

MEETING: 16/07/2014

Ref: 12145

ASSESSMENT CATEGORY - Reducing Poverty

Harrow Law Centre

Adv: Jemma Grieve Combes

Amount requested: £77,600

Base: Harrow

Benefit: Harrow

The Charity:

Harrow Law Centre is a charitable company providing legal advice to disadvantaged people in the London Borough of Harrow.

The Application:

Funding for a part time solicitor (3 days per week) to provide legal advice and representation to people who are at risk of homelessness and/or who have housing-related debt.

The Recommendation:

Harrow Law Centre is a well-run organisation that, despite funding challenges, has shown steady and manageable growth. The work you are asked to fund has a proven track record and solid monitoring processes are in place to both track and understand the impact of the work. Your officer's recommendation is:

£77,700 over three years (£26,100; £25,700; £25,900) towards the salary and on-costs of a part-time (3 dpw) Solicitor to provide legal advice and representation on issues relating to housing and related debt.

Funding History

None

Background and detail of proposal

Harrow Law Centre is a relatively new law centre, established in 2010 by local people in response to a lack of legal provision for disadvantaged members of the community. Initially the centre operated on a part-time basis, mainly staffed by volunteers, but it has steadily grown to a fully functioning law centre open five days a week and employing 7 solicitors who cover topics including welfare benefits, housing, community care, immigration and asylum and public law. The Centre is accredited with Lexcel Practice Management Standard and all solicitors have a practicing certificate which is renewed annually.

The application before you is to support Harrow Law Centre's work on housing and related debt advice. This is a major area of work for Harrow Law Centre as locally there are high rents and low housing stock. Whilst the organisation has some funding in place for this work, from the local authority and legal aid contracts, other funding is coming to an end and without additional funds the Centre will need to reduce its service, despite high levels of demand.

Your funding would support a part-time (3/days a week) solicitor to provide advice and carry out casework for at least 300 beneficiaries per year. First contact is via telephone, followed by a face-to-face appointment where the case will be explored in detail. In-line with legal requirements, the legal centre will send all clients a 'client

care letter' and will be clear about what action they can take. Case work may involve writing letters, representing clients at tribunal, applying for legal aid, representation in repossession hearings at the County Court and, where appropriate, judicial reviews. Cases might typically last 3 to 6 months, but it is common for clients to return with new cases and to be supported by the Centre for a longer time. The range of support provided by the Centre means that they can deal with clients holistically. However, where support outside of their expertise is needed (such as counselling), they are able to signpost to other local organisations. A second aspect of the work would involve the solicitor providing legal advice on a weekly basis to other local organisations such as the Citizens Advice Bureau, Harrow Women's Centre, Harrow Equalities Centre, and health and educational professionals.

Financial Information

You will notice that in 2012/13 the organisation had a deficit position on their free unrestricted reserves. The organisation attributes this, in part, due to the gap between work delivered under legal aid contracts and funding received, which also creates cashflow difficulties. However, you will see that the organisation has been able to improve this position and is building up its free reserves. It has established a diversity of funding sources including trust funds, legal aid contracts and local authority funding. This has also been supported by a long-term £10k loan from London Legal Support Trust to help the Centre manage cashflow. The Centre has also raised additional, unrestricted, funding by taking on consultancy work and through local fundraising efforts such as a sponsored walk.

Year-end at	2012/13 Examined	2013/14 DRAFT	2014/15 Current Year Forecast
	£	£	£
Income and Expenditure			
Income	143,129	246,756	207,130
Expenditure	157,746	218,417	178,607
Unrestricted Funds Surplus / (Deficit)	(14,617)	28,339	75,525
Restricted Funds Surplus / (Deficit)	0	0	(44,002)
Total Surplus / (Deficit)	(14,617)	28,339	28,523
Surplus / (Deficit) as a % of turnover	10.2%	11.5%	13.8%
Generating funds as % of income	-	-	-
Free unrestricted reserves			
Unrestricted free reserves held at Year End	(27,853)	485	29,008
~ how many months' worth of expenditure	0	0	1.9
Reserves Policy target (3 to 6 months' worth)	39,438 to 78,873	54,604 to 109,209	44,652 to 89,304
~ how many months' worth of expenditure	3 - 6	3 - 6	3 - 6
Free reserves over target / (under target)	(67,291) - (106,726)	(54,118) - (108,724)	(15,644) - (60,296)

Of the total forecast income for the current year 45.3% had been confirmed as at 26th June. £39,000 of the remaining income is generated by contracts for legal aid and so whilst unsecured, is expected to be received. If additional grant income of £40k is not secured then expenditure could be reduced. Please note that the cost of generating funds has not been stated as this is not a figure that the charity identifies separately in its accounts.