

## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	<b>Legal case management maintenance contract extension – 1 year</b>
<b>Decision Maker:</b>	Gavin Milnthorpe Deputy Director of Legal and Governance
<b>Cabinet Member:</b>	Cllr. R Morgan
<b>ELT Lead:</b>	Gavin Milnthorpe Deputy Director of Legal and Governance
<b>Report Author and contact details:</b>	<b>Joanna Swinton-Bland</b> <a href="mailto:Joanna.swintonbland@onesource.co.uk">Joanna.swintonbland@onesource.co.uk</a> Tel: 020 3373 3744
<b>Policy context:</b>	Extension of service contract in a way that provides the best possible value for money to the Council.
<b>Financial summary:</b>	The annual cost of the software support of the legal case management system for both Havering and Newham Councils from 01.06.24 is £29,340 which is covered by the legal services combined budget
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	<b>Overview and Scrutiny Board</b>
<b>Is this decision exempt from being called-in?</b>	<i>The decision will be exempt from call in as it is a Non key Decision</i>

**Non-key Executive Decision**

**The subject matter of this report deals with the following Council Objectives**

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council x

## Non-key Executive Decision

### Part A – Report seeking decision

#### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

The legal service currently has a contract with a software company called Iken Business Ltd to support its legal case management system. The current contract has been in existence since 2014 on a rolling basis. Notice of termination is 2 months to end on the anniversary of the contract which is June of each year. Authorisation is sought to extend the current support contract for another year for the amount of £29,340 for both Councils, whilst a decision around the future of the legal service is made, after which the contract will be reviewed as part of a procurement/tendering process.

#### **AUTHORITY UNDER WHICH DECISION IS MADE**

##### **Part 3 of the Council's Constitution**

##### **3.3.3 Scheme – Powers common to all Strategic Directors**

##### **1. General**

1.1. To take any steps necessary for proper management and administration of allocated portfolios.

##### **4. Contracts**

4. 2. To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3.

#### **STATEMENT OF THE REASONS FOR THE DECISION**

The decision enables the current legal case management system to be supported and maintained by the software company for the next year. Failure to have this support would jeopardise the ability of the service to access its legal cases in order to give advice to both Havering and Newham client departments.

#### **OTHER OPTIONS CONSIDERED AND REJECTED**

An alternative option would be to go through a competitive tendering process for reprocurement of a case management system although a change in case management systems is not warranted at present and would be a costly change to the councils.

The legal service reviewed options around its case management system as part of a Service Improvement plan in late 2023.

The current support contract compared very favourably in price to other system competitors. Indeed any switch to another company or indeed an upgrade to the current system would

### **Non-key Executive Decision**

involve a significant cost estimated at double the current support contract cost. The annual cost of upgrading the current Iken system to a cloud based system which will be required in the future was estimated at £63k per annum and a similar system from an alternative supplier was quoted to be £81k per annum. There would also be in the region of £28k one-off implementation costs. The legal service does not have additional monies in its budget to fund such an increase.

In addition if, in the future a decision is made to return the legal service to the sovereign boroughs, then the existing contract will have to be re-negotiated at that point.

For these reasons, until such decisions are taken, there is no incentive to make a change to the support of this critical system and the alternative options are rejected in favour of continuing with the existing contract for the next year .

### **PRE-DECISION CONSULTATION**

N/A

### **NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Joanna Swinton-Bland

Designation: Business Operations Manager Legal Services

Signature: Joanna Swinton-Bland

Date:12.07.24

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Council has the general power of competence under Section 1 of the Localism Act 2011 to do anything an individual may generally do, subject to any statutory limitations

Section 111 of the Local Government Act 1972 allows the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions, or through its general power of competence.

The value of the contract extension for one year period is £29,340. The proposed extension is permitted by the contract and captured under Regulation 72(1)(a) of the Public Contracts Regulations 2015 (PCR).

For the reasons set above, the Council may extend the contract with Iken Business Ltd for another year.

### FINANCIAL IMPLICATIONS AND RISKS

The cost of the case management support contract for the year to 31/05/25 is £29,340. This amount covers the entire cost of the case management system which houses both Havering and Newham legal cases. The cost of the system is provided for within the shared legal services budget and is split 34% Havering and 66% Newham through the oneSource costing sharing arrangement.

Review of the support costs as part of the Service Improvement plan for legal services in late 2023 confirmed that the current providers, Iken Business Ltd were very competitive. Transferring to an alternative provider or upgrading the current system would incur additional one-off and ongoing costs.

The next contract procured by the service will need to be contiguous with the migration to cloud activities taking place at each council and reflect the needs of the future operating model for the legal service (ie sovereign or shared) once it has been agreed. It is likely this will cost more than the current extension and will need to be factored in as part of budget setting.

### HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no perceived human resources implications.

### ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

**Non-key Executive Decision**

N/A

**BACKGROUND PAPERS**

None

**Non-key Executive Decision**

**Part C – Record of decision**

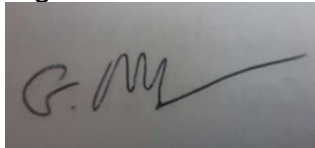
I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

**Details of decision maker**

Signed



Name:Gavin Milnthorpe

Cabinet Portfolio held:

CMT Member title:

Head of Service title: Deputy Director of Legal and Governance

Other manager title:

Date: 12/08/24

**Lodging this notice**

The signed decision notice must be delivered to Committee Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

**Signed**

\_\_\_\_\_

**Non-key Executive Decision**