

Appendix A

1.0 Services provided by the Brent CAB

- 1.1 The Brent CAB is required to provide a high quality generalist legal advice service to residents living and working within the borough. The grant from the H&CC enables the BCAB to provide the following services:
- a telephone advice line to be available within specified operating hours
 - an 'advice surgery' for drop-in sessions without an appointment, to operate at certain times during the week
 - a drop-in general help service (such as for assistance with completing forms and the provision of relevant information leaflets) to operate at certain times during the week; and
 - an appointment service for more complex or detailed cases to operate at certain times during the week.
- 1.2 The CAB is expected to deliver its advice and legal information within the following areas of law:
- Consumer
 - Money Advice
 - Welfare Benefits
 - Employment
 - Housing
 - Family and Personal Matters
 - Taxes
 - Immigration and nationality
 - Health
 - Education
- 1.3 The total demand for the CAB service for 2009/10 was 25,592 slightly down from the previous year (27,135). This is mainly due to the increased number of outreach projects the CAB deliver across the borough, which now includes 21 Children's Centres. However, the figures also highlight the increase in the complexity of cases, this is reflected in the higher number of booked appointments requiring increased casework, and this figure has increased from 9,348 in 2008/9 to 11,347 in 2009/10 an increase of 21%.
- 1.4 The CAB successfully prevented homelessness in 44 cases during 2009/10 compared with 20 the previous year and has responded to 127 cases under the Mortgage Rescue Scheme during 2009/10 compared with 75 the previous year, an increase of 69%.
- 1.5 From the H&CC funded part of the service, the CAB has generated a total recovery for service users of £1.3m from 398 cases of income maximisation (such as enhanced entitlement to benefits and re-negotiation of debts). This represents an income of approximately £3,200 per case and an overall return of approximately £3.50 per £1.00 spent. In addition the bureau generated compensation of £162k from 1365 employment cases. Not all cases require a settlement and many of the borough's residents seek advice on employment matters.

1.6 In the context of the overall 'community well-being' aims the CAB is working in partnership with the Council in delivering a number of objectives in the Sustainable Community Strategy 2006-2010 as follows:-

- The CAB assists in reducing inequalities and low levels of deprivation through the work on income maximisation in all their outreach projects and other initiatives. By maximising people's incomes and ensuring that they get their full entitlement to benefits, pay, and advice on their legal rights, Brent CAB is working improve the quality of life of residents of the borough. Their Money Advice Programme used throughout their services in the borough, aims to enable users to sustain this income once advice has been sought and outcomes gained. An estimated total of £4.8 million was gained for residents overall, a return of 4:1 of the income invested in the bureau.
- The tax credits campaign funded by the HM Revenue & Customs generated a total of £454k for local residents, a 35:1 return on investment and over £1.3m since the campaign started in November 2008.
- The CAB provides training for employment through our volunteer programme ensuring access to our diverse communities. In 2009/10 88% of the participants were from BME communities. A total of 76 volunteers started at the bureau in a variety of roles during 2009/10, including 25 law students, 15 of whom have moved on to paid employment and 11 of the volunteers in other roles have similarly been successful in gaining paid work in the voluntary, public and private sectors.
- The BCAB also works in partnership with Children's Centres, providing advice and much-needed support to parents with children under 5 primarily in the categories of debt and welfare benefits. In 2009/10 an additional £2m was gained for these parents, representing a return of £6 for every £1 invested in the service. A close working partnership has also been developed with Salusbury World, St Mark's Church in Kensal Green, and Brent Age UK.
- The Winter Warmth Fund, set up in partnership with the Tricycle Theatre, has enabled BCAB to make awards to clients with problems affected by fuel poverty with long-term limiting illnesses, elderly people and families with young people. Now in its second year, 18 such awards have been made to date.
- BCAB runs Energy Best Deal sessions for users of community organisations to help people understand how to maximise their income by reducing their fuel bills through switching.
- The CAB redresses the inequalities facing Brent's children and young people through their work in Children's Centres and with the Children's Fund. In partnership with the Tricycle Theatre, they produced a financial capability play for young people, which is performed in local schools, with the aim of preventing young people getting into debt. 1550 young people have seen the play since its launch in February 2008. This year, Brent CAB is participating in the Future Jobs Fund initiative working with Jobcentre plus to train young people in administrative roles.
- To ensure that young people get support at an early stage, the CAB provide work experience placements for Brent pupils to help them to understand the world of work and to achieve better outcomes for themselves.
- The CAB further prevents exclusion by working in partnership with the Council to prevent homelessness through such programmes as the Mortgage Rescue Scheme and the Homeowners Support Scheme.

