

RECORD OF DECISION TAKEN UNDER DELEGATED AUTHORITY FROM EXECUTIVE/COUNCIL/COMMITTEE

DELEGATED POWERS OUTLINED IN THE CONSTITUTION



DELEGATED OFFICER DECISION TAKEN BY:	Strategic Director Finance & Resources
DELEGATED BY:	Council (6 th December 2023)
IN CONSULTATION WITH:	Executive Member
PORTFOLIO AREA:	ALL

SUBJECT: EMB Report - Increase SLA costs to schools

1. DECISION

- To approve the increase in SLA charges by 5% for renewed SLAs for 2024/25 wherever possible.
- To recommend an annual review of charges, based on cost of delivering services.
- To amend the wording of future SLA contracts to reserve the right to increase costs of SLAs of 2 years of more mid contract, to a maximum of the prevailing rate of CPI inflation.

2. REASON FOR DECISION

As part of our responsibility to regularly review our fees and charges, it has been determined that an uplift of 5% would allow BwDBC to continue to cover the costs of delivering services to schools.

3. BACKGROUND

The Council currently offer 23 SLAs to schools for a range of services. These services are advertised annually through a traded services website, with the option to sign up for a 1,2- or 3-year contract.

These arrangements have been in place for over 10 years, and individual services currently set their own charges and pricing model.

4. KEY ISSUES AND RISKS

- The majority of services are delivered by employees, and therefore the costs of the service will increase annually as a result of the pay award.

- As the different services on the traded services website are all provided by Council departments, it would be preferable to have a consistent view on price increases.

5. FINANCIAL IMPLICATIONS

The failure to review the SLAs on an annual basis may lead to the Council subsidising the costs of delivering the services to schools. By increasing SLA charges in line with pay awards and/or inflation, it will ensure costs of delivering the SLA are adequately covered.

The current SLAs for 2023/24 amount to £1.92million, therefore a 5% increase on this figure would equate to an increase of £96,000 (subject to Schools continuing to agree SLAs).

However, it should be noted that some schools will not renew SLAs due to academisation, but some services are enhancing the SLA offer.

The increase in charges for 2024/25 will only apply to SLAs that are due for renewal, and if all these SLAs are renewed, this will equate to £61,268.

6. LEGAL IMPLICATIONS

The increase in costs will only be applied to new SLAs with effect from April 2024.

The SLAs are to be updated to ensure that the Council is able to pass on costs on contracts of more than 12 months.

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

7. RESOURCE IMPLICATIONS

Individual services are required to review their resources to be able to deliver the SLAs that schools sign up to annually.

8. OPTIONS CONSIDERED AND REJECTED

9. CONSULTATIONS

Discussions have taken place with CLT and Executive Members are being briefed. Schools will be advised of the proposed increased costs prior to signing up for new SLAs.

10. DECLARATION OF INTEREST

All Declarations of Interest of the officer with delegation and any Member who has been consulted, and note of any dispensation granted should be recorded below:

It is noted that a number of officers and elected members are members of school governing bodies.

VERSION: 1

CONTACT OFFICER:	Mandy Singh
DATE:	07/12/2023
BACKGROUND DOCUMENTS:	N/A