

**POLICY AND RESOURCES CABINET BOARD**

**24<sup>TH</sup> JUNE 2010**

**DIRECTORATE OF FINANCE AND CORPORATE SERVICES**

**REPORT OF THE HEAD OF LEGAL AND  
DEMOCRATIC SERVICES**

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**Part 1 – Doc. Code: PRB-240610-REP-FS-DM**

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**SECTION A**  
**ITEM 1**

**SHARED LEGAL SERVICES PROJECT - EXTERNAL LEGAL SERVICES CALL OFF CONTRACT**

**1. Purpose of Report**

- 1.1. To advise Members of the current state of progress on Shared Legal Services.
- 1.2. To seek approval of an external legal services call off contracts

**2. Background / Current Situation**

2.1 Members will be aware of the work that has been undertaken to establish joint working between Bridgend, Neath & Port Talbot, Swansea, Carmarthen, Ceredigion and Pembrokeshire. Phase 1 of the project determined that further work should be undertaken to establish the viability and model of joint working. Phase 2 of the project, jointly funded by each Authority and the Assembly, with the support of the WLGA has established the following:-

- Determination of joint working model
- The development of a shared Legal Services Business Plan
- Detailed analysis of work by work type for 2008/09
- Detailed analysis of external legal costs by work type for 2008/09
- Skills Matrix for each authority
- Draft business requirements for a single case management system
- Minimum saving of £40,000 on legal library costs in 2010/11 (> £100,000 over 3 years)
- 12 special interest groups established
- Shared Legal services web forums set-up

2.2 The current Phase three has 6 work streams:-

- Organisation (Pembrokeshire)– including a joint workforce plan and joint plan for trainee solicitors
- IT Infrastructure (Swansea)– includes tender for single Case Management System and funding application
- Joint Procurement (Bridgend) – includes tender for provision of external legal services and finalising of the Legal Library arrangements
- Training & Development (Ceredigion)– includes the development of a joint 15month training and development plan
- Best Practice (NPT)– will include the review of end-to-end processes with key clients to look for improvements and efficiencies
- External Income (Carmarthenshire)– the assessment of the potential opportunity to create a sustainable income stream from the provision of legal services to other public bodies in the region.

2.3 Special interest groups have been set up to provide support and specialist expertise in specified areas across the partner authorities. These are hosted by each authority.

- Housing
- Education
- Planning
- Property
- Civil Litigation
- Practice Mgmt
- Procurement
- Childcare
- Highways
- Commons & Rights of Way
- Adult Social Care
- Criminal Litigation
- Employment

- 2.4 In addition to the special interest groups, an online discussion facility has been developed to enable lawyers to communicate across the Authorities which enables teams to be built of specialist lawyers across south and west Wales.
- 2.5 There is no current funding of the joint working project and therefore each authority is contributing to the cost of the further development of joint working.

### **3. Current Situation**

- 3.1.1 Bridgend has the responsibility of the procurement work stream. This will involve the drafting of the formal joint working arrangements by officers of all six authorities. Immediately however it has been determined that savings to revenue can be made through a call off contract for both solicitor and barrister services. The level of saving will be hard to predict and measure due to the fact that the amount of external instructions will vary considerably from year to year.
- 3.1.2 The availability to join the procurement has been offered to other Authorities and public sector organisations including Police and Fire Services and it is anticipated that several other public bodies will join the work stream.
- 3.1.3 All six authorities will agree to undertake work for each other subject to capacity being available. Only when work has been offered within the consortium will the services of outside lawyers be used.
- 3.1.4 As the joint working project is currently unfunded the partner authorities have agreed that disbursement costs on all of the work streams will be split equally between the partners. In the case of the call off contracts, disbursements will be split equally amongst those organisations that take part.
- 3.2 The partner Authorities have appointed First Law, solicitors to assist in the procurement process due to their previous involvement in another large procurement of legal services for the public sector. The fees of First Law have been met by Assembly grant funding.

- 3.3. It is proposed that Bridgend act as lead authority in the contract procedure and therefore enters the contract on behalf of the partner Authorities and other public sector organisations. It is necessary to ensure that all organisations involved have gained the appropriate approvals to contract in that manner.
- 3.4. To give effect to this process it is necessary to provide Bridgend CBC with authority to enter the call off contracts on behalf of this Authority. No continuing liability will affect Bridgend as once the contracts are entered into, each Authority will instruct direct and be responsible for its own payment of invoices.
- 3.5 The special interest group for procurement is currently in the course of finalising the draft legal documentation with the assistance of First Law. It is intended that at least the legal documentation for the first phase of the procurement process will be finalised in June.
- 3.6 An advert will be placed in the Law Society Gazette seeking expressions of interest from firms of solicitors who are interested in tendering to provide legal services on a call off basis to the authorities. It is anticipated that this will appear in the Law Society Gazette at the end of June.
- 3.7 The firms that respond to the advert will be required to complete a Pre- Qualification Questionnaire (PQQ) which will enable the authorities to decide which firms to shortlist for the tendering stage. The number of firms to be shortlisted has yet to be decided.
- 3.8 The authorities will be seeking to appoint firms to various panels of work and firms will be invited to tender to be placed on these panels. The panels are groups of specific types of legal work such as litigation, commercial conveyancing, planning and environmental law, etc.

3.9 Instructions to Tenderers will be sent to the firms that have been shortlisted, and the returned submissions will then be evaluated against a scoring formula to be agreed by the authorities. The successful firms will then enter into contracts with this Council to provide legal services at agreed rates to the authorities. The procurement process being utilised is known as a framework and this will also enable certain other authorities in Wales who have not participated in the procurement process from the outset to use the subsequent contract.

3.10 A similar process will take place in respect of barristers legal services. An advert seeking expressions of interest from barrister chambers will be placed in the Counsel magazine. It is anticipated that this will appear in the September edition of the magazine. However, it is anticipated that there will not be a PQQ stage (although this is subject to change if First Law advise this is necessary) and that all chambers that respond will be taken through to the Invitation to Tender stage. Chambers will again be invited to tender to be placed on certain panels of legal work, and successful chambers will enter contracts with this Council on behalf of the other authorities.

3.11 The authorities are endeavouring to have these contractual arrangements in place by the end of this year. However it will be appreciated that we are only at the commencement of this procurement process and this timeframe is only indicative at this stage.

#### 4. **Legal Implications**

4.1 The proposal will lead to improved appointment of external advice and a reduction on costs

#### 5. **Financial Implications**

5.1 The costs of implementation can be met from existing budgets and the outcome will result in a reduction of costs.

6. **Recommendations**

- 6.1. That Bridgend County Borough Council be given authority to act as lead authority in entering each call off contract on behalf of this authority.
- 6.2. That no instructions for external legal services are issued other than through Legal and Democratic Services.
- 6.3. That other than in exceptional circumstances agreed by the Head of Legal and Democratic Services all future instructions for legal services shall be issued under the call off contracts.

7. **Background Papers**

None

8. **Wards Affected**

All

9. **Officer Contact**

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