

## **3C Legal Shared Service Annual Report 2021/22**

### **1.0 General Information**

- 1.1 At the end of 2019/20 The Practice was able to make a one-off saving of £119K (representing 10% of the budget) as a permanent reduction.
- 1.2 The use of consumption billing has bedded into the Practice across the last 12 months with partners able to see the budgetary position on an ongoing basis and intelligent client input based on the same. This change has been a real catalyst to improve the understanding of work being carried out for clients and has improved the visibility and effectiveness of the intelligent client process. The benefit of this model is that it allows each partner to identify workstreams and potential need to streamline client processes, as well as to consider viability of schemes including legal costs based on historical data and considering cost recovery
- 1.3 The Practice has also worked with the accountancy teams from all 3 Councils' to establish a more robust and effective system to capture external legal spend. Work continues to refine the process but by allowing the Practice to take advantage of access to preferential rates and make use of internal expertise to most effectively source advice that intelligent client work is being rendered more effective. identified recommendations of the report have enabled improvement work to commence.
- 1.4 In Overall terms the Practice has been able to operate efficiently and effectively with the increased onus on remote working necessitated by the continued effects of the Covid-19 pandemic and if anything the changes/opportunities presented by the changed ways of working have helped the Practice to operate more effectively across the last 12 months.

### **The forecast for 2022/23**

- 1.5 The Practice is currently engaging with transformational work across the 3 Councils' and will work with all 3 partners to put forward options to achieve budgetary targets. The engagement of an external consultant to assist in understanding the future direction and options for the Practice will assist in ensuring that it continues to provide an effective, efficient and valuable service to all.

### **Key Performance Indicators**

- 1.6 The year to date has seen a continuation of the improvement in the level of hours recorded by fee earners.
- 1.7 The Practice continues to outperform against the KPI target of 90%, with this year seeing a 96% return on target hours.
- 1.8 The Council Anywhere platform has continued to provide the service with the necessary tools to deliver the service under a fully remote working platform and operation.

- 1.9 In relation to litigation success the figures demonstrate that the Practice has maintained a very steady success rate (96%) in excess of the KPI target (80%), whilst also handling an increased number of cases.
- 1.10 The Practice has continued to make positive progress in developing the role of the intelligent client and focusing on client needs, across the partner authorities. By working more closely with clients to understand their needs, the Practice will use their knowledge and expertise to source the most appropriate and cost-effective solution, on a case by case basis.

## 2.0 Financial Performance

2.1 The Outturn for 2021/22 is as follows:

**Table 1** is showing what was the forecast budget for the year against the actual performance of the practice with a final column (variance) showing what this represents in terms of financial variance for the year.

<b>Outturn 2021-2022</b>				
<b>Descriptions</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Note</b>
Expenditure	1,475,070	1,403,714	-71,356	Favourable
External Income	-221,261	-183,786	37,475	Unfavourable
<b>Net</b>	<b>1,253,810</b>	<b>1,219,928</b>	<b>-33,882</b>	<b>Favourable</b>

**Table 2** shows the percentage split of hours consumed across the three partner authorities with the actual cost to each authority also shown

<b>Council</b>	<b>Hours Consumed</b>	<b>%</b>	<b>Actual £</b>
CCC	8870	46.18	£367,634
HDC	3497	18.23	£160,642
SCDC	6826	35.59	£324,555
Total	19193	100	£852,831

**Table 3** shows the original forecast contribution by each partner authority which was based on the previous year's consumption. This budget has been adjusted throughout the year based on the consumption forecast. The actual figure shown in column 2 reflects the hours consumed taken together with the operating costs of the practice with the variance shown by taking account of budgeted contribution against actual contribution.

<b>Contribution 2021-2022</b>				
<b>Partners</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Note</b>
Cambridge CC	-711,130	-554,344	156,786	Underspend
Huntingdonshire DC	-265,660	-221,709	43,951	Underspend
South Cambridgeshire DC	-498,280	-443,875	54,405	Overspend
<b>Total Contribution</b>	<b>-1,475,070</b>	<b>-1,219,928</b>	<b>255,142</b>	<b>Underspend</b>

Table 4

<b>Ringfenced Income 2021-2022</b>				
<b>Partners</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Note</b>

Cambridge CC		-67,663		
Huntingdonshire DC	-221,261	-39,375	37,475	Underachieved
South Cambridgeshire DC		-76,748		
<b>Total Contribution</b>	<b>-221,261</b>	<b>-183,786</b>	<b>37,475</b>	

2.2 The outturn for 2020/21 is £1,219,928 against a budget of £1,475,070. This is an underspend of £255,142 however this has been achieved by taking into account the external income which has been applied towards contribution by individual partners. In doing so it should be stressed that the income applied has been ringfenced to individual partner authorities.

