



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and Date of Committee	EXECUTIVE – 13 DECEMBER 2023
Subject	REVIEW OF LEGAL SERVICES
Wards Affected	ALL
Accountable Member	Councillor Andy Graham – Leader of the Council. Email: andy.graham@westoxon.gov.uk
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Summary/Purpose	To outline the conclusions and recommendations from the strategic review of the shared Legal Service by external organisation, Cadence Innova Limited, and to seek agreement to invest in the Legal Service.
Annexe	Annex A – Legal Services Structure Chart
Recommendation(s)	<p>That the Executive Resolves to:</p> <ol style="list-style-type: none">1. Approve:<ol style="list-style-type: none">a) Ongoing revenue investment of £40,000 per annum into the shared Legal Service to recruit two additional roles, with any 2023/24 costs to be funded from reserves;b) A one-off funding of £26,000 to contribute to a temporary (12 months) Legal Services Change Manager role to be funded from reserves;c) A maximum contribution of £45,000, (in total over a four-year period), for the procurement of legal case management software.2. Delegate authority to the Chief Executive, in consultation with the Leader of the Council and Director of Governance, the signing off of the Shared Legal Services Collaboration Agreement between Cotswold District Council, Forest of Dean District Council and

	<p>West Oxfordshire District Council;</p> <p>3. Note that a further update report will be provided to the Executive in six months detailing the transformation to date.</p>
Corporate Priorities	<ul style="list-style-type: none"> • Working Together for West Oxfordshire
Key Decision	YES
Exempt	NO
Consultees/ Consultation	Leader, Chief Executive, Director of Finance, and Head of Legal Services.

1. BACKGROUND

- 1.1** Currently Forest of Dean, West Oxfordshire and Cotswold Councils share a joint legal service. The Service operates on an informal footing with all legal staff being made available by and to the other participants on a co-operative and collaborative basis. The staff are however retained by their employing authority. A mutual co-dependency has developed between the councils with each reliant on the other for legal service provision. Including the Head of Legal Services, the current team is made up of eight qualified lawyers and a trainee. Of that team, this council currently employs two qualified lawyers. The current structure chart, showing the proposed additional roles requested in the report, is attached at Annex A.
- 1.2** In 2022, Cotswold District Council completed a review of Legal Services assessing it against an external provider. Following that assessment, Cotswold District Council's Cabinet, on 4 July 2022, decided that legal services should continue to be provided by the shared legal team. This decision was endorsed by this Council at its Cabinet on 13 July 2022, resolving; "a) Note the decision of Cotswold District Council on their commissioning review of legal services; and b) Agree, subject to Cotswold District Council agreeing to remain party to the shared Cotswold/Forest of Dean/West Oxfordshire legal service, to support the formalisation of the shared service under a Collaboration Agreement and Section 101 agreements, and a review of the shared service for economy, efficiency and effectiveness.". This was also supported by the Forest of Dean's District Council Cabinet in September 2022.
- 1.3** A review of the shared service was commissioned by the Chief Executives of the three partner councils, and Cadence Innova Limited were engaged to undertake a review of the shared service to ensure its "economy, efficiency and effectiveness" recommending a programme of transformation.
- 1.4** This report is advising the Executive of the conclusion of that review, Cadence Innova Limited's recommendations and seeking agreement to invest in the service. Cotswold and Forest of Dean District Councils have already agreed additional investment.

2. MAIN POINTS

- 2.1** It is important that West Oxfordshire District Council has access to an effective legal service. The Council provides a wide range of services in a complex legal environment. While the current shared team has provided a cost-effective service for the Council with a team of skilled lawyers, a programme of transformation is required to ensure the shared service is fit for the future and can meet the Council's ambitions.
- 2.2** Cadence Innova, who have worked with other local authority legal teams, were engaged to review the operations of the legal service shared by the three councils. Specifically, to:
 - Discover and understand what the current service looks like – the 'As Is' Operating Model
 - Provide recommendations of what the service should look like to meet the demands of the three councils and Publica – the 'To Be' known as the Target Operating Model (TOM)

- Identify the changes that need to happen to reach the Target Operating Model (TOM)
 - Provide a Roadmap – a set of priority activities and recommendations to embed success.
- 2.3** Throughout the review, Cadence Innova Limited focussed on the five core components that form the foundation of every high-functioning team or organisation - Strategy, Governance, People, Process and Technology.
- 2.4** The review contained a number of approaches to gather information to assess the “as is” position, including engaging with 24 stakeholders from across the councils, Publica, clients and Legal Services which contributed to the identification of current pain points, underlying causes, and challenges that both users of the service and the lawyers experience.
- 2.5** To build the ‘To be’ target operating model (TOM), Cadence Innova ran four face to face group workshops with senior leaders and Legal Services to collect information to build and co-design the TOM.
- 2.6** To develop a roadmap and suite of recommendations, Cadence Innova used their knowledge and experience to map out the high-level activities that are required to achieve the TOM and identify the priority activities and timings to embed success.
- 2.7** The “as is” position identified a number of pain points and underlying challenges and causes, including:
- Current service is reactive;
 - No agreed service specification;
 - Absence of a formal contractual agreement between the councils;
 - Limited financial oversight or assessment of whether the service is providing value for money;
 - Insufficient capacity within the team, with qualified, experienced lawyers spending 20% of their time on general admin, and, work that could be handled internally being sent to external law firms to provide capacity;
 - Limited opportunities for professional growth or “grow your own” trainee or apprenticeship roles.
 - Limited technology – no legal case management or document management system.
- 2.8** The assessment of the “as is” position, when aligned with the current and future model activities identified a number of operating components that should be undertaken to reach the future goals and strategic objectives of Legal Services, including:
- Strategy – decision to operate a target operating model; produce a service delivery document and change or transformation plan;
 - Governance – governance agreement and governance board or joint management committee across the three partner councils;
 - People – team structure and skills mix, recruitment and apprenticeship scheme.

