

DEPUTY LEADER OF THE COUNCIL – 19 OCTOBER 2010

PROVISION OF EXTERNAL LEGAL SUPPORT

Report by County Solicitor & Monitoring Officer

Background

1. Oxfordshire County Council currently has available to it a range of external legal services, from a number of firms of solicitors, through the use of a “call-off” contract put in place by all the Councils in Oxfordshire. The Council always seeks to use its own internal legal service as the first resort, and only uses this contract in the event of peaks of demand or a requirement for legal specialism in which it holds no internal expertise. Under this contract there is no minimum commitment of spend required.
2. The Council’s legal team also has the opportunity to further manage peaks of demand by linking up with the legal teams from the other Oxfordshire Authorities in a “legal hub” arrangement. This will allow work to be passed between the Authorities (using the provisions of the Local Authorities (Goods and Services) Act 1970) where one Authority has legal work which it requires to outsource and another participating Authority has the capacity to assist. Where another Authority is able to undertake such work, income will be generated using a standardised charging mechanism. It is intended that the Council’s ability to supply legal services in this way will also be made available to certain other public sector bodies that are willing to participate in such a scheme. It is important to record that no work for another participating body will be carried out where to do so would prejudice the performance of the Council’s own legal work.
3. The outcome of the Authorities working together in this way will even out the peaks and troughs of natural working patterns and will benefit all Oxfordshire residents as the costs involved in use of the “legal hub” are significantly lower than seeking such advice externally. In addition to that potential saving the arrangement also provides a potential source of income which would reduce the net cost of legal services to the Council. There will be an additional cost in relation to indemnity insurance for undertaking this work that we have secured via our Insurance Manager at a cost of £825 for £1m worth of cover for this work.
4. The existing “call-off” contract for external Solicitors expired at the end of July 2010 and has now been re-tendered.
5. The duration of the new proposed framework contract is 4 years.
6. Oxford City Council have led on the tendering process of this contract and were supported in the evaluation stages by the other Oxfordshire Councils.

7. The framework contract was advertised so that other Councils based in Buckinghamshire and Berkshire will be eligible to use it. The Royal Berkshire Fire Authority also expressed an interest to be included as a definite user of the framework.
8. In a typical year Oxfordshire County Council will spend a relatively modest sum on external legal advice sourced through the Framework contract. In 2009/10 this figure did not exceed £46k. It needs to be stated, however, that additional and significant work has been outsourced to handle major contract and capital programme work and procurement work, including highways contract and waste treatment contract, which would not form part of the framework agreement.
9. Cabinet Member approval is now sought to award this new framework contract.

Tender Process

10. The potential overall value of the contract meant that an advertisement was placed in the Official Journal of the European Union, The Lawyer magazine, local press and on the Council's website.
11. The evaluation panel was made up of Officers from Oxfordshire County Council, Cherwell District Council, South and the Vale of the White Horse District Council and Oxford City Council.
12. The evaluation panel determined the relevant financial and technical evaluation criteria that will provide the most economically advantageous contract, with 40% of marks being awarded for the pricing offer, 40% of marks awarded for evidence of quality and a further 20% being allocated to evidence of capacity. Firms had to demonstrate that they were technically and operationally competent and able to meet the specification.
13. 48 pre-qualification Questionnaires were submitted and the evaluation panel invited 12 of these Firms to tender.
14. After further evaluation of the submitted tender documentation, the evaluation panel recommend placing the following firms on the Framework Contract:
 - Darbys Solicitors LLP
 - Blake Lapthorn
 - Eversheds LLP
 - Trowers and Hamlins LLP
 - Freeth Cartwright LLP
 - Browne Jacobson LLP
 - Veale Wasbrough Vizards
 - Wragge and Co LLP

Benefits of this contract

15. The benefit of continuing these contract arrangements are as follows:
- ◆ Provision of competitive pricing, whether that be by hourly rate, blended rate or quotation for specific projects. On average firms have offered the Councils a discount of around 20% on their usual rates.
 - ◆ The ability to provide a breadth of knowledge based on similar work carried out in the public sector.
 - ◆ With eight Firms servicing the contract, there will be more ability to call on extra capacity when needed.
 - ◆ Access to free continuous professional development training, reducing the spend on internal training budgets
 - ◆ Two of the successful Firms are based in Oxford, enabling the Council to continue its commitment to boosting the local economy where possible.
 - ◆ The majority of Firms have offered volume discounts in relation to the amount of work collectively placed with them. However, the realisation of these discounts is reliant on the management information provided by firms and the ability of the Councils to ensure collection.
16. There is no commitment to place work with these external firms but it does allow the Council to have complete flexibility in how it puts out external legal work quickly and with the assurance that it has fully complied with procurement requirements at a competitive and discounted rate.
17. **Benefits of the Legal Hub**
- ◆ It enables the promotion of shared services and collaborative working arrangements between the Oxfordshire Councils.
 - ◆ It ensures that peaks and troughs of work can be better managed.
 - ◆ It further ensures value for money for Oxfordshire County Council as rates for work undertaken will be lower than external rates.
 - ◆ It consolidates, maximises and fully utilises current public sector legal expertise and experience.

RECOMMENDATIONS

18. **The Deputy Leader of the Council is RECOMMENDED to**
- (a) **authorise the Council's entry into a framework contract arrangement under which legal services would be available from a panel of selected external solicitors, such arrangement to be put in place in conjunction with the other Oxfordshire authorities and other public sector bodies;**
 - (b) **award the External Legal Advice Contract to the eight Firms listed within the report; and**

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- (c) **authorise the Legal & Democratic Services to enter into the proposed “Legal Hub” and similar partnership working arrangements, under which it would be able to both receive and supply legal services within and outside the geographical boundary of Oxfordshire County as one of the participating public sector bodies.**

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Background Papers; Nil

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