

Executive Member for Leisure & Culture and Advisory Panel 27 March 2007

Report of the Assistant Director (Lifelong Learning & Culture)

**PURCHASING FROM THE NOT FOR PROFIT SECTOR 2007/8:
SERVICE LEVEL AGREEMENTS**

Summary

1. This report seeks approval to purchase Lifelong Learning and Culture programmes through Service Level Agreements.

Background

2. Service Level Agreements (SLAs) are one form of funding offered by the Learning, Culture and Children's Services Department to York's voluntary sector. They are used to purchase a specific activity or programme that will meet the needs of target customer groups. The purchasing priorities and criteria for SLAs are attached at Annex 1.
3. SLAs fall under the category of grants. The scheme of delegation is as follows:
 - Delegated authority for Chief Officers to approve grants of up to £5k
 - Delegated authority for the Executive Member to approve grants of more than £5k and up to £50k
 - The Executive to approve grants of more than £50k
4. This paper therefore asks the Executive Member to approve grants between £5,001 and £50,000. (There is only one grant of over £50k – to the Theatre Royal – and this is dealt with separately in a three year funding agreement reported to the Executive.)
5. All organisations that receive a Service Level Agreement are asked to complete a monitoring form. This asks the organisation to describe how the funded programme was carried out and the outcomes achieved. All the monitoring forms are kept on file should Members wish to view them.

Consultation

6. The Council has entered into 'The York Compact' agreement with the Voluntary Sector. Under the Code of Practice on Funding section of the Compact it has been agreed that, where appropriate, the Council will endeavour to enter into 3 year funding agreements. For this reason the Council has entered into 3 three year agreements with 3 organisations (in addition to the Theatre Royal): York Early Music Festival, York Early Music Foundation, and Friends of St Nicholas Fields. These were last renewed in 2006/7.

7. A funding booklet is produced centrally and made widely available. It sets out all sources of funding available across the Council and the process for applying. Organisations are invited to submit ideas for new programmes. The Council's funding priorities are also discussed with relevant partnerships, notably [York@Large](#) and Active York.

The Process for 2007/8

8. The available budget for 2007/8 is reduced by £4k compared to 2006/7 due to:
- The second year impact of a decision in the budget process for 2006/7 to reduce one Arts SLA by £2k per annum
 - A decision in this year's budget process to reduce a further Arts SLA by £2k per annum
9. The following criteria are proposed for making the further reduction:
- SLAs with organisations funded by the Arts Council Yorkshire should be protected (in order to prevent further loss of grant income to the city)
 - Organisations that most closely meet the criteria set out in Annex 1 should be protected
10. On the basis of these criteria the SLA to the Yorkshire Film Archive has been targeted to reduce.
11. No inflation is available within the SLA budgets and it is therefore proposed that no organisation will receive an inflationary increase to their SLA funding.
12. The following applications have been received for SLA funding of over £5k:

Organisation	Requested 2007/8	Received 2006/7	Comment	Proposed 2007/8
Cube Media	7,500	7,280	No inflation uplift proposed	7,280
Pilot Theatre Company	10,000	1,820	No increase proposed to the existing SLA	1,820
Stagecoach	9,000	6,190	Second year impact of the decision taken by the Executive Member last year	4,190
York Early Music Foundation	5,500	5,000	No inflation uplift proposed	5,000
Yorkshire Film Archive	6,500	6,500	See para. 10 above	4,500
Friends of St. Nicholas Fields	25,585	24,840	Last year it was agreed that an uplift was needed to reflect the specific issue of the organisation's greatly increased public liability insurance premium costs. £500 was provided. A further £750 uplift is now proposed.	25,590

Implications

13. **Financial:** The budget available for SLAs in 2006/7 is summarised in the table below:

	Arts	Sports	Parks	Total
	£	£	£	£
2006/07 Budget	39,660	6,500	26,040	72,200
2007/08 Budget Savings	-4,000	0	0	-4,000
2007/08 Available Budget	35,660	6,500	26,040	68,200
Proposed Awards				
>5k and <50k	7,280	0	25,590	32,870
≤ 5k	28,380	6,500	1,200	36,080
Total	35,660	6,500	26,790	68,950
Budget Gap (To be funded from existing budgets)	0	0	750	750

14. The budget shortfall of £750 shown under Parks will be met by transferring this amount from the Parks Operational budget.
15. There are no human resources, equalities, legal, crime and disorder, or information technology implications arising from the report.

Corporate Priorities

16. SLAs are given to meet the key priorities as detailed in Annex 1.

Risk Management

17. All SLAs are monitored by the relevant officer to ensure compliance with the Council's requirements.

Recommendations

18. The Executive Member is asked to approve the proposed Service Level Agreement awards of more than £5k to Cube Media and Friends of St Nicholas Fields as set out in paragraph 12.

Reason: To provide programme that meets the Council's objectives.

Contact Details

Author & Chief Officer responsible for the report:

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Report Approved

Date 12.3.07.

Specialist Implications Officer(s):

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Wards Affected:

All

For further information please contact the author of the report

Annexes

1. Service Level Agreement Criteria
2. Detailed Service Level Agreement Profiles

Background Papers

SLA application and monitoring files held by the author.