

Executive Decision Report

<p>Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken</p>	<p>Leadership Team – 22 March 2018</p> <p>Forward Plan reference: KD 05212/18/K/A</p> <p>Portfolio: Lead Member for Corporate Services</p>	 <p>THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA</p>
<p>Report title (decision subject)</p>	<p>Legal Fees for Public Enquiry and Operation Northleigh Investigation</p>	
<p>Reporting officer</p>	<p>Tasnim Shawkat, Director of Law</p>	
<p>Key decision</p>	<p>Yes</p>	
<p>Access to information classification</p>	<p>Public (Part A)</p>	

1. Executive Summary

- 1.1 Approval was given by the Leadership Team on 21st September 2017 to appoint specialist external legal advice to advise the council on the criminal investigation and the public inquiry following the major fire at Grenfell Tower. At that meeting the Leadership Team requested that further authority be sought when spending had reached £2.5m.

2. Recommendations

- 2.1 That the Leadership Team notes that spending to date on specialist legal advice to advise the council on and assist with the criminal investigation and the public inquiry following the major fire at Grenfell Tower is £1,787, 133 as at 19 February 2018
- 2.2 That the Leadership Team notes that spending to date on the IT package required to assist with securing, categorising and disclosing the council records to assist the criminal investigation and the public inquiry following the major fire at Grenfell Tower is £501,236 as at 19 February 2018.
- 2.3 That the Leadership Team agree that spending in relation to the specialist legal advice and IT package be increased to £5million to support the criminal investigation and the public inquiry

3. Reasons for Decision

- 3.1 Specialist external legal advice is required for the Council to support the Public Inquiry and the Metropolitan Police investigation process and to advise and represent the Council, its officers and Members following the tragic fire at Grenfell Tower. Additionally, a specialist IT package is required to ensure that the Council's records are secure and can be shared with the Police and Public Inquiry.

4. Background

- 4.1 Specialist external legal advice was required from day one of the incident and as a result DWF LLP were engaged to act as the council's legal advisers in the matter.
- 4.2 Due to the complexity of the issues arising from the fire and its aftermath, the Director of Law has had to use her delegated powers to instruct other firms, Weightmans Solicitors and Wilkins Chapman Solicitors, with the necessary expertise in accordance with the Council's Contract Regulations.
- 4.3 All of the solicitors mentioned above have been retained to act for the Council as a corporate entity and all advice to officers and members is given on this basis. No separate representation is provided to any groups within any of the political parties on the Council. In relation to the Public Inquiry in particular there is only one indivisible Council and there is one client, the Council itself.

4.4 As at the 19 February 2018, the fees (including Work in Progress) from DWF Solicitors were £2,263,512.

DWF Regulatory Team	£737,104.40
DWF Insurance Litigation Team	£200,431.94
DWF Public Inquiry Team	£418,839.32
Counsel's Fees	£375,651.76
Expenses (Disbursements)	£19,764.56
Specialist IT package (Inquiry)	£145,312.40
Specialist IT package (Reg matter)	£355,924.25
Total	£2,263,512.44

4.5 As at 22 February 2018, the fees for Weightmans Solicitors were £11,858.50.

4.6 The final fees for Wilkin Chapman Solicitors were £13,000.

4.7 The proposed legal fees budget for 2018/19 for Grenfell is £3,520,000.

5. Options and Analysis

5.1 There are no other options identified at this time as it is necessary to retain the same law firm throughout this matter.

6. Consultation

6.1 The Leader was consulted on the proposed appointment, prior to the previous Leadership report. Cllr Lindsay has been kept informed at a high level of the legal work being done.

7. Equalities Considerations

7.1 There are no equalities implications for this report.

8. Legal Implications

8.1 Due to the serious nature of the tragic incident, the council did not have the time to procure the legal services. The Council's Contract Regulations provides an exemption to the tendering requirements in this circumstance. Section 2.09 (g)

specifies that neither tenders nor quotations need to be obtained where the circumstances of the proposed contract are covered by legislative exemptions.

8.2 The Public Contracts Regulations 2015 (the Regulations) provides an exemption from complying with the Regulations where legal advice is given in preparation of: (I) judicial proceedings before the courts, tribunals or public authorities; or (ii) where there is a tangible indication and high probability that the matter to which the advice relates will become the subject of such proceedings.

8.3 Implications completed by: Kar-Yee Chan, Shared Legal Services

9. Insurance implications

9.1 Given the intrinsic link to potential insurance liabilities arising from the fire these costs will be paid from the insurance reserves in the first instance although in so far as the legal costs relate to regulatory and contemplation of personal injury litigation may recovered from insurers subject to the limits of policy indemnity

9.2 Implications completed by: Ray Chitty – Head of Tri-Borough Insurance Service

10. Financial and Resources Implications

10.1 The Group Finance Manager Corporate Services has been consulted and is satisfied that the key financial implications have been covered within the Report. Costs will be met from the appropriate general fund budget for Grenfell which is funded from reserves with all expenditure included in the Grenfell Expenditure Tracker

10.2 The Grenfell tragedy has required the Council to take a number of actions that are outside its normal business activities. Often these require flexibility and departure from normal protocols and procedures. However, the Council retains a fiduciary duty to taxpayers to ensure that public funds are used appropriately and in a way that represents value for money.

10.3 Implications completed by Lesley Shields, on behalf of Director of Finance

Tasnim Shawkat
Director of Law

Background papers used in the preparation of this report:

Contact officer: Rhian Davies

Cleared by Finance: LS

Cleared by Legal: K-YC

Cleared by Media: NT