



Australian Government
Attorney-General's Department

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Legal Services Procurement Reform

The Legal Services Multi-Use List

www.ag.gov.au/lsmul



Blunn Krieger & Gruen Reports

Both Reports suggested that rationalisation of current panel arrangements is required to better leverage informed purchaser knowledge within the Commonwealth.



The Multi-Use List

AGD will establish a whole of government legal services multi-use list from which the Commonwealth will source most, if not all, of its legal services needs.

AGD will administer the list on behalf of the Commonwealth.



What is a multi-use list?

A multi-use list pre-qualifies Service Providers which have met conditions for participation.

Service Providers that meet the conditions for participation may be invited by Agencies to participate in future procurement processes.



Objectives of Reform

Reduce barriers to entry into the market for Commonwealth legal work.

Improve access to information about service provider performance for all Commonwealth agencies.

Reduce duplication in tendering across the Commonwealth.

Provide agencies with flexibility to scope the broader market for services.



Benefits

- Reducing barriers to entry into the market for Commonwealth legal work.
- The capacity for Service Provider skills and service levels to be understood to a wider pool of potential purchasers.
- Streamlined processes for tendering for Commonwealth legal work.



Implementation Dates

- Approach to market **7 December 2011**
- Cut off date for Applications for Inclusion **24 February 2012**
- Notification period **May 2012**
- Operative date **June 2012**



Scope of the multi-use list

The *Legal Services Directions 2005* will be amended to require FMA Act agencies and CAC Act bodies to purchase legal services through the multi-use list.



Applications for Inclusion

- Law firms will be invited to submit an Application for Inclusion – available from www.ag.gov.au/lsmul
- The AFI includes 3 parts:
 - Part 1 – Conditions for Participation and Guidance Material for Applicants;
 - Part 2 – Legal Services Multi-Use List Deed for execution; and
 - Part 3 – AFI forms for completion.



Conditions for Participation

Service Providers must satisfy the following threshold requirements:

- have the necessary professional qualifications
- provide copies of current Certificates of Currency
- provide referee reports
- sign the Deed
- provide list rates



The Deed

- **Service Providers cannot amend the deed.**
- **Signed deeds must be provided as part of the Application for Inclusion, but will only be executed by AGD if the provider has met all of the remaining Conditions for Participation.**



Default contract Terms and Conditions

- **Schedule 4 of Part 2 of the AFI.**
- **These will apply to all Commonwealth contracts formed under the Deed between the purchaser and the service provider, unless an agency elects to use their own agency specific agreement.**



List rates

- Applicants are required to provide details about maximum hourly rates in the Application for Inclusion.
- Information about hourly rates will be available to agencies at the point of purchasing from the multi-use list.



Qualitative assessment

AFIs will involve a qualitative assessment of an applicant's demonstrated capacity to provide legal services in nominated categories of legal work.

Categories of legal work include:

- **Government and administrative law;**
- **Corporate and commercial;**
- **Dispute resolution & litigation; and**
- **All other legal services.**



Assessing applications

- Evaluation teams made up of lawyers from Commonwealth agencies, with varying skills and expertise across a range of disciplines will evaluate Applications for Inclusion to ensure that applicants meet the Conditions for Participation.
- No value for money assessment or comparative assessment of service providers will be undertaken by the evaluation teams.



Purchasing Legal Services

- Agencies may order legal services from service providers on the list for individual matters, or they can choose to parcel work by subject matter/task or by time.
- A value for money assessment must still be conducted by an agency at the time the services are being purchased through the MUL.



Parcels of legal work

- Parcel arrangements may range from a specific task or matter, to broader categories of work required over a period of time.
- Parcelling removes the need for an agency to seek quotes for individual purchases over the procurement threshold, where such an arrangement exists.
- Value for money is assessed at the point of establishing the parcel arrangement.



Using categories of legal work

Agencies will be required to purchase legal services from service providers which have been pre-qualified to undertake work in a relevant category of legal work -

- **Government and administrative law;**
- **Corporate and commercial;**
- **Dispute resolution & litigation; and**
- **All other legal services.**



Information Sharing

Agencies will be required to report on Service Provider performance. The Performance Management Framework will capture information about:

- Quality;
- Accuracy;
- Responsiveness;
- Understanding of Agency needs / requirements;
- Professionalism and experience of staff working on a matter; and
- Value for money.



Transitional Arrangements

- After the multi-use list is established, agencies without panel arrangements will source all legal services from Service Providers on the list.
- Agencies with existing panel arrangements may continue to source legal services from that arrangement for a transitional period of 1 year.
- If existing panel arrangements are used during this transitional period, agencies should ensure that any contracts entered into incorporate reporting provisions similar to those that will be in the Deed.



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Questions?