

**NORTH LINCOLNSHIRE COUNCIL**

**CORPORATE SERVICES CABINET  
MEMBER**

**LEGAL SERVICES FRAMEWORK AGREEMENT**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 The object of this report is to obtain Cabinet Member agreement to the proposed Legal Services Framework Agreement
- 1.2 Key points of the report are-
- The council lets legal services contracts of over £ 250,000/year last year
  - There are a variety of commissioning processes
  - It is not practical to monitor value for money within the processes
  - It is proposed to address this by centralising commissioning within a single framework process
  - It is proposed to offer a level of exclusivity to framework firms
  - Further value to be added by joint procurement with Kingston upon Hull City Council and North East Lincolnshire Council
  - North Lincolnshire Council to act as Administering Authority for the Agreement

**2. BACKGROUND INFORMATION**

- 2.1 The council is likely to have spent in excess £250,000 in the last year on buying-in Legal Services from the Private Sector. Buying-in services is largely undertaken either to supplement an existing internal resource or provide one where there are no such resource. This is undertaken through a variety of commissioning processes, some of which are undertaken by the Legal Service.
- 2.2 Legal Services are difficult to benchmark as they vary depending upon the sort of project they support. It is difficult to be sure that the council is getting value for money from its arrangements. Further there is no opportunity to exploit the council's market position as a purchaser of services on the present ad hoc basis.

2.3 To try to gain additional value for the council it is proposed to undertake a procurement jointly with NE Lincolnshire and Kingston upon Hull Councils. In addition the councils will offer to potential suppliers the right of first refusal for the types legal work covered by the contract hopefully providing an incentive to offer attractive rates.

2.4 In summary the approach is to

- enter into joint procurement with Kingston upon Hull City Council and North East Lincolnshire Council,
- provide a single point of access to such services,
- limit the scope of the commissioning to members of the Framework so as to seek the best price/ quality balance available from the market by providing some assurance of work to its members,
- each council combining their requirements to make the contract more attractive to the market.

2.5 The outline proposed arrangements are as follows-

- a single Framework Agreement across all three councils,
- each council will commission work using the Framework pricing ,
- the councils offer to potential bidders the right to bid for work from within a defined pool of bidders,
- there is a single point of commissioning within each council,
- the council will not commission work outside the Framework's terms.

### **3. OPTIONS FOR CONSIDERATION**

3.1 to undertake the establishment of the Framework Agreement, or

3.2 to maintain the present arrangements.

### **4. ANALYSIS OF OPTIONS**

4.1 There are no identifiable advantages in maintaining the present arrangements that are not present in the option 3.1.

4.2 The option at 3.2 does not allow for effective value for money monitoring nor for taking advantage not only of the council's own market position but also the benefits of combining the demand for work with the other two councils.

## **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1 The average cost of commissioning legal services is in the region of £140-240/ hour depending on the nature of the service commissioned. It is hoped to see significant savings on this headline amount.
- 5.2 There will be some staff implications arising from the administering of the commissioning process but these can be contained within the existing legal budget. Any costs associated with administering the framework on behalf of the other two councils will be recovered from them.
- 5.3 There are no specific property, or IT implications in this report.

## **6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

- 6.1 There are no specific Statutory, Environmental, Diversity or s17 Crime and Disorder Act implications in this report.
- 6.2 The risks associated with the establishment and maintenance of the Framework Agreement are no greater than the risks accepted in the current method of the commissioning of services, and should be less given that the commissioning of the services will be centralised and work to a common model.
- 6.3 The risk associated with the offer to bidders of a right to bid for specified work will be managed effectively through this report's recommendations and their application.

## **7. OUTCOMES OF CONSULTATION**

- 7.1 The Framework proposals are the result of consultation between the councils concerned.
- 7.2 This report has been agreed in consultation with the Service Director Finance.

## **8. RECOMMENDATIONS**

- 8.1 This report be noted and the principles underlying the Framework Agreement be approved.
- 8.2 The Service Director Legal and Democratic be only authorised commissioner of legal services for the council.

- 8.3 That the outcome of the procurement be reported the Cabinet Member for Corporate Services.

## SERVICE DIRECTOR LEGAL AND DEMOCRATIC SERVICES

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### **Background Papers used in the preparation of this report**

Draft Framework Agreement for the Commissioning of Legal Services.