

BUDGET & PERFORMANCE PANEL

Service Level Agreements 11 December 2012

Report of Assistant Head of Community Engagement (Partnerships)

PURPOSE OF REPORT

This report is to provide information for Budget and Performance Panel on progress towards introducing commissioning arrangements for the future, replacing the current Service Level Agreements with voluntary, community and faith sector partners and arts/ leisure partners.

This report is public

RECOMMENDATIONS OF Assistant Head of Community Engagement (Partnerships)

It is recommended that:

- **Budget and Performance Panel notes the contents of this report and provides relevant comments**

1.0 Introduction

- 1.1 The attached report has been prepared for the December Cabinet meeting and outlines the latest position regarding the introduction of commissioning arrangements for the council's investment in VCFS (voluntary, community and faith sector) and arts / leisure.

2.0 Report

Service Level Agreements/ commissioning

- 2.1 For some years the council has had Service Level Agreements with a range of organisations delivering voluntary/ community services and arts and leisure services. At its meeting in November, Cabinet agreed that the council will move towards commissioning for services to ensure that investment is fair and transparent and that value for money is achieved.
- 2.2 Current investment in both Arts and VCFS Service Level Agreements is **£481,900**. Budgets for the current year for the Arts/ Sports/ Leisure SLA's total **£213,900** in respect of grants with a further **£25,500** for rent contributions. In current year budgets, VCFS SLA's are supported by **£228,300** with a further **£14,200** being transferred internally as rent contributions for council premises. A further contribution of **£2,000** is made for Welfare Grants matched by £2,000 from Lancashire County Council. Details of those allocations are set out in the Appendix to this report.

- 2.3 VCFS commissioning will be undertaken to be in place by April 2013 whilst arts/ leisure commissioning will be developed following the publication of the Arts Strategy in early 2013 and will be in place by April 2014.

3.0 Conclusion

- 3.1 The council has taken steps towards introducing commissioning arrangements over the last two years. A detailed review of current SLA's, an assessment of local needs and opportunities and communications and engagement work with the VCFS have been undertaken, leading to these proposals. Commissioning provides a means of steering the council's investment in VCFS services to achieve the maximum impact linked to current needs and opportunities in the district. In addition, they will provide clear, transparent arrangements that focus on Value for Money and Impact and also have the potential to underpin resilience and capacity of the VCFS to deliver services in the future.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

The proposals potentially impact on a wide range of people and organisations. The work undertaken to understand local needs and the VCFS issue and opportunities has helped to inform the proposals, which seek to have a positive impact within the limits of the funding available.

LEGAL IMPLICATIONS

Following the outcome of the commissioning exercise Service level agreements with VCFS partners will be approved by Legal Services to ensure that they reflect the council's requirements and satisfy any statutory criteria concerning discretionary grants.

FINANCIAL IMPLICATIONS

The current approved budget in 2012/13 for VCFS Service Level agreements totals £242,500 including two rent contributions and these figures have been used in the report for illustration purposes to demonstrate how the total amount would be split across the different areas of the VCFS Sector.

An inflationary element of 2.0% is currently included in budgets for future years. Cabinet has been requested to give any early indication of whether alternative budget options should be considered. For example, if the decision were taken to keep grants at the 2012/13 level there would be a total saving of £12.7k against current approved budgets.

Review and monitoring of the Commissioning Framework will continue throughout the process.

OTHER RESOURCE IMPLICATIONS

Human Resources:

Staff capacity is required for the procurement of services and ongoing engagement and performance monitoring of service contracts

Information Services:

No direct implications from this report

Property:

Currently two allocations are made to VCFS organisations in respect of rent of council premises, although this is inconsistent in that this support is not available to other organisations in the same way. Current council policy is to achieve market values for its properties and the council would be required to charge tenants in line with this.

Open Spaces:

No direct implications from this report

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments to add.

MONITORING OFFICER'S COMMENTS

The deputy Monitoring Officer has been consulted and has nothing to add to this report.

BACKGROUND PAPERS

Cabinet report 6 November - Commissioning Arrangements for Arts and Voluntary, Community and Faith Sector Services

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