

MEETING: 28/01/2015

Ref: 12298

ASSESSMENT CATEGORY - Reducing Poverty

Westminster Citizens Advice Bureau

Adv: Sandra Jones

Base: Westminster

Amount requested: £150,000

Benefit: Westminster

Amount recommended: £107,300

The Charity

Established in 1996, Westminster Citizens Advice Bureau (WCAB) provides free advice services to people who live, work or learn in Westminster. In 2013/14 they had almost 16,000 different enquiries, with the four main problem categories being benefits, debt and finance, housing and homelessness, and employment. The organisation operates from one main site in Paddington, with sessions provided from four outreach sites around the borough. The organisation has the Advice Quality Standard and in February 2014 underwent its National CAB Quality Advice Audit and was awarded an above average mark.

The Application

Funding is sought towards the costs of two caseworkers (debt and housing), financial capability workshops and associated running costs.

The context for the application is that there has been an increase in demand for debt advice over the past four years. Your funding will enable them to provide casework support where the case is complex and cannot be resolved in one session. These specialist posts are currently being funded from the organisation's reserves.

The Recommendation

The organisation has a good track record in delivering advice services and when Westminster City Council tendered for one organisation to provide advice in the borough, WCAB won the 5 year contract. The request is for a contribution towards the project covering housing and debt advice. In order to be clear what you are funding it is recommended that your funding should be for 21 hours of the debt advisor. The post would be delivering financial capability workshops and casework support for those identified from the workshops and one-off advice already funded by Westminster City Council. During 2013/14 the organisation secured continuation funding from a local housing association towards debt advice for their tenants not included in this application, and for this reason you are advised to support 21 hours of the post rather than full-time, along with an equivalent amount for the workshops and associated running costs.

£107,300 over three years (£35,900, £35,400, £36,000) for 21hpw of the debt advisor, 3/5 of the financial workshops and associated running costs.

Funding History

None

Background and detail of proposal

During 2013/14 WCAB won the contract from Westminster City Council to provide social welfare advice, including debt and housing. However this funding is to provide one-off advice and not on-going casework. In order to support those clients with

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complex debt and housing issues who need more support than is available in one meeting, WCAB has developed a project to address this. Debt advice had risen over the previous four years to almost the same level as the number of benefit enquiries although, since the implementation of welfare reform, benefit queries have increased to become a third of all the enquiries dealt with by the organisation.

WCAB already runs some financial capability workshops, mainly for housing association tenants. These will be expanded to include other clients in need of educative and preventative support. This will be supplemented by 1-1 support where appropriate. During 2012/13 WCAB dealt with 6,304 complex debt enquiries and 3,079 complex housing and homelessness enquiries. Many of the clients had issues covering both areas. The two caseworkers will work closely together to provide a wrap-around service to the client.

Financial Information

Total forecast income in the current year 2014/15 is £1,289,830, of which £1,261,539 (97.8%) had been confirmed by October 2014. In 2013/14 WCAB's operations increased by approximately 50% when it secured a five year service level agreement (SLA) with Westminster City Council to provide advice services for a five year period for the whole of the borough.

The charity has not previously disclosed its cost of generating funds (COGF) in its accounts. However, after discussing this with your officer, WCAB have provided an estimate for the current financial year. The charity explains that the current year cost is low due to a significant proportion of their funding coming from the established five year SLA with the local authority which commenced in 2013/14.

Year end at 31 March	2012/13 Audited Accounts	2013/14 Draft Accounts	2014/15 Current Year Budget
	£	£	£
Income and Expenditure			
Income	806,141	1,204,918	1,289,830
Expenditure	816,210	1,118,196	1,168,988
Unrestricted Funds Surplus / (Deficit)	1,734	52,494	87,284
Restricted Funds Surplus / (Deficit)	(11,803)	34,228	33,557
Total Surplus / (Deficit)	(10,069)	86,722	120,842
Surplus / (Deficit) as a % of turnover	(1.2%)	7.2%	9.4%
Cost of Generating funds (% of income)	-	-	14,758 (1.3%)
Free unrestricted reserves			
Unrestricted free reserves held at Year End	119,599	178,414	265,698
How many months' worth of expenditure	1.8	1.9	2.7
Reserves Policy target	210,000	210,000	210,000
How many months' worth of expenditure	3.1	2.3	2.2
Free reserves over/(under) target	(90,401)	(31,586)	55,698