

MEETING: 27/11/2014

Ref: 12174

ASSESSMENT CATEGORY - Reducing Poverty

Enfield Citizens Advice Bureau

Adv: Joan Millbank

Base: Enfield

Amount requested: £132,119

Benefit: Enfield

Amount recommended: £132,200

The Charity

Enfield Citizens Advice Bureau (ECAB) works to reduce inequality, deprivation and lack of access to justice. It is an independent charitable company and a member of the nationally recognised Citizens Advice Network. It provides free, confidential and independent information, advice and educational services within the borough of Enfield.

The Application

ECAB is seeking to increase its capacity to provide debt advice by employing a full-time Debt Advisor. The post will specialise in providing high quality debt and benefits advice. The post holder will help mentor ECAB's large team of volunteer advisors. The overarching objective is to enable more people to live free from over-indebtedness and to improve their material living conditions. An additional 900 advice appointments per annum will take place which will benefit 300 people, and approximately £200,000 worth of debt will be addressed each year.

The Recommendation

ECAB is well placed to deliver dedicated debt advice. It is an established and accredited advice provider. The post has been developed in collaboration with the local Credit Union and Alma Residents Association, which represents Enfield's largest and most deprived social housing estate where 80% of the population is in receipt of benefits. As such, the post holder will be based in the bureau three days per week and provide advice from community-based locations on the other two days:

£132,200 over three years (£43,800; £43,800; £44,600) to meet the salary of a full-time (37.5 hpw) Debt and Benefits Advisor and associated running costs.

Funding History

Meeting Date	Decision
06/10/2005	Application lapsed as, despite the organisation being contacted on several occasions, your officers did not receive all the information required to progress it.
24/10/2002	Declined as the organisation misunderstood the criteria for that programme.

Background and detail of proposal

The request is a response to a rise in poverty in Enfield. London's Poverty Profile 2013 shows that Enfield has the highest levels of private rented households needing housing benefit (approx. 50%) while figures from the Department for Work and Pensions show that the borough has the largest number of people affected by the benefits cap of £500 per week. The trend is expected to continue.

In the last year ECAB provided support to 12,000 people. Internal statistics demonstrate that demand has increased by 78% over the last three years.

Currently 49% of its workload involves benefit or debt queries. 70 registered and suitably trained volunteers are engaged in all aspects of providing advice and help to clients. The volunteers are integral to the work of the charity, which could not function without them. The funding will also support at least five local residents to act as unpaid 'Bare Foot Advisors'. They will be trained and supported to take on volunteer advisors roles to benefit other estate residents.

Financial Information

In the last two years (2012/13 and 2013/14) ECAB has returned a deficit. ECAB explains that this was due to planned spending by the trustees of accumulated funds in order to reduce free reserves to the stated policy and to improve service provision in response to increased demand. Improvements have included temporary employment of an additional full-time training officer to train up new volunteers and a full time telephone adviser. In February 2014 a new CEO was appointed to help the trustees diversify and increase the organisation's funding streams due to a reduction in service level agreements with local government.

A reduced deficit of £16,614 (2.6% turnover) is shown in the current year budget for 2014/15. All budgeted income of £630,791 had been confirmed by August 2014.

The cost of generating funds is low as ECAB receive continuous funding from the London Borough of Enfield, which provides core resources for ECAB to continue its work.

Year end at 31 March	2012/13 Audited Accounts £	2013/14 Audited Accounts £	2014/15 Current Year Budget £
Income and Expenditure			
Income	641,126	664,230	630,791
Expenditure	699,285	775,589	647,406
Unrestricted Funds Surplus / (Deficit)	(51,304)	(110,666)	(16,614)
Restricted Funds Surplus / (Deficit)	(6,855)	(693)	0
Total Surplus / (Deficit)	(58,159)	(111,359)	(16,614)
Surplus / (Deficit) as a % of turnover	(9.1%)	(16.8%)	(2.6%)
Cost of Generating funds (% of income)	12,515 (2%)	13,000 (2%)	13,000 (2.1%)
Free unrestricted reserves			
Unrestricted free reserves held at Year End	279,229	172,080	155,466
How many months' worth of expenditure	4.8	2.7	2.9
Reserves Policy target	174,822	193,896	161,852
How many months' worth of expenditure	3.0	3.0	3.0
Free reserves over/(under) target	104,407	(21,816)	(6,386)