

ABERDEEN CITY COUNCIL

COMMITTEE	FINANCE & RESOURCES
DATE	28 th September 2010
DIRECTOR	STEWART CARRUTH
TITLE OF REPORT	LEGAL SERVICES – ARRANGEMENTS FOR EXTERNAL PROVISION OF SERVICES
REPORT NUMBER:	CG10/176

1. PURPOSE OF REPORT

This report seeks approval of Committee to extend the Council's contract for the provision of external legal services with Brodies LLP for a six-month period to allow future delivery of these services to be considered and re-tendered for as appropriate.

2. RECOMMENDATIONS

It is recommended that the Committee:-

(a) Approves the extension of the external legal services contract with Brodies LLP for a six-month period from 1st October 2010 to 31st March 2011.

(b) Notes that a further report will be submitted to Committee prior to inviting future tenders for the approval of estimated expenditure to be incurred.

3. FINANCIAL IMPLICATIONS

The original contract with Brodies LLP was fully tendered. The estimated cost of a six-month's extension of the contract is likely to be in the region of £400,000 based on costs over the last two years. This will be managed to ensure a limited amount of new work is referred and that the majority of costs will represent work in progress.

The services to date have been funded from various sources, including allocation of fees against project budgets, from unfilled staff positions and offset against Capital receipts.

4. OTHER IMPLICATIONS

The use of external legal agents reduces the corporate risk to the Council and provides assistance in more complex legal transactions and specialized areas of the law.

5. BACKGROUND/MAIN ISSUES

The Council entered into a contract for the provision of external legal services with Brodies LLP in October 2005 for a period of five years. No specific volume of work is guaranteed to the provider and the services are called upon on an as-and-when-necessary basis depending on the extent/complexity of the transaction.

Legal and Democratic Services, like other services, are currently engaged in the Priority Based Budgeting exercise. It is thought prudent to examine the preferred options emerging from this exercise prior to undertaking a further tendering exercise. Furthermore, given the timescales required to re-tender services, a six-month extension to the existing contract is required whilst future delivery is assessed.

It should also be noted that the Head of Legal and Democratic Services has engaged in preliminary discussions with her counterparts in Aberdeenshire and Moray Councils, Police and Fire, with a view to preparing a tender notice which would include these bodies. It is envisaged that a contract for the provision of legal services for a number of public bodies would lead to a reduction in rates to be charged by a provider.

6. BACKGROUND PAPERS

NONE

7. REPORT AUTHOR DETAILS

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