

Written statement of a key decision
Cabinet member finance and corporate services

Title	Hoople Service Level Agreement 2020/21
Decision maker	Cabinet member finance and corporate services Information about cabinet, including the names and contact details of the cabinet members, can be found here: http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251
Date of decision	30 September 2020
Report exemption class	Open
Reason for being a key decision	This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
A notice was served in accordance with Part 3 (Key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
General exception or special urgency (as defined in the constitution)	No
Purpose	To approve the Hoople Ltd service level agreement for 2020/21. The cost to the council of services provided, or managed by, Hoople Ltd in 2020/21 is expected to be £6.720m. The services that Hoople Ltd are to deliver in each financial year are described in an annual plan, which is known as the Hoople Ltd service level agreement or the 'Hoople Ltd SLA'. The recommendations put forward enable the services that Hoople Ltd are commissioned to provide to be fully described, adjusted as may be required to support the council's operations and then paid for in accordance with the Hoople Services Contract to the extent that they have been provided.
Decision	That: (a) the S151 Officer in consultation with the Cabinet Member be authorised to finalise and sign the Hoople Service Level Agreement (SLA) for 2020/21 attached at appendix A;

	<p>(b) the S151 Officer be authorised to approve payments to Hoople Ltd in line with the SLA for 2020/21 within the approved annual budget of £5.948m; and,</p> <p>(c) the S151 officer be authorised to agree, in accord with the Hoople Services Contract, and the authority obtained by relevant budget managers, any in year adjustments to the Hoople SLA for 2020/21.</p>
Reason for the decision	<p>As set out in the report. Documents relating to this decision are available at</p> <p>http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?Ild=50033797</p>
Options considered	<ol style="list-style-type: none"> 1. That alternative service provision for all or part of the services described in the Hoople SLA is sought from other external provider(s). This is not recommended as the council's opportunity to support partnership arrangements across the public sector through its established model for the provision of excellent business support services will be constrained. Further, it is unlikely that the council's costs, in regard to these services will be no less than that provided by Hoople Ltd as an 'in house' company with no profit element. Such services would have to be the subject of regular procurement, the cost of which is avoided by maintaining the exemption under Regulation 12 of the Public Contracts Regulations 2015. An options appraisal and procurement(s) would have to be progressed before this option could be taken, with Hoople Ltd continuing to deliver services in accord with existing contractual obligation during transition. 2. That service provision for all or part of the services described in the Hoople SLA is provided in house through directly employed staff. This is not recommended as the council's opportunity to support partnership arrangements across the public sector through the provision of excellent business support services will be lost in regard to those elements of service provided in house. Further, it is considered likely that the council's costs, in regard to its back office services will increase as all associated operational overheads would have to be directly supported by the council, as opposed to overheads being shared amongst other public sector partners and Hoople Ltd's clients. An options appraisal would have to be progressed before this option could be taken, with Hoople Ltd continuing to deliver services in accord with existing contractual obligation during transition.
Declarations of interest (see ▪ below)	
Call-in expiry date (decisions are not subject to call-in where special urgency provisions apply)	6 October 2020

Councillor:

Date 30 September 2020

Cabinet member finance and corporate services
(Councillor Liz Harvey)

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

and

- in respect of any declared conflict of interest, a note of dispensation granted.