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Report

Subject : Review of Legal Services Call Off Contract

Report to : The Cabinet

Date: Wednesday 11 July 2007

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Cabinet Member for Resources: Councillor Andrew Roberts

1. Summary:

To provide a progress report to Cabinet on the multi council solicitors call off contract first reported to Cabinet on 15.11.2006.

2. Background:

- 2.1. On 01.09.2006 the Council along with 15 other public sector bodies across 5 counties entered into a call off arrangement with a panel of 9 firms of solicitors. The arrangement lasts for 3 years with an option to renew for a 4th year.
- 2.2. The arrangement was reported to Cabinet at its meeting on 15.11.2006 as part of the update on the work programme of the Customer First Partnership.
- 2.3. The arrangement offers a competitively tendered call-off facility providing a simplified means of procuring external legal services.
- 2.4. The benefits include:
 - Easy access to external legal services based on standard procedures
 - · Competitive fee rates
 - Opportunities for collaboration
 - Procurement savings both in terms of time and money.
- 2.5. There has been a lot of public sector interest in the arrangement both regionally and nationally and other public sector bodies have since signed up to or have expressed an interest in signing up to the call off arrangement.
- 2.6. The arrangement supersedes a similar 2-year arrangement that the Council had in place on its own account with a panel of 2 firms of solicitors.









3. Review:

- 3.1. As at 15.06.07 over £270,000 worth of work had been placed through the call off arrangement. The Council's share amounted to just under £8000. Take up of the arrangement started slowly whilst relationships have been built up but it has been increasing significantly over time.
- 3.2. Whilst the fee rates of the panel firms are commercially sensitive they range between £95 £150 per hour for solicitors and £120 £180 per hour for partners. The one local firm in Salisbury that sets out its schedule of charging rates on its website charges its solicitors at £160 £190 per hour. The Courts Service guideline rates for the summary assessment for costs for solicitors in Wiltshire in 2005 ranged between £126 £173 per hour for solicitors. If one takes a median rate of respectively £122.50, £175 and £149.50 if the work already placed by the Council through the call off arrangement had been charged at the rate of £175 per hour the cost would have been £11428 [a saving of £3428] and if it had been charged at the rate of £149.50 per hour the cost would have been £9763 [a saving of £1763].
- 3.3. In addition to the competitive fee rates the panel firms offer a variety of "soft benefits" such as legal updates and free or subsidised training. The Council receives a free monthly update from one of the panel firms and has already taken advantage of free and subsidised training. Commercial training providers can charge anything upwards of £150 for half a day's training and £250 for a full day.
- 3.4. The Council has also saved the time and expense of carrying out a competitive procurement exercise during the period of the arrangement every time it wishes to procure external legal services the value of which is in excess of £30,000. The cost of the advertisement for the arrangement was £3520. The Council's share was £220 -a saving of £3300 had the Council carried the cost itself.

4. Recommendations: To note the report

5. Background papers: None

6. Implications:

Kev decision : no **Financial** : none Legal : none **Human Rights** : none Personnel : none ICT : none **Community Safety** : none **Environmental** : none

Councils Core Values : excellent service, value for money

Wards Affected : none