

## Service Level Agreements and Contracts within the local authority sector

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#### What we will discuss

- What is the difference between a contract and a service level agreement
- What do you need to include to make sure a service level agreement works for your service?
- What makes a good agreement?
- Appreciation of the level of detail required
- What are the pitfalls a good SLA can help you avoid?



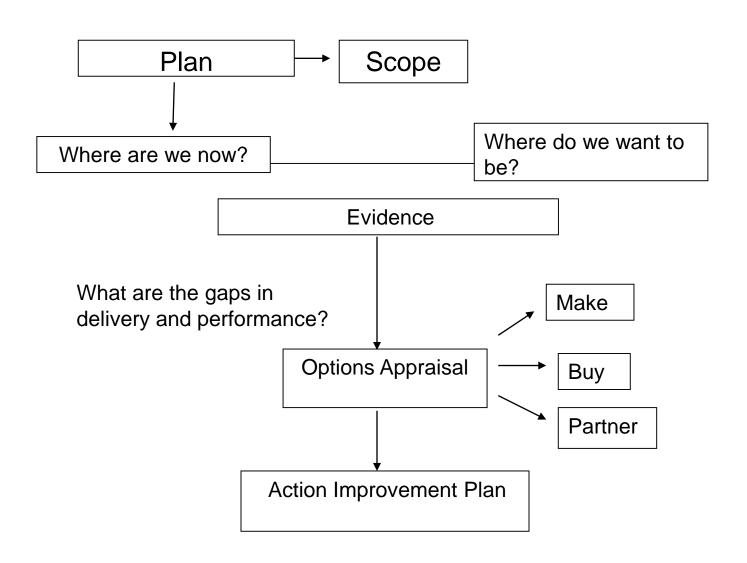
# What is the difference between a contract and a SLA?

Contract	SLA
Formed between two or more separate legal entities (e.g. a school and contractor)	Formed between two parts of one legal entity
Normally prepared by the client	Should be created by both parties
Terms set by the client	Terms negotiated
Control by one party	Shared objectives and responsibilities
Inflexible	Flexibility can be incorporated
Highly detailed	More user friendly



#### Why are SLAs useful?

- Lets each side know what is expected! (Communication!)
- Managing Expectations (Avoids a client expecting more than you can realistically deliver!)
- Reduces Conflict ('Look what its says here')
- A living and breathing document you can be flexible....unlike a contract
- An objective process have you delivered what you promised?





# What are the benefits of creating a Service Level Agreement?

Discussion.....





#### Which Model?

Department Store Model	High Street Model
Single supplier providing a variety of services: Located together Single identity Shared standards Operating in common framework  Offers convenience and common	Separate suppliers providing equivalent services: Each focusing only on one service identity specifically designed to suit each service Setting own standards Framework tailored to match customer needs
standards across services.	Offers specialisation and flexibility.



### How long?

#### **Duration**

- 1 year or shorter = consider longer
- 1 year to 3 years = 'preferable' 'gives suppliers degree of certainty
- 3 years or longer = inflexibility may result, but in some instances e.g. schools may benefit

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