- The CAB also works to support vulnerable tenants by providing money advice to Brent Housing Partnership and Fortune Gate Community Housing tenants to reduce rent arrears, maximise income and improve money management.
- They also work in partnership with the local mental hospital trust and provide welfare benefits and debt advice sessions at the Park Royal Centre for Mental Health.
- A fundamental part of Brent CAB's role in the community is to improve the policies and practices that affect people's lives. Locally, one of the initiatives on which they are working is the implementation of a pre-action protocol for council tax collection and the use of bailiffs. They are working with Brent Council's Revenue and Benefits Service on this. At a national level, they recently had a ground-breaking benefits case which will impact on the entitlement to income support for EEA nationals caring for children in education. This case will have national implications.

2.0 Services provided by the Brent Community Law Centre

- 2.1 The BCLC is required to provide high quality specialist legal advice to people working and living within the borough and in so doing to provide related services including the following:
- a legal advice telephone line together with a further ("second tier") legal advice line which are to remain open during specified hours;
 - a pre-planned appointment service which must be operation at certain hours each week;
 - working with the Council on policy issues, in particular using client experiences to inform and influence the policy and delivery of local services;
 - participation in local advice networks, such as providing legal information at classes or community meetings; and
 - the preparation of information pamphlets or other media on topical legal issues;
 - Legal advice and assistance to local voluntary organisations.
- 2.2 The Council's funding may be used towards funding employment posts wholly or partly related to the provision of the legal services. The BCLC is expected to deliver its advice and legal information within the following areas of law:
- Consumer Debt
 - Welfare Benefits
 - Housing
 - Immigration
 - Education
 - Mental Health
 - Community Care
 - Public Law
 - Education
- 2.3 Performance for 2009/10 was below target at 85% (5201) for the number of advice calls delivered although this is an improvement on the previous year at 5059. This is in contrast to previous years where the BCLC consistently exceeded their targets year on year. The telephone advice line is used by local residents, the voluntary

and community sector for second tier advice, MP's, Councillors, statutory sector, including many Council Officers.

- 2.4 The BCLC has generated £484k of compensation from 112 income maximisation cases together with £213K from 106 employment cases during 2009/10 and a total of 63 cases where homelessness was prevented.
- 2.5 BCLC's case work service is better suited to problems that have proved intractable for others, including other advice agencies, and to cases where evidence needs to be obtained or where difficult or novel points of law or practice are raised. Inevitably cases take more time and resources to resolve. Issues that it has raised through its cases have been instrumental in improving local policies thus impacting in a wider cohort. The telephone service filters out the routine cases that can be solved easily.
- 2.6 The BCLC also delivers a range of additional services referred to as SLA hours, from general capacity building work with smaller voluntary sector agencies, delivering workshops and training on new legislation and specific issues resulting from changes in policy, for example, disability and housing workshops, specifically exploring the Disability Discrimination Act in relation to housing etc. BCLC are active members of a number of Council led panels including the Advice Agency Liaison meeting for housing benefit issues, Voluntary Sector Liaison and Admission and Exclusion Education Appeals Panel.
- 2.7 The BCLC works in partnership with the Council in delivering a number of key objectives in the Sustainable Community Strategy 2006-10 as follows:
- Providing capacity building support to the voluntary and community sector within the borough through training workshops and legal advice, for example, how to set up a constitution, memorandum of articles etc,
 - Ensuring that the education system is inclusive through the representation on the Admission and Exclusion Appeals Panel.
 - Reducing the levels of poverty through the income maximisation work by ensuring that residents get their full entitlement to benefits.
 - Assist in reducing inequalities by influencing changes in policy at a local and national level across the public and private sectors through casework and legal remedy.

3.0 Legal Services Commission

- 3.1 As mentioned in section 5.0 of the main report, the Legal Services Commission is responsible for legal aid funding across the country. As a result of substantial increases in the costs of legal aid, the Legal Services Commission reviewed its contractual arrangements with all providers; the review was lead by Lord Carter in 2004 and was published in 2006 the outcome of the review suggested radical changes in policy and direction in order to control the spiralling costs of legal aid.
- 3.2 The review concluded the need to reduce the number of contracted providers and introduced the concept of Community Legal Advice Centres or Networks (CLAC/N). In London this would result in approximately 30 CLAC/N's, thus reducing a large number of providers to less than 1 per borough. This would provide costs saving on the basis of economies of scale and would also allow the LSC to reduce the staff

resources allocated to monitoring and managing a large pool of contracts providing for further savings.

