

## Service Level Agreements – August 2009

## APPENDIX A

### Services Provided by the City Council to NCH

Service Level Agreement	Current Position	Action Required	09/10 Budget £
Drainage and Drain Testing	Discussions on required changes to the respective 2008/09 agreed SLA are ongoing.	2009/10 SLA to be drafted and agreed with the City Council.	12,780
Health & Safety – Corporate Violence	Discussions on required changes to the respective 2008/09 agreed SLA are ongoing.	2009/10 SLA to be drafted and agreed with the City Council.	5,240
Design & Property Services	<p>NCH has formally withdrawn from the SLA.</p> <p>A number of services covered by the historic DPS SLA are now being delivered within the Company's existing resources, including lift maintenance. Work is currently underway to identify the proportion of the 09/10 SLA budget which will be transferred to fund these services within NCH. As a result of this work, some savings could be realised.</p> <p>A formal SLA for the vastly reduced services which will remain with NCC and be provided to NCH under the terms of an SLA are currently under discussion.</p>	2009/10 SLA to be drafted and agreed with the City Council.	240,330
Human Resources	<p>NCH has withdrawn from all HR services provided by the City Council with the exception of HR systems support.</p> <p>A 2009/10 charge of £54,000 has need agreed with the City Council and included in the final NCH 2009/10 budget. The agreement of the HR systems SLA charge at this level removes a cost pressure on SLA budgets of £66,000 i.e. budget provision initially estimated was £120,000.</p>	2009/10 SLA to be drafted and agreed with the City Council.	54,000
Legal Services – General	A draft annual SLA has been produced and the Company is still awaiting final costings from the City Council before the SLA can be finalised and formally agreed.	Awaiting response from the City Council.	327,740
Legal – ASB	Awaiting response from the City Council in relation to the Legal Services – General SLA so that an SLA for ASB legal support can be established where required.	See Legal Services – General SLA above.	63,960
ICT – Phones	Draft annual IT SLA(s) based on NCH's IT requirements have now been completed for the majority of the ICT services needed by NCH.	Services established within draft IT SLA(s) are to be agreed with, and fully costed by, the City Council.	49,590
ICT – IT Support		To ensure that Value for Money is obtained in future year	

Service Level Agreement	Current Position	Action Required	09/10 Budget £
		SLAs, benchmarking of services provided under each SLA will be performed – first of all for those services where concerns exist regarding quality and / or cost.	996,350
ICT – SX3 System	An SLA for the residual element of SX3 systems support required by NCH is to be established as part of the work on IT SLAs.	As above.	144,050
Building Cleaning	<p>SLA is split into two parts:</p> <p>1) Residential buildings; Proposals and TUPE implications of withdrawing from the SLA have been included in the updated Caretaking Review and are currently under consideration and review by NCH Housing senior management.</p> <p>2) Office accommodation. Draft SLA has been revised in light of the implementations of the Accommodation Strategy, notably the cleaning requirements associated with the new Housing Service Centre. The SLA has been provided to the City Council for review.</p>	2009/10 SLA(s) to be formally agreed with the City Council and subsequently reported to P&R Committee/Chief Executive as required.	399,340
Garden Assistance	Discussions on required changes to the respective 2008/09 agreed SLA are ongoing and subject to VFM review of service provision.	Service provision to be reviewed by NCH Housing Directorate Senior Management.	1,073,570
Waste Services	<p>Discussions on required changes to the respective 2008/09 agreed SLA are ongoing and subject to reviewing external service provision.</p> <p>* - Approximate costs as SLA charge is based on usage.</p>	Awaiting outcome of ongoing discussions and review of external service provision.	*220,000
Financial Services	<p>Individual SLAs have been drafted for each of the constituent parts of the historic Financial Services SLA.</p> <p>Ongoing meetings are being held with the City Council to discuss and resolve the costs pressures arising from the difference between NCH's and the City Council's Financial Services SLA budgets.</p>	2009/10 SLA(s) to be formally agreed with the City Council and subsequently reported to P&R Committee.	342,380
Insurance Management	A 2008/09 Insurance SLA is currently being drafted by the City Council following discussions between the two parties.	Awaiting response from the City Council.	51,170
<b>TOTAL EXPENDITURE</b>			<b>3,980,500</b>

## Services Provided by NCH to the City Council

Service Level Agreement	Current Position	Action Required	09/10 Budget £
Non- HRA Properties	1) <u>Hanley &amp; Gellestrop</u> Charity. NCH provides housing management and administration services for several charity properties. Draft SLA is currently under review within the Leasehold team.	2009/10 SLA to be finalised, formally agreed and subsequently approved by NCH Chief Executive.	(3,402)
	2) <u>Chamber and Bridge Estates</u> . NCH provides housing management and administration services for a number of properties and land on both estates No existing draft or agreed SLA has been identified and status is currently under review by the Head of Company (Finance) and Assistant Director of TEM.	Full scope of services provided by NCH, including related income charges, to be reviewed and subsequently incorporated into a draft SLA with the City Council.	(12,900)
Out of Hours – ASB Hotline	ASB Hotline annual income recharge has been agreed with the City Council.  Assistant Director of TEM is currently working with the Supporting Housing team to identify all services, provided by NCH, which do not form part of the Management Agreement and whose associated costs are not funded by the City Council.  Out of Hours services are being considered as part of the Customer Service Centre Business Plan.	Future year SLAs are to be drafted, where required, subject to discussion and agreement with the City Council.	(12,000)
Cash Collection – Non-Rental Income	Discussions on required changes to the respective 2008/09 draft SLA are ongoing.	2009/10 SLA to be finalised, formally agreed with the City Council and subsequently approved by NCH Chief Executive.	** (89,580)
<b>TOTAL INCOME</b>			<b>(117,882)</b>

\*\* - Prudent budget to reflect possible reduction in NCH's cash collection expense and associated reduction in the level of NCC Non-Rental Income collected by NCH.

## City Council Recharges

Service Area	Current Position	Action Required	09/10 Budget £
Accommodation Rents	NCH's accommodation requirements are to be established upon completion of the Accommodation Strategy.	Completion of the Accommodation Strategy.	***381,726
Asset Rental (office/equip)	The City Council continues to recharge NCH the cost of assets and equipment used by the Company, but purchased by the City Council, as their value depreciates to a zero net book value.	Awaiting response from the City Council.	****420,840
Window Cleaning	<p>The City Council provides window cleaning services for NCH's office accommodation (excluding Hounds Gate) and warden-aided buildings.</p> <p>No SLA has historically been in place and the Company is invoiced monthly.</p> <p>Services required, and the respective City Council charges, have been reviewed as part of NCH's Accommodation Strategy and are to be considered for inclusion as part of the Office Accommodation Cleaning SLA.</p>	<p>Awaiting response from the City Council.</p> <p>Completion of the Accommodation Strategy.</p>	18,633
<b>TOTAL RECHARGES</b>			<b>821,199</b>

\*\*\* - Includes a budget increase of £116k in relation to Property Services' accommodation. This has been included to reflect the risk of rents charged by NCC to the Repairs Contract, being aligned with market rents.

\*\*\*\* - NCH is awaiting confirmation from the City Council as to the 2009/10 proposed asset rental charge. It is envisaged that this charge will be substantially below budget and the surplus will be used to replace existing asset hardware – mainly desktop computers.