



Service Design Proposal

BDT Legal Services

1 What is the recommendation?

The Council will build on the current traded activity of the shared legal team. It will create a new company structure to deliver all traded activity.

2 Why is this proposal recommended?

- To expand the service to create additional levels of income and net cost savings to both authorities.
- To further attract and keep good staff through greater opportunities for career progression and specialist work.
- To create a commercial environment and generate new business.

3 What does the future service look like?

The preferred model is to retain the existing shared service platform which was originally based on the idea of bringing together two independent legal teams of similar size to collaborate together to reduce their internal and external legal costs and to increase capacity in certain specialist areas. This was the first shared service arrangement which predates other arrangements by a number of years, and is therefore well established. It has also gone on to realise income potential from its shared arrangements. The current service has income values of £250k per annum which is split with each authority and has a good reputation in the legal market.

The income target for this service design proposal is £500K for *each* authority and is therefore highly ambitious.

The current service has experienced difficulties in attracting specialist staff, due to slow HR procedures and dealing with two governance models across both authorities. The aim is to set up a local authority traded company for traded activity, along with any other marketable central services in B&D that currently sit under the Director of Law & Governance, such as the School Appeals Service (Democratic Services). In 2018/19 further consideration should be given to the above delivery model to assess whether moving towards a full commercial model.

4 What will the service deliver?

A legal service to both 'home' authorities which is able to extend its current trading activities in a company model.

The service currently delivers the Legal Service for Brentwood District Council and the Monitoring Officer function; it delivers the same for East London Waste Authority and commercial legal work for Lea Valley Regional Park.

5 What are the constituent parts?

It is recognised that delivery of this new model requires support at a senior level and a Legal Manager will be appointed shortly to support the Director. The appointment is fully supported by both authorities and funded from current legal income. The post holder will manage the service on a day to day basis and support the Director in extending the trading activity of the company. This would allow the Director to continue with her other responsibilities as Monitoring Officer, and professional head of HR, Democratic Services and Elections.

This establishment profile of Legal services consists of:

- The B&D Legal Service of 34
- The Thurrock Legal Service of 25
- Traded Lawyers which currently total 12 (non-establishment)

6 What will be different for the customer?

There are two sets of customers: internal and external. With the ambitious income target, the internal client may notice a lighter touch in respect of legal services support and a far stricter line on only supporting legal work and reduced support on wider issues.

7 What will need to change in the service(s)?

Increase of staff numbers and specialists in marketable areas such as regeneration projects, governance and advocacy. An investment will be required to ensure such numbers are sufficient.

The service has a commercial attitude at many levels but greater drive is required amongst all members of the legal management team. Officers appreciating they have to cover their own costs and generate business is essential.

8 What will be the impact on the workforce?

- A potential change of terms and conditions.
- A Performance Related Pay scheme is essential to drive this forward. Until now legal officers have undertaken traded work with limited reward (honorariums) and this is not sufficient going forward. Therefore a new reward structure needs to be addressed quickly.

9 When will the changes take effect?

Implementation would start in 2016/17. Full income targets are not likely to be realisable until 2018.

10 When will customer outcomes be seen?

Income has already been accumulated and currently sits in a legal reserve account in B&D. Thurrock need to set up their own legal reserve account and the sum split.

11 What savings will be made from the changes?

The savings will arise from two sources:

- Income to be set against staffing costs.
- A further reduction in external legal costs for both Councils with greater capacity in areas where external legal support is currently required: regeneration projects and advocacy.

12 When will the savings be realised?

BDT Legal Benefits After Ongoing Costs

