

To: City Executive Board

Date: 6th October 2010 **Item No:**

Report of: Head of Law and Governance

Title of Report: Award of Contract for the Supply of External Legal Advice Framework Contract to the Oxfordshire Councils

Summary and Recommendations

Purpose of report: To grant project approval and to recommend the award of the external legal advice framework contract

Key decision? No

Executive lead member: Councillor Bob Price

Report approved by:

Finance: Emma Burson

Legal: Lindsay Cane

Policy Framework: Oxford City Council Corporate Plan
Be an effective and responsive organisation, providing value for money services.

Recommendation(s):

That the City Executive Board agrees:

- 1) To grant project approval for and to 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.**
- 2) To authorise the award of the framework contract to the eight firms of solicitors specified in 2.5.**
- 3) To authorise the Law and Governance service 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 Oxford City as one of the participating public sector bodies.**

1 Background

- 1.1 Oxford City 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.
- 1.2 The Council’s legal team also intends 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, an 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 (e.g. RSL’s) 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.
- 1.3 The outcome of the Authorities working together in this way to even out the peaks and troughs of natural working patterns will benefit all Oxfordshire residents as the costs involved in use of the “legal hub” are lower than seeking such advice externally. In addition to that potential saving (which is impossible to quantify in advance) the arrangement also provides a potential source of income which would reduce the net cost of legal services to the Council.
- 1.4 The existing “call-off” contract expired at the end of July 2010 and has now been re-tendered.
- 1.5 The duration of the new proposed framework contract is 4 years.
- 1.6 Oxford City Council led on the tendering process of this contract and was supported in the evaluation stages by the other Oxfordshire Councils.
- 1.7 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.
- 1.8 In a typical year Oxford City Council will spend a relatively modest sum on external legal advice sourced through the Framework contract. In 2009/10 this figure did not exceed £20k.
- 1.9 City Executive Board approval is now sought to award of this new framework contract.

2 Tender Process

- 2.1 Given the potential overall value of the contract is estimated to be in excess of £150,000 over the life time of the contract it was considered appropriate to place an advertisement in the Official Journal of the European Union, The Lawyer magazine, local press and on the Council's website.
- 2.2 The evaluation panel was made up of Officers from Oxford City Council, Cherwell District Council, South and the Vale of the White Horse District Council and Oxfordshire County Council.
- 2.3 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.
- 2.4 48 pre-qualification Questionnaires were submitted and the evaluation panel invited 12 of these Firms to tender.
- 2.5 After further evaluation of the submitted tender documentation, the evaluation panel recommend placing the following firms on the Framework Contract:
 - Darbys Solicitors LLP
 - Blake Laphorn
 - Eversheds LLP
 - Trowers and Hamlins LLP
 - Freeth Cartwright LLP
 - Browne Jacobson LLP
 - Veale Wasbrough Vizards
 - Wragge and Co LLP

3 Other Options

- 3.1 The Constitution and Procurement Strategy advises that the City Executive Board should consider what other options are available before granting major project approval and awarding a contract over 100K. These are detailed below.

3.2 Continue as we are

The contract that has been used by Oxford City Council's legal team expired at the end of July 2010. To continue the arrangement will therefore require a new contract.

3.4 Use a contract set up by another organisation

There is no suitable existing contract that meets the needs of the Oxfordshire Councils. There is, however, a clear need for this type of arrangement therefore this framework Contract has also been made available to Councils in Buckinghamshire and Berkshire.

4 Benefits of this contract

- 4.1 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.
It enables the promotion of shared services and collaborative working arrangements between the Oxfordshire Councils.

5. Financial Implications

- 5.1 The financial implications for both cost and income generation are summarised in the report

6. Legal Implications

- 6.1 This contract has been tendered in accordance with the EU procurement regime. It therefore complies with both the Council's own procurement requirements and external regulation.

7. Staffing Implications

- 7.1 There are no staffing implications.

8. Risk

- 8.1 A risk assessment has been undertaken and the risk register is attached. All risks are being mitigated to an acceptable level

9. Other means of achieving this objective

- 9.1 Other means of achieving this objective are explained in paragraph 3.

10 Recommendations

Recommendation(s):

That the City Executive Board agrees:

- 1) To grant project approval for and to 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.**
- 2) To award the External Legal Advice Contract to the eight Firms listed within the report.**
- 3) To authorise the Council's in-house legal service 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 Oxford City as one of the participating public sector bodies**

List of background papers: None

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