

**MEETING: 25/07/2019**

**Ref: 15445**

**ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital**

**London Legal Support Trust**

**Adv: Sandra Jones**

**Amount requested: £472,438**

**Base: City of London**

**Benefit: London-wide**

**Amount recommended: £464,000**

**The Applicant**

The London Legal Support Trust (LLST), a charity established in 2003, works to assist voluntary sector legal advice agencies and law centres in London and the Home Counties by providing them with a range of support including grant funding. LLST is part of a network of seven Legal Support Trusts across Wales and England working with the Access to Justice Foundation to support pro bono and advice agencies. The charity has four core strands of work in support of free legal advice services in London which are raising funds to distribute as grants; working collaboratively with others to raise funds for the free legal advice sector; supporting the improved management and infrastructure of the sector through the Centres of Excellence programme; and helping reduce costs and save money through pro bono or discounted schemes.

**The Application**

Your Committee initially supported this project in March 2014 as a Strategic Initiative, awarding £150,000 per annum over three years towards core salary and other costs to support the provision of Centres of Excellence across Greater London. Funding was extended for two years under your Investing in Londoners programme in September 2017; and now this request for a further three years' continued support for which they are eligible to apply under Bridging Divides criteria. (Members will note a separate request from LLST elsewhere in your papers to deliver a strategic project to support networking amongst the community advice sector in London.)

**The Recommendation**

LLST is a specialist and unique organisation that provides expertise to build the capacity of voluntary sector legal advice agencies and is ideally placed to support organisations to become Centres of Excellence. Monitoring provided for the preceding years funded by this Committee indicate that this project has exceeded targets and going forward the organisation will be increasing the number of Centres of Excellence. Continued investment in the LLST's work will help strengthen and improve the legal advice sector and will help it better meet the increasing needs of Londoners. The amount recommended is less than that requested but is comparable to previous funding and includes a reasonable increase for inflation each year:

***£464,000 over three years (£152,000; £154,000; £158,000) towards core salary and other costs to support the provision of Centres of Excellence in Greater London.***

**Funding History**

Meeting Date	Decision
20/09/2017	£300,000 over two years (2 x £150,000) towards core salary and other costs to support the provision of Centres of Excellence in Greater London.

13/03/2014

£450,000 over three years (3 x £150,000) towards core salary and other costs to support the provision of Centres of Excellence in Greater London.

### **Background and detail of proposal**

Since 2013 LLST developed a strategy known as Centres of Excellence offering advice agencies support to attain Centre of Excellence status. The majority of the grant funding raised and distributed by LLST is directed towards those agencies having achieved Centre of Excellence status.

The LLST Centre of Excellence project provides funding (raised separately) and free management consultancy/ training to not for profit agencies delivering legal advice services. Those agencies applying will undergo a stringent 'MOT' undertaken by LLST and where an organisation might need to improve in order to attain Centre of Excellence status free consultancy/training support is provided.

LLST estimates that to turn an applicant organisation into a robust Centre of Excellence with improved strength and sustainability costs an average of £20,000 - £25,000. Some of this comprises the cost of providing bespoke professional support needed and some is in the form of grant-aid to the organisation to free up their capacity to fully engage in the process and/or offset staff temporarily being taken away from front-line duties. The development process allows the organisation to plan and concentrate their efforts on improving both their services and their financial security for the future, which is often hindered by the current cycle of uncertainty and crisis management. The process also provides the opportunity for sharing best practice and developing a strategic focus across the sector in London.

### **Financial Information**

LLST's free reserve target is derived from operational expenditure, on the basis that a large amount of the budget relates to the grants that they award to legal advice organisations that are part of their Centres of Excellence. The target is to hold funds equivalent to 6 months of their operational costs.

<b>Year end as at 31 December</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Audited Accounts</b>	<b>Audited Accounts</b>	<b>Forecast</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income &amp; expenditure:</b>			
Income	1,167,000	1,231,484	1,113,700
- % of Income confirmed as at 20/01/2019	n/a	n/a	78%
Expenditure	(1,237,181)	(1,181,037)	(1,113,300)
<b>Total surplus/(deficit)</b>	<b>(70,181)</b>	<b>50,447</b>	<b>400</b>
Split between:			
- Restricted surplus/(deficit)	37,500	0	-
- Unrestricted surplus/(deficit)	(107,681)	50,447	400
	<b>(70,181)</b>	<b>50,447</b>	<b>400</b>
<b>Cost of Raising Funds</b>	<b>204,452</b>	<b>212,893</b>	<b>177,599</b>
- % of Income	17.5%	17.3%	15.9%
Operating expenditure (non-grant expenditure)	309,671	317,626	327,800
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	137,720	188,167	188,567
No of months of total expenditure	5.3	7.1	6.9
Reserves policy target	154,836	158,813	163,900
No of months of total expenditure	6.0	6.0	6.0
Free reserves over/(under) target	(17,116)	29,354	24,667