- Processes – single “pipeline” of work, work allocation and standardised templates.
- Technology – data capture and management information, case management software and resource management.

2.9 Cotswold and Forest of Dean District Councils have already approved further investment in the service and a Legal Services Change Manager was appointed in September 2023, together with additional permanent resource in the team. The Legal Services Change Manager has already made considerable progress in progressing Cadence Innova’s recommendations, including:

- Created a programme plan;
- Progressing the formal contractual agreement, known as the “collaboration agreement” between the three partner councils (due to be in place for April 2024);
- Gathered requirements and is running a procurement exercise to select appropriate software;
- Developing a governance model;
- Implemented a web page as a “single door” for engagement with Legal Services;
- Researching an appropriate apprenticeship scheme to grow lawyers of the future.

It is recommended that an update report is brought to this Executive in six months’ time with a more detailed breakdown of the team’s progress.

3. ALTERNATIVE OPTIONS

3.1 The recommendations of the service review undertaken by Cadence Innova do not have to be implemented. This is not recommended as the current challenges outlined in paragraph 2.7 will not be addressed and mitigated.

4. FINANCIAL IMPLICATIONS

4.1 Cadence Innova have assessed efficiency savings across the partnership of three councils of £159,750 pa calculated using the estimated time qualified lawyers spend performing (1) General administration and (2) low risk, low complexity for legal casework. In addition, they identified further cashable savings (not currently quantifiable) will be realised by:

- Legal Service lawyers delivering work currently outsourced to external lawyers
- Prioritising cases efficiently and providing quicker legal advice will mitigate risks, saving time and cost
- Engage a temporary Change Manager to deliver transition activities rather than lawyers managing change alongside legal work
- Collecting and using data for performance management and allocation of costs.

4.2 However, the review identifies that investment is required into Legal Services both in terms of short-term resource to implement a change programme, and on an ongoing basis with higher level administrative or para-legal resource and implementing appropriate technology.

4.3 Executive are asked to approve revenue investment of:

Item of expenditure	Costs across the partnership	Cost for West Oxon Council	Notes
Legal Services Change Manager	£78,000	£26,000	One-off 12-month contract to be apportioned across the three partner councils (1/3)
Legal Support Officer (part-time)		£30,000	Permanent role, based at WODC.
Trainee Solicitor	£30,000	£10,000	Permanent role to work across the partnership.
Legal Case Management Software (total spend for four-year period)	£135,000	£45,000	Total cost for four years including predicted inflation and team expansion

4.4 External legal costs are in addition to the above, include court fees and external legal advice commissioned. There has been significant spend on external legal advice by all three councils over the last four years, particularly to support each council’s ambitious agendas. This is an area where there is potential to make savings, but it must be borne in mind that specialist advice will be necessary in some cases and that any shared legal service will not hold specialist expertise in every field. Nevertheless, there is scope for savings with more appropriate use of the skills mix within Legal Services. Additionally, the service is reviewing options for maximising income.

5. LEGAL IMPLICATIONS

5.1 The legal documents to underpin the shared service, such as a Collaboration Agreement and formal arrangements under S.101 of the Local Government Act 1972 should be completed as a priority to place the shared service on a sound footing. The agreements will cover the financial contributions, to ensure that the amounts paid by the Councils are fair, proportionate and appropriate for the legal services received, along with the governance and review arrangements. This work is underway with an implementation planned for the new financial year - April 2024.

6. EQUALITIES IMPACT

- 6.1** No negative effect on different service users, customers or staff is expected from the implementation of the recommendations in Cadence Innova service review.

7. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 7.1** None arising from this report.

8. BACKGROUND PAPERS

- 8.1** The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- Cabinet report, “Review of Legal Services, Interim Monitoring Officer Arrangements and Retained Officer Structures” 13.07.2023.
- Legal Services Review Presentation - Target Operating Model, Key Activities and Roadmap (February 2023), undertaken by Cadence Innova Ltd.

- 8.2** These documents will be available for inspection online at www.westoxon.gov.uk, or by contacting Democratic Services democratic.services@westoxon.gov.uk for a period of up to 4 years from the date of the meeting.

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