- 3.3 The concept of CLAC/N's was changed and superseded by the inception of the Integrated Social Welfare Law contracts. As an interim arrangement the LSC proceeded to introduce unified contracts across the sector in an attempt to provide some consistency between the private and not for profit sector. The unified contract introduced in October 2007 after a number of delays included the concept of fixed fees per case, further detailed below.
- 3.4 The LSC were forced to change to their position following the Judicial Review by the Law Society and the negative publicity from all sectors, including Local Authorities on the issue of consultation prior to implementation of the new direction. The outcome was delay in all tendering pending a review of the pilot CLAC/N's.
- 3.5 Sir Ian Magee was asked by the Ministry of Justice to assess the delivery and governance of the legal aid system and make recommendations for change. His review was published in April 2010. The review concluded with a wide range of short and long terms recommendations to respond effectively to the findings of the review. The recommendations included the need to change the governance arrangements and respond effectively to the findings of the national audit commission which highlighted serious concerns about the lack of financial management, control and forecasting. The findings concluded that the LSC had incorrectly paid £25m to providers during 2009/10. Other recommendations included the creation of an Executive Agency with a reporting line to the Ministry of Justice, this is expected to reduce the number of new initiatives and provide a sharper focus on Access of Justice.

4.0 Unified Contracts, fixed fee and the Law Society Court Case

- 4.1 The LSC implemented fixed fees as part of the Unified Contracts in October 2007. Prior to October 2007, the not for profit sector contract was based on delivering a set number of hours per annum. Under the new arrangements the sector must deliver a number of cases per annum. Payment is on the basis of performance, i.e. the number of closed cases as compared with a monthly allocation in previous years which is reconciliated periodically.
- 4.2 The fixed fee is base on the average number of hours spent by suppliers across the country at the time it was introduced. The amount of the fee is the product of this average and a fixed hourly rate for the work. Unlike the previous arrangement under which the supplier received a fee based on the hours spent on the case, the supplier receives the fixed fee regardless of the time spent on it. Exceptionally, when the case takes more than three times the notional hours that make up the fixed fee, the supplier is paid on an hourly basis.
- 4.3 At present it is too early to evaluate the full impact of the fixed fee changes. However, a number of voluntary sector providers have highlighted their continued concerns and frustrations with the new arrangements and clarification through discussions with the LSC have not resolved the specific concerns highlighted. The most significant concern centres on the issue of the nationally fixed fee. A number of specific considerations for London have been overlooked when setting the fixed fee. For example:-

- London weighting has not been applied to the salary and other costs to reflect the cost of providing a service in London. The cost of providing the service through qualified lawyers is more than the notional hourly rate assumed by the LSC
- Brent has a growing population with increased levels of deprivation. The diversity of a city such as London impacts the average length of time taken to conclude a case due to language and cultural barriers of residents from abroad, mental health and other problems. The result is that a large proportion of cases fall between the fixed fee and three times threshold creating a financial deficit for the providers.

- 4.4 Whilst the outcome of the Judicial Review proceedings in 2007 led by the Law Society against the Ministry of Justice and the Legal Services Commission resulted in a number of changes including a small increase of approximately 2% on the existing fixed fees and delayed the best value tendering process until 2013 for civil legal work and the publication of a revised route plan by the Legal Services Commission, providers continue to struggle financially.
- 4.5 In essence, the changes have resulted in the sector not being able to break even financially, increased work loads and reduced incomes have led to staff retention issues coupled with constant changes in LSC contracting arrangements and the uncertainty in funding has essentially meant that legal aid as become a loss making business when you take account of the complexities of individual cases, particularly in cities like London. Some providers have elected to cease their LSC contracts in favour of private work. Anecdotal evidence suggests a loss of providers in many categories of law. The impact of the loss of providers' inevitably means increased demand on the remaining providers including the services offered by local authorities.
- 4.6 The Magee report mentioned above seeks to draw together a range of initiatives to provide a sharper focus and reduce the number of initiatives from the Legal Services Commission, the delay in the timing of the review will allow for implementation of the Magee recommendations and thus local authorities will be in a better position to determine local needs and identify gaps.