

Service Level Agreements – August 2008 Update

SLAs withdrawn from and due to expire in 2008/09

Department	Service Area	2008/09 Budget £
	Design and Property Services	352,620
	Human resources	118,380
	Fleet Management	1,222,027
ICT	SX3 Support Services	518,650
	TOTAL	*£2,211,677

* - 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	08/09 Full Year Budget £
City Development	Drainage and Drain Testing	Draft 2008/09 SLA is in place, but the Company has received no response from NCC. The service is still being provided based upon the prior year's SLA and 2008/09 proposed rates.	Awaiting response from the City Council.	12,450
	Safety Advisors	Services required are to be provided internally in future years within the budget and resource allocations associated with the new Organisational Development structure. Some budget has been retained in 2008/09 as a contingency to support transitional arrangements.	No further action required.	6,350

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Department	Service Area	Current Position	Action Required	08/09 Full Year Budget £
Corporate Services	Design & Property Services	<p>NCH has formally withdrawn from the SLA and NCC will cease providing services on 4th August 2008.</p> <p>Work is currently ongoing, internally and with the City Council, to resource services in-house, complete works under the recently tendered repairs contract and benchmark and re-cost other service provision.</p>	<p>Awaiting detailed information requested from the City Council relating to the services the company gave notice on.</p> <p>Establishment of formal plans for resourcing services taken in-house.</p> <p>Tendering of all services designated for external provision.</p>	352,620
	Human Resources	<p>NCH has formally withdrawn from the SLA and NCC will cease providing services on 4th August 2008.</p> <p>Director of Organisational Development is currently negotiating the continued provision of some specific areas of service support required by the Company e.g. OHU, counsel line, HR systems and Jobs on Line.</p> <p>The City Council is currently in the process of compiling full details of the costs associated with these services and to ensure VFM these will be used to market test and tender these services in the future.</p>	Awaiting response from the City Council.	118,380
	Legal Services	<p>Director of Housing Operations and the City Council's Legal Services Manager are currently negotiating a revised SLA.</p> <p>A draft SLA has been produced and the Company is awaiting final costings from NCC before the SLA can be finalised and formally agreed.</p>	Awaiting response from the City Council.	337,380
	Insurance	<p>SLA completion has been delayed due to the departure of the City Council's Risk & Insurance Manager and subsequent delays in negotiations as well as other larger SLA negotiations taking priority with management.</p>	<p>Director of Finance, ICT and Governance to draft and agree SLA with the City Council.</p> <p>Final 2008/09 SLA to subsequently be approved by the Chief Executive.</p>	49,920
ICT	Phones	The City Council have provided some costing information on the current SLA. However, this is	Draft 2008/09 IT SLA to be compiled based on NCH's IT requirements and the results of the IT	48,380

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Department	Service Area	Current Position	Action Required	08/09 Full Year Budget £
	IT Admin.	<p>based on outdated equipment levels and different elements of IT services & support are assumed to be consistent across all NCH departments.</p> <p>NCH Head of ICT is currently agreeing with the City Council the requirements for individual ICT services that NCH wishes to purchase going forward. Whilst drafting of the SLA documentation is still in progress, changes and improvements are underway. These improvements include an increased emphasis on the role of the ICT Service Desk as a hub for the provision of all services. Following our SLA discussions, the Service Desk has received additional personnel and is in the process of upgrading its systems to enable it to adopt a best practice customer focused approach.</p>	<p>equipment audit, which has now been completed.</p> <p>Services established within the draft 2008/09 IT SLA are to be agreed with and fully costed by the City Council.</p> <p>Market testing of appropriate services provided within the SLA will be performed to ensure that Value for Money is obtained in future year SLAs.</p>	1,054,490
	Support Services (SX3)	<p>NCH has formally withdrawn from the SLA and NCC will cease providing services on 4th August 2008.</p> <p>Information has been collated regarding the current services provided by Housing ICT so that plans can be made to ensure continuity via the new arrangements.</p> <p>Discussions are currently ongoing with the City Council and a target date for the TUPE transfer of SX3 Team staff to NCH of 1st September 2008 has been agreed.</p>	<p>Arrangements for the transfer of SX3 team staff to the Company to be monitored by the Head of ICT.</p>	518,650
Neighbourhood Services	Building Cleaning	<p>SLA is split into two parts.</p> <ol style="list-style-type: none"> 1) Residential 2) Office <p>Draft SLAs have been prepared, together with a business case outlining proposals for taking the service forward.</p> <ol style="list-style-type: none"> 1) An update as part of Caretaking review provided to the Director of Housing in July 	<p>2008/09 Final SLA to be compiled based on NCH's cleaning service requirements and agreed with the City Council.</p> <p>Formal notice to be provided to the City Council in respect the areas of the SLA that NCH are to withdraw from.</p>	494,930