2.3 Table 2 above shows each Councils contribution together with hours consumed and the actual value of those hours as against that overall budget.

2.4 Performance against the income target of £221,261 for 2020/21 has seen income of £183,786 delivered. The deficit is as a result of a fall in external income due to a decrease in mainly planning and court fees relating to the impact of Covid-19.

### 3.0 Service Performance

3.1 Staff productivity in terms of chargeable hours recorded comfortably exceeded the KPI of 90%. Taken against an individual target per fee earner (adjusted for those staff not working full time) of 1200 hours per annum, 19,194 hours were recorded in total across the Practice. If the equivalent of 1,200 hours per annum (adjusted for part time posts) had been realised 20,086 hours would have been recorded. The Practice was therefore operating at 96% of total target level.

3.2 The success rate in litigation was 96% against a target of 80%.

3.3 A number of examples of particularly successful outcomes/work have taken place over the last 12 months and to list just a few:

- the conclusion of the multi-lot cleaning contract for Cambridge City with a great deal of input and hard work from the Contracts and Procurement Team.
- The Practice has also been involved in the major purchase by the South Cambridgeshire Investment Partnership of land in Cambourne to take forward new housing development.
- Support provided to all 3 Councils' in the role out of a new contract for telephony provision.
- Work with HDC in pursuing fly tipping prosecutions with a number of successful prosecution results across the year

### 4.0 Customer Feedback

4.1 Improved performance is also reflected in the customer satisfaction levels, with a 97% satisfaction reported for the year, that's a 4% increase on 2020/21. Below a sample of the positive comments:

*"I valued X support and how responsive she was."*

*"X is always efficient, clear and keeps me in the loop."*

*"This case was difficult to prosecute ..... but X achieved the outcome that the authority supported."*

*"Prompt service, despite very short timescales. Useful advice given, overall extremely satisfied."*

*"X is always very professional, helpful and this instance was no exception, she not only advises me but also educates me for future work."*

*"X as always is thorough, professional and fully explains the implications of the legal phrases to a non legal colleague."*

*"I do appreciate the speed of action and quality of advice you provide"*

*"Very happy with the legal advice provided."*

*"Very helpful input to make sure that I produced contract that was clear about what we expected from the provider and that held them to account. Very thorough support."*

*"X is generally excellent in terms of responding but the same with everyone he clearly has a huge workload. Definitely in top 10% of colleagues though in terms of responding to stuff in a timely manner."*

*"X dealt with this case and, as always, dealt with me and the case in a professional and proactive manner."*

*"\*\*\* took over this sale from another solicitor she turned it around very quickly and made sure we were informed at all times of what was happening with purchase."*

*"I asked for a counter signature for a contract, it was carried out quickly and effectively."*

*"This was a very long negotiation with Earthwatch and I was extremely grateful for the patience and advice \*\*\* gave to the project"*

*"\*\*\* went above and beyond the call of duty to help this contract get out in such a short period of time."*

## **5.0 Looking Forward**

- 5.1 Across the next 12 months work will continue to refine and develop the role of the Practice through the intelligent client process.
- 5.2 As well as engaging with transformational work across the partnership the Practice will look to identify and work with an external consultant in order to be able to consider the future direction and options for the Practice which will assist in ensuring that it continues to provide an effective, efficient and valuable service to all.
- 5.3 Work will continue to ensure that the commissioning of external legal advice is cost-effective, consistent and efficient, with the implementation of robust methods of assessment and a triage process as well as the recording of spend through the financial management system, working with all three partner council's financial teams.
- 5.4 It is vital that the great work of the past 12 months in developing the effective and cohesive relationship between client and lawyer continues, including continued development of efficient working practices to ensure best value for both parties.