

APPENDIX G

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 6 MARCH 2012

Title:

SERVICE LEVEL AGREEMENTS - NOMINATED PILOT PROJECT

[Portfolio Holder: Cllr David Munro]

[Wards Affected: All]

Summary and purpose:

In 2011 a Grants Review Special Interest Group carried out a detailed review of Waverley's grants in preparation for the 2012/13 budget. At its meeting on 4 October 2011 the Executive agreed the principle of moving towards Service Level Agreements (SLA) between Waverley and the voluntary organisations funded by the Council.

This report summarises the progress of negotiations to fund two nominated organisations through a Service Level Agreement for 2012-2015 as pilots for this new way of working. The report seeks the Executive's endorsement of the Service Level Agreement documents for Citizens Advice Waverley and Waverley Hoppa Community Transport and the levels of funding for 2012/13.

How this report relates to the Council's Corporate Priorities:

The Council awards grant funding towards the running costs of organisations that provide high priority services for the benefit of Waverley residents, in partnership with the Council. The services that Hoppa and Citizens Advice Waverley deliver cut across all corporate objectives and could fall in any of the 5 priority areas. In addition, the Council made a specific commitment in the Corporate Plan to work with the voluntary sector organisations that Waverley supports to ensure that from April 2008, there is a year-on-year increase in the number of people assisted by these services.

Equality and Diversity Implications:

The three nominated organisations provide access to key services in the borough which benefit a wide range of users including the most vulnerable and disadvantaged. The SLAs require organisations to have up-to-date policies including Equality and Diversity, vulnerable adults.

Environment and Climate Change Implications:

The SLAs require organisations to consider environmental implications of their activities and consider Co2 reductions where appropriate.

Resource/Value for Money Implications:

This report proposes that the SLA for each organisation is for a three year period from 1 April 2012 to 31 March 2015. Each SLA sets out the proposed level of funding to the organisation for three years so that they are able to financially and strategically plan for the future. The funding will, however, be subject to annual review and Council approval in February each year, as part of its budget setting process. Levels of funding in future years from 1 April 2013 will also be dependent upon the organisation's delivery of the service standards set out in each Agreement. The organisations will not be required to reapply for funding during the period of the Agreement.

Both organisations have been planning for a reduction in grant funding of 12%. At its meeting on 7 February 2012 the Executive agreed the overall grants budget for funding to the voluntary sector: A provision of £304,600 was allocated towards the three SLA pilot organisations. In addition, the Executive agreed a contingency of £47,000, some of which may be allocated towards the SLA pilot organisations.

Legal Implications:

The SLA is a three year legally binding document, which has been reviewed by the Council's Borough Solicitor. Whilst not a legal requirement, Waverley is a signatory of the Surrey Compact

Background

1. At its meeting on 25 January 2011, the Executive agreed to undertake a detailed review of Waverley's grants in preparation for the 2012/13 budget. A Member Special Interest Group (SIG) was established to undertake the review. The SIG met six times in the period June-September 2011. At its meeting on 4 October 2011 the Executive agreed the SIG's proposal to move towards SLAs between Waverley and the voluntary organisations funded by the Council.
2. The Executive agreed to invite Citizens Advice Waverley and Waverley Hoppa Community Transport to negotiate SLAs for 2012-2015 as pilots for this new way of working. In addition, at its meeting on 10 January 2012, the Executive agreed that Farnham Maltings should be added to the list of organisations appropriate for consideration for Service Level Agreements. The Farnham Maltings SLA will be considered in a separate report by Community Overview and Scrutiny at its meeting on 12 March 2012.

Service Level Agreements

3. Meetings have been held with both pilot organisations to discuss the purpose for this new way of working and the general content of any Agreement. Essential service delivery and performance monitoring information that would be included in an SLA has been discussed in partnership with the organisations. All three organisations have welcomed this new approach to working. It needs to be recognised that this is a cultural shift for these

organisations, some more than others. However, this is seen as a positive move from the organisations and an opportunity to clarify expectations, enhance and improve partnership relations on both sides. The Council will monitor and review each organisation in terms of service objectives, activity levels, performance indicators and quality control arrangements. Copies of both SLAs are attached in Annexe 1.

4. The key purposes of the SLAs are as follows:
 - to provide greater accountability for the funding given to voluntary and faith organisations to the Council
 - to ensure the organisations are delivering outcomes that relate to the Council's corporate priorities
 - to demonstrate outcomes that the organisations are delivering are providing value for money with robust performance measures in place. These measures will be reported back to the Council on a 6 monthly basis.
 - to give organisations and the Council the opportunity to budget and plan for the future

5. Each organisation's past performance and service delivery were considered when formulating the SLA. A summary of funding proposed for each organisation for 2012/13 is detailed below. Indicative levels for the following 2 years have also been included within each SLA and are detailed below.

Organisation	2011/12 current level of funding	Proposed % reduction in funding	2012/13 proposed level of funding	2013/14 indicative level of funding	2014/15 indicative level of funding
Citizens Advice Waverley	212,000	8%	£195,040	£195,040	£195,040
Waverley Hoppa Community Transport	100,000	0%	100,000	100,000	100,000

Conclusion

6. The Council has demonstrated its commitment to partners who deliver valuable services on the Council's behalf. Despite a large reduction in its own government grant funding in this financial year and potential future reductions, it is proposed that the SLAs are for a 3 year period to give assurance to organisations and their service users.

7. At its meeting on 4 October 2011, the Executive also agreed to monitor the success of the pilot SLAs and review their impact before rolling out the approach to other funded organisations in March 2013. This approach will inevitably be beneficial to each of the organisations but more importantly the residents of Waverley.

Recommendation

It is recommended that the Executive:

1. agrees the content of the SLA for each of the 2 nominated pilot organisations;
and
2. agrees the level of funding for the two nominated pilot organisations for 2012/13.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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