

# Legal Services

An introduction to and update on the new operating model  
Chris Rushworth – Legal Services Relationship Manager  
Quentin Baker – Asst. Dir Legal and Monitoring Officer

October 2016

# What is LGSS Law?

- A social Enterprise legal practice.
- Roots in a shared legal service formed in 2011 through the merger of two County Council in-house legal teams.
- Converted and launched as an ABS in 2015.
- Comprises a team of 145 lawyers and support staff.
- Four branch offices (Cambridge, Huntingdon, Shefford & Northampton).
- Continued growth since launch – 30% increase in turnover during last 12 months.
- Many Similarities with any private sector law firm.

# What's so Innovative About LGSS Law?

- There are no Equity Partners –
- The Clients own the firm - Creates a **Virtuous Circle**.
- Company Limited by Shares.
  - Ideal platform for 'shared services'
- Flexible to fit variety of partners
  - Share mechanism is infinitely adaptable to different types/sizes of partner organisations.
- Simple and transparent.
  - Benefits and costs are clearly visible.
  - Tangible ownership and influence for the partners.
- Focussed exclusively on the Public and NfP sectors.

# What are the key benefits?

- Improves cost efficiency through increased opportunities to exploit economies of scale -
  - Enables shared services.
  - Spread costs over larger income base.
- Improves service levels -
  - More effective Business Support team and ICT systems.
  - More resilience and ability to accommodate peaks of demand.
- Enables income generation through trading surplus capacity -
  - SRA Licence enables trading with wider client base.
  - The company model fosters a more business-like approach and culture.
- More attractive place to work –
  - More opportunities to pursue career aspirations.
  - More supportive working environment – specialist teams.

# How is it working?

- Between 2012-2015 - Income from external clients increased by 290%. £850k
- 15-16 - ABS Turnover of £6.5 million p/a. £100k profit & 20% cut in fee rates to shareholder clients.
- 16-17 – 30% increase in turnover - Projected profits = £500k.
- Providing legal advice and representation to more than 100 client organisations within public and NFP sectors.
- Described by The Lawyer as:-  
“....a force to reckon with” May 2015

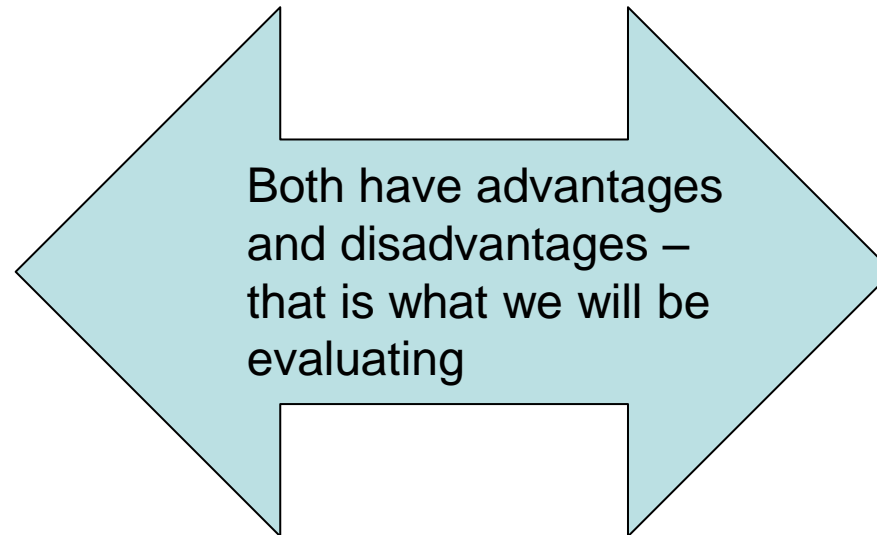
# Rationale for Change

- **Opportunity** - to develop a new operating model with access to a broader range of legal professionals
- **Efficiency** - to deliver savings to contribute to our Medium Term Financial Plan
- **Experience** - to broaden professional experience of our Legal Services colleagues
- **Continuity** - to retain our team within Central Bedfordshire offices, maintaining their relationships, accessibility and specialisms

# When we last met – December 2015

- We were in the midst of a procurement process and exploring a range of operating models.

**A shared  
service, via  
some form of  
legal  
agreement**



**A formal  
joint  
ownership  
of a  
separate  
legal  
entity**

# Our journey this year

- Following Executive approval and a procurement exercise involving three potential bidders – Central Bedfordshire entered into a new arrangement with LGSS Law
- LGSS Law is legal entity which is separate from the three Local Authorities who jointly own it, including Central Bedfordshire Council, Cambridgeshire and Northamptonshire County Councils.
- 29 former Central Bedfordshire colleagues were transferred to LGSS Law under TUPE regulations
- New service went live on target in April 2016



# Strategic Governance

- Chief Exec and Member representation at the Strategic Partner Board – Richard Carr and Cllr Wenham
- A Shareholder Representative on the Shareholder Board- Cllr Wenham
- A Non-Exec Director on the Management Board – Charles Warboys
- Officer representation at the Operational Partner Board – Chris Rushworth

# Operating arrangements

- Legal staff remain at Priory House, contactable on the same numbers and emails.
- Legal services remain available to Town and Parish Councils as well as CBC (under the Localism Act).
- Day to day relationship between LGSS Law and the Council is managed by Chris Rushworth, with Quentin Baker, our Monitoring Officer and Managing Director of LGSS Law

# The story so far: Financial

- Target operating model aims to deliver a Year 1 saving of £240k.
- Year to Date actuals are on profile to deliver this.
- Looking ahead, we aim to further reduce operating costs and Year 3 of our partnership may yield a dividend payment from LGSS Law.

# The story so far: Service Quality

- Clearly defined service standards published
- Service users customer satisfaction surveys show positive experience
- Key Performance Indicators on target – e.g. care cases completed within statutory time limits
- Looking ahead, we expect the Lexcel Legal Quality Mark to be retained and more comprehensive customer feedback mechanisms.

# The story so far: Staff Experience

- Transferred Staff census on the LGSS Law working experience planned for early 2017
- But we do have anecdotal feedback;

“For me it is business as usual. The only real difference is liaising with colleagues across CBC, Cambridgeshire and Northamptonshire and the opportunity to build up a new network of ‘go to’ people.”

Alexis Crossland

# The story so far: Staff Experience

“Overall the working conditions have been very similar but there have been challenges along the way such as some processes not being clear at the start.

But on a positive note I've been able to gain confidence by developing our case management system. I've been meeting staff from other offices, and providing them with training. So although it was a challenge - I've been able to rise to it!”

Nicola Kyle-Finn

# Further ambitions

- Improved forward planning, resource and demand management.
- Supporting business development.
- Deploying the learning from our shared service experience, internally and externally.

# Questions?