490</p>
Finance	Financial Services	<p>Agreement has been obtained informally for NCH to withdraw from some services within</p>	<p>Further meetings to be held to discuss the practicalities of withdrawing from elements</p>	<p>525,439</p>	<p>525,439</p>

Department	Service Area	Current Position	Action Required	07/08 Original Budget £	07/08 Forecast £
		<p>the SLA and provide them in-house. However:</p> <ul style="list-style-type: none"> - The City Council has provided no additional information on the services or costings included in the current SLA to inform any such decisions; and - Several SLA update meetings, last held in October, have been cancelled by the key Council contact Jeff Abbott. <p>January meeting was subsequently held with lower management NCC contacts.</p>	<p>of the SLA and moving services and systems into the NCH Finance function.</p> <p>Pending receipt of additional SLA information NCH senior finance team to perform a gap analysis between the services costed, those received and those required. Subsequently, proposals for withdrawal from elements of the SLA are to be drafted.</p> <p>Market testing of services provided within the SLA will be performed to ensure that Value for Money is obtained in future year SLAs.</p>	<p>(Adjusted for Internal Audit charge of £76,587 outsourced in 2008/09 i.e. to ensure accurate 2007/08 comparator)</p>	
New	ASB	<p>'Practical working arrangements' are being finalised and a draft SLA is yet to be compiled or agreed with the City Council mainly due to NCH officers awaiting the compilation of the Legal SLA for reference purposes.</p> <p>Working protocol is in place governing operational arrangements between ASB officers and area teams.</p>	<p>Margaret Coward (Head of Operations - TEM) to draft ASB SLA and agree costed services with the City Council at the earliest opportunity.</p>	60,000	60,000
TOTALS				6,017,486	5,919,289

SLAs for Services Provided by NCH to the City Council

Department	Service Area	Current Position	Action Required	08/09 Budget £
New	Non- HRA properties	To be split into two parts. 1) Hanley & Gellestrobe charities – details to trustees in March 2) Other non HRA – proposal to take into HRA. Decision awaited. SLAs are currently being drafted for discussion with the City Council.	Larisa Ciupruk to progress urgently.	(3,910)
	Hounds Gate office	Considered to be a working protocol –EMT paper to be submitted.	Results of the Accommodation Strategy will determine the future use of the Hounds Gate site and inform the compilation of a new Working Protocol.	(0)
	Out of Hours work	ASB Hotline annual income recharge has been agreed with the City Council. Limited progress has been made during negotiations with the City Council on an income contribution to cover the cost associated with NCH providing Out of Hours services. These services do not form part of the annual Management Agreement and are therefore not included in the Management Fee.	Out of Hours Services to be addressed in the Customer Service Centre Business Plan.	(12,000)
	Other Services e.g. Cash collection	As part of the Financial Services SLA Jeff Abbot and his team are currently reviewing the basis of the charge associated with the collection of rental income by City Council cashiers. Significant delays have been experienced due to the City Council's failure to provide SLA service and costing information or attend SLA liaison meetings.	Upon receipt of information from the City Council in relation to their revised cashiers charge, a comparable estimate of the cost associated with the collection of City Council income by NCH's cashiers will be established. Subsequently, a 'Cash Collection' Income recharge SLA will be drafted, agreed with the City Council and signed by both parties.	(20,000)
TOTAL INCOME				(35,910)

Working Protocols

Service Provided	Action Required	Proposed review completion date
Housing Benefits	Director of Finance to lead on determining the scope of reviews and establishing key contacts for each service within the City Council and NCH, where necessary.	Reviews to be completed by 31 st March 2008.
Emergency Accommodation		
ASB		
Environmental Works		
Pest Control		
Dog Wardens		

Recharges

Department	Service Area	Current Position	Action Required	07/08 Budget £	07/08 Forecast £
Various	Accommodation – General rents	NCH's accommodation, window cleaning and car parking requirements are to be established upon completion of the Accommodation Strategy.	Completion of the Accommodation Strategy.	625,977	625,977
	Guildhall Accommodation			43,410	43,410
	Asset rental (office/equip)			# 669,387	# 669,387
	Window Cleaning			19,435	21,080
	Car Park Parking			18,630	21,670
	Unison	Recharge based on a salary apportionment of the City Council's Branch Secretary.	No further action required.	13,030	11,230
TOTALS				720,482	723,367

- Asset rental charges are based on the annual depreciation and interest associated with all office and equipment assets provided to NCH by the City Council. This charge varies year to year as assets are renewed.