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Department	Service Area	Current Position	Action Required	08/09 Full Year Budget £
		<p>recommended that notice be served on the related parts of the SLA and that cleaning was to be resourced in house from next financial year. TUPE Implications to be fully identified by Caretaker and Estates Services Manager.</p> <p>2) Responsibility for the 2008/09 Office Cleaning SLA has been assigned to the Housing Operations Administration Manager.</p>		
	<p>Fleet Management:</p> <p>Vehicle repair and maintenance</p> <p>Vehicle leasing</p>	<p>NCH has formally withdrawn from the SLA.</p> <p>NCH and the City Council are currently working in partnership to implement the new fleet and return the old vehicles through collaborative working.</p> <p>The target date for the full transfer and replacement of the Company's fleet, based on a phased withdrawal, is 1st November 2008.</p>	<p>The transfer and replacement of the Company's fleet to be monitored by the Procurement and Operational Support Manager.</p>	<p style="text-align: right;">66,787</p> <p style="text-align: right;">347,240</p> <p style="text-align: right;"><u>808,000</u></p> <p style="text-align: right;"><u>1,222,027</u></p>
	Garden Assistance	<p>Recent meeting held attended by NCH's Assistant Director of TEM and NCC Director of Street Scene where the issue of the SLA was raised. Further discussions to be held between the A.D. of TEM and NCH's Caretaking and Estates Manager to clarify the current position on this SLA.</p>	<p>Under review by the Assistant Director of TEM.</p>	<p style="text-align: right;">1,042,300</p>
	Refuse Collection, including Skip Hire	<p>The City Council are concerned about the sustainability of the service and believe they may be making a loss. The City Council are reviewing their business to examine whether to stay in the skip business before signing up to a continuation of the service under future year SLAs.</p> <p>The City Council have yet to provide any further information on increased rates or changes in working methods and hence the service is still being provided based upon both last years and this years proposed rates. The NCH Procurement and Operational Support Manager continues to liaise with the City Council over future service provision.</p>	<p>Awaiting response from the City Council.</p> <p>Should the City Council wish to withdraw from the SLA, NCH will have 6 months to establish alternative arrangements and this process will be supported by the information obtained during 2007/08 market testing.</p>	<p style="text-align: right;">254,500</p>

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Department	Service Area	Current Position	Action Required	08/09 Full Year Budget £
Finance	Financial Services	<p>Agreement has been obtained informally from NCC for NCH to withdraw from some services within the SLA and provide them in-house.</p> <p>However, despite several requests for a breakdown of the annual SLA charge by service, no budget information or cost analysis has been provided by the City Council.</p>	<p>Awaiting response from the City Council.</p> <p>Pending receipt of additional SLA information from NCC for the formal withdrawal from elements of the SLA will then be issued to the City Council.</p>	547,790
New	ASB	Under review by the Assistant Director of TEM.	Completion of the Legal Services SLA.	60,000
TOTAL				6,120,167

SLAs for Services Provided by NCH to the City Council

Department	Service Area	Current Position	Action Required	08/09 Budget £
New	Non- HRA properties	<p><i>To be split into two parts.</i></p> <p>1) <i>Hanley & Gellestrobe charities – details to trustees in March</i></p> <p>2) <i>Other non HRA – proposal to take into HRA. Decision awaited.</i></p> <p>Status is currently under review.</p>	Status is currently under review.	(3,328)
	Hounds Gate office	As a result of the Accommodation Strategy the Hounds Gate Office site is now to be used exclusively by NCH and therefore no services will be provided to NCC.	N/A	(-)
	Out of Hours work	<p>ASB Hotline annual income recharge has been agreed with the City Council.</p> <p>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.</p> <p>These services do not form part of the annual Management Agreement and are therefore not included in the Management Fee.</p>	Out of Hours Services to be addressed in the Customer Service Centre Business Plan.	(12,000)
	Other Services e.g. Cash collection	<p>As part of the Financial Services SLA NCC Finance are currently reviewing the basis of the charge associated with the collection of rental income by City Council cashiers.</p> <p>Significant delays have been experienced and SLA service and costing information still awaited from the City Council.</p>	<p>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.</p> <p>Subsequently, a 'Cash Collection' Income recharge SLA will be drafted, agreed with the City Council and signed by both parties.</p>	(87,180)
TOTAL INCOME				(102,508)

Recharges

Department	Service Area	Current Position	Action Required	08/09 Budget £
Various	Accommodation – General rents	NCH's accommodation, window cleaning and car parking requirements are to be established upon completion and implementation of the Accommodation Strategy.	Completion of the Accommodation Strategy.	623,540
	Guildhall Accommodation			45,150
	Asset rental (office/equip)			443,760 #
	Window Cleaning			21,020
	Car Park Parking			25,270
	Unison	Recharge based on a salary apportionment of the City Council's Branch Secretary.	No further action required.	1,000
	Central Reprographics	Recharge by NCC based on ad-hoc usage.	Usage and cost to be monitored and interrogated by finance through monthly budget management procedures.	95,490
			TOTAL	1,255,230

- 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.