

## Brixham Town Council

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<b>Title:</b>	Service Level Agreements		
<b>To:</b>	Full Council	<b>Date:</b>	13.12.18
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### **Purpose of Report**

To update members on the Out of Hours Security, the BMS Heating and the Facilities Management Service Level Agreements (SLA).

### **Out of Hours Security**

The contract for out of hours security is with Secure Force. They are called out for all out of hours issues. In the event that they cannot resolve their problem, or there is an emergency where a keyholder needs to be notified, they have contact numbers for the Town Clerk, Deputy Town Clerk and Hall Keeper. All of which live locally.

The cost to renew the SLA with Secure Force is £100 plus vat and was renewed at the beginning of November.

### **BMS Heating Access**

The contract for the BMS Heating access is with Torbay Development Agency (TDA). It ensures that the Town Hall has heating set at the times and dates required.

There is no option not to renew the contract unless the Town Council wish to separate the heating system. The last time the Town Council investigated this, the quote was in the region of £4,000. The cost of renewing the SLA with the TDA is £434 plus vat.

It is recommended that the SLA with the TDA is renewed each year until such time the regeneration works allow for a new heating system that is stand alone to Brixham Town Hall.

### **Facilities Management**

Since 2012, Brixham Town Council has entered into a Service Level Agreement with Torbay Development Agency (TDA) to provide hall keeper services 5 days per week, 52 weeks per year. TDA have charged the Town Council £22,000. The Town Clerk and TDA have regular meetings to ensure that both parties are happy with the service.

During several of these meetings, the Town Clerk has been asking to review the SLA in its entirety and whilst TDA agreed to do this, nothing has been forthcoming until recently.

It now appears that TDA have overlooked the SLA for several years. The current SLA pre-dates a job evaluation process TDA undertook where staff received increases to their salaries.

TDA are now advising that the SLA will cost £33,000, an increase of 50%. The Town Clerk has been trying to work with TDA in order to negotiate an agreement to remain on the current charges until the end of the financial year. Unfortunately, to no avail. TDA have given the Town Council the following options:

### Option 1

Remain at the current cost of £22,000 per annum and reduce the hall keeper hours to 24.5 hours per week

### Option 2

Increase the annual cost to £25,000 and reduce the hall keeper hours to 28 hrs per week

### Option 3

Agree to pay £33,000 per annum and retain the hall keeper at 37 hours per week

Whilst not an option given to us by TDA, the fourth option would be to cancel the contract.

To date, the Town Clerk has refused to pay the following invoices issued by TDA:

<b>Invoice</b>	<b>Date</b>	<b>Amount (net)</b>	<b>Description</b>
EDI0116181	26 <sup>th</sup> September	£1,500	For the back payment of the increased fee (01/04/18 – 30/09/18)
EDI0116475	1 <sup>st</sup> November	£6,250	Quarterly fee including an increased fee (normally £5,500 net)

It should be noted that the TDA have accepted the argument put to them and two credit notes have been issued as follows:

<b>Credit Note</b>	<b>Date</b>	<b>Amount (net)</b>	<b>Description</b>
EDC0116535	18 <sup>th</sup> November	£1,500	Raised against Invoice No. EDI0116181
EDC0116536	18 <sup>th</sup> November	£750	Raised against Invoice No. EDI0116181 to revert to original amount

### **Key responsibilities of the Hall Keeper**

The some of the current duties of the hall keeper include:

- Ensuring the building is open and closed at the correct times
- General Cleaning
- Cleaning windows
- Cleaning carpets and rugs
- Vacuuming
- General maintenance
- Clearing Gutters
- Setting up rooms for meetings
- Support in controlling the car park
- General eyes and ears around the building
- Meeting contractors

### **Options**

Taking the options into consideration, the best result would be to continue with the SLA service for the remainder of this financial year. However, the budget category does not allow for a large increase in expenditure based on the following increases:

<b>Months</b>	<b>Current Fee</b>	<b>New fee</b>	<b>Increase</b>
October to December	£5,500.00	£8,250.00	£2,750.00
January to March	£5,500.00	£8,250.00	£2,750.00
<b>Total</b>	<b>£11,000.00</b>	<b>£16,500.00</b>	<b>£5,500.00</b>

However, the Town Council should not approve any backdated fee and therefore the increase should be dated from 1<sup>st</sup> December to 31<sup>st</sup> March only. Therefore, the expected overspend for the remaining term of the contract is:

<b>Months</b>	<b>Quarterly Fee</b>	<b>Increased fee</b>	<b>Difference</b>
December	£1,833.33	£2,750.00	£916.67
January to March	£5,500.00	£8,250.00	£2,750.00
<b>Total</b>	<b>£11,000.00</b>	<b>£16,500.00</b>	<b>£3,666.67</b>

There are other Town Hall budget categories that are underbudget where a virement could be made as follows:

<b>Budget Category</b>	<b>Budget</b>	<b>Expenditure to date</b>	<b>Available</b>
Insurance	£4,500.00	£3,750.00	£750.00
Rates	£15,000.00	£10,320.00	£4,680.00
		<b>Total</b>	<b>£5,430.00</b>

## **Recommendations**

It is recommended by the Town Hall Sub Committee to approve the increase in charges from December to March with the virement of funds as shown above.

This will allow sufficient time for the Town Council to review the SLA services and consider the impact on the Budget for 2019/20 and alternative options.