

Good Practice Guide Appendices Appendix 16

Service Level Agreements

Should a service or resource need to be secured from an external party or organisation, clear documentation that clarifies the detail of the agreement will prevent confusion or complications, e.g. staff secondments or commissioning a particular service / activity from another organisation. Agreements may be with a range of organisations, e.g. other NHS bodies, third sector partners, Local Authorities and private companies.

To ensure the agreement is met, delivery against the agreement must be monitored and reviewed. Engagement and regular communication between all parties is important, with agreement at the outset on how any adverse performance issues will be managed to ensure plans can be brought back on track.

Details of the contractual agreement will depend on the value of the agreement and the organisations involved - see below for some key points to consider. If further advice is needed, clusters are advised to liaise with their finance team for help or signposting to the relevant team. The detail of the agreement will need to be agreed and signed off by all parties involved

Key points to cover in a Service Agreement or similar contract

- Specify the organisations involved, the lead personnel involved on behalf of each organisation and their contact details
- Detail the start and end date of the agreement
- Describe the service to be provided and detail how delivery of the service will be measured, e.g. WTE/number of units/output/outcome
- State the quality standards need to be delivered
- State the agreed price
- Outline the payment terms, timescales and payment mechanism
- If the agreement needs to be amended, describe the process for doing this, the notice period required and communication mechanism. This may need to cover terminating the agreement early.
- Describe the mechanism for managing poor performance and escalation process
- What happens if the prescribed service isn't provided e.g. financial recompense
- Include a signature section and ensure this is signed at the outset to confirm agreement between organisations.