

**Cabinet 14 July 2015**

**LEGAL SERVICES PROVIDER**

**Councillor Neil Blake**

**Leader of the Council and Cabinet Member for Major Projects**

**1 Purpose**

1.1 To agree the future provider of legal services to the Council.

**2 Recommendations**

2.1 That the update on progress with appointing a legal service provider be noted and the proposals referred to in the report endorsed.

2.2 That Council be recommended to approve the following:-

- i. That the provision of the Council legal services be delegated to Harrow Council which operates a shared legal service known as HB Public Law (as detailed in the Cabinet report).
- ii. That the provision of these services be for up to five years and are to be governed by an Inter Authority Agreement (IAA), commencing from 1 September 2015 subject to the satisfactory final arrangements being completed.
- iii. That the final delivery and implementation of these decisions, including the detail of the IAA, be delegated to the Chief Executive after consultation with the Leader of the Council.

**3 Executive summary (if longer than 2 pages)**

3.1 At its April meetings Cabinet and Council agreed to the approach to deliver the council legal service through a third party. This report details the selection of the provider, how this will be governed, and the arrangements for enacting the switch over to the external provider.

**4 Background**

- 4.1 The supply of appropriate and timely legal advice is fundamental to the smooth running of many of the Councils services. It is however a costly element of support services. This has led to the consideration of options for different delivery models being explored as with all services under the New Business Model work stream.
- 4.2 Since 2012/13 the costs of the service have been reduced from c£742,000 to c£600,000. We believe that we can reduce this further through demand management (ie reducing the volume of legal work), and through different models of service delivery based upon detailed analysis of the demand from services.
- 4.3 At the April 2015 meetings of Cabinet and Council agreed the decision to for a third party provider to provide legal services to the Council, and delegated the detailed selection to the Chief Executive in consultation with the Leader.

- 4.4 Since the April 2015 reports all legal services staff employed by AVDC have either left the authority or are on a path to doing so, as such there are no TUPE considerations. The supply of legal services by an external provider will be undertaken therefore on a straight forward contractual provision.

#### **Selected Provider**

- 4.5 When considering the providers officers have been guided by a number of key objectives and issues:
- The speed of switch over possible – bearing in mind the reduced nature of current in house provision.
  - Ease and cost efficient procurement route – bearing in mind the level of the annual contract sum involved, a standard procurement would dictate a full EU OJEU level exercise, which has the potential for significant costs and time delays.
  - Locality of provider – to enable face to face delivery of service where operationally necessary.
  - Existing successful delivery of similar local authority services covering district council functions, and the ability to deliver unitary level services should this be required in the future.
  - Knowledge of the issues facing AVDC and where possible experience of working on the full range of the legal services we require. Especially those of a more innovative nature (eg commercial projects, property and company ownership and creation).
  - Ability to provide additional robustness and flexibility to our legal service so as to manage peaks and troughs to ensure the requirement for legal service provision ensuring the smooth running of the council.
- 4.6 Taking the above list into account, and after exploring the market place, the Leader and Chief Executive have pursued more detailed discussion with HB Public Law.
- 4.7 HB Public Law was created in 2012 by combining Harrow and Barnet Councils' legal teams in a shared service and has around 70 members of staff. They are a local authority legal practice specialising in public law, providing services to local authorities, maintained schools, academies, local authority trading companies and housing associations. More detail on HB Public Law can be found on their website [www.hbpubliclaw.co.uk](http://www.hbpubliclaw.co.uk).
- 4.8 As HB Public Law are a fellow local authority the procurement of the service can be delivered via an Inter Authority Agreement (IAA) considerably speeding up the delivery of service. An IAA is in effect a contractual relationship between the two councils that has the benefit of avoiding some of the procurement burden.
- 4.9 **Governance & Contractual Relationship**
- 4.10 The details on how the relationship with HB Public Law will be governed will be set out in a full IIA document. This is however still subject to negotiation and hence is not finalised at this stage. In summary the IAA will set out :

- The relationship between AVDC and HB Public Law
  - The financial model
  - Service Standards
  - Performance Monitoring
  - Staffing
  - Intellectual property considerations
  - Disputes and Termination
- 4.11 As set out in the April Cabinet and Council reports, we will continue to hold a Monitoring Officer post at AVDC for at least the medium term and will continue with the current arrangement of part time provision. The Monitoring Officer will also act as the contract manager for the HB Public Law IAA.
- 4.12 **Transition & Commencement**
- 4.13 As HB Public Law are already providing interim provision to AVDC, we envisage that the transition to full provision should be relatively straight forward. Detailed project plans are in place, and following Council agreement and the finalisation of the IIA, these will be brought into force.
- 4.14 It is envisaged that the inception date for full provision will be formally from the 1 September 2015, however due to the existing interim service provision in reality the change in provider should be seamless and gradually up to the full inception date.
- 5 Options considered**
- 5.1 These are addressed in the report in summary, and in more detail in the December 2014 & April 2015 Cabinet reports regarding Legal Services leading to the conclusions in this report.
- 6 Reasons for Recommendation**
- 6.1 To provide as efficient as possible legal service function, and to address budget pressures in future years. The 2015/16 Council Budget for providing the legal service is £616,800. The HB Public Law budget will be within this threshold, therefore sufficient funds are already available to fund the proposal as set out in the report.
- 7 Resource implications**
- 7.1 These are covered in the body of reports.

Contact Officer	Andrew Barton - 01296 585430
Background Documents	Cabinet Reports In April 2015 and December 2014