

**ASSESSMENT CATEGORY - Reducing Poverty**

**Ealing Law Centre**

**Adv: Tania Bronstein**

**Amount requested: £180,000**

**Base: Ealing**

**Benefit: Ealing**

**Amount recommended: £155,400**

**The Charity**

Set up in 2012, Ealing Law Centre (ELC) offers free specialist legal advice and representation to people on low incomes in Ealing and nearby boroughs. ELC has legal aid contracts in housing and immigration and carries a small workload in the area of welfare rights. In its first two years ELC assisted 643 people, of whom 430 were helped over immigration issues and 213 people over housing problems. This includes people at risk of losing their homes helped at Brentford County Court duty solicitor scheme.

**The Application**

ELC seeks £60,000 per year for each of three years as a contribution to the staffing and running costs of its Housing and Welfare Rights unit. Besides running a benefit sanctions and housing advice line intended to benefit 750 people per year, the project would provide casework assistance and tribunal representation for 225 people annually. It will also deliver social welfare law training to local community organisations.

**The Recommendation:**

ELC is a small, well-run organisation addressing the dearth of free legal advice in a borough with high levels of deprivation and need. You are recommended to fund two part-time posts, which together represent 1.2 full-time equivalent (FTE) posts. Ordinarily you fund only one FTE post per organisation. However, Ealing has not received as much funding from the Trust compared to other boroughs, and given that the salary costs are modest and the work important, the recommended grant amount is in line with amounts awarded for similar work based on one FTE post.

***£155,400 (3 x £51,800) towards the wages of two 0.6FTE Caseworkers, running costs and overheads of providing legal advice on housing and welfare rights***

**Funding History**

None

**Background and detail of proposal**

Ealing, the most populous of the outer West London boroughs, ranks 13<sup>th</sup> in Shelter's national list of housing repossession "hotspots", and is amongst the four worst off London boroughs in terms of combined poverty indicators (London Poverty Profile 2015). Despite high levels of need shown by these indicators, provision of advice on social welfare matters has always been sparse locally (Ealing is the only London borough without a citizens' advice bureau). This further reduced when Law for All, a legal aid firm serving outer West London boroughs collapsed in 2011. ELC was set up to address the gap in services. Since establishment, its small team has been carrying a very full caseload. Client demand far outstrips capacity, hence this application.

The grant would be used to offer: (a) an advice line to provide essential early advice to avert destitution and homelessness; and, (b) casework and representation for people affected by benefit sanctions or with complex benefit issues as well as those at risk of losing their homes. The focuses would be on areas of law not covered by legal aid and on assisting those who despite being on low incomes do not qualify for legal aid. In addition, ELC would deliver training on welfare law to local community organisations.

The Law Centre plans to run legal surgeries in various parts of Ealing and to add a portacabin to enlarge its small Northfields office during the lifespan of this project. The lease for this office has been extended for a further five years starting from April 2016.

### Financial Observations

Forecast income for the current year to 31<sup>st</sup> March 2017 is £215,500, of which £42,500 (19.7%) had been raised as at 22<sup>nd</sup> March 2016.

Turnover in 2015/16 was higher than in the previous and following years because that year the charity hosted a project to support young people in acquiring British nationality. This is currently hosted by another organisation.

The costs of generating funds are not disclosed in the accounts for 2014-15. However, the charity has provided estimates for 2015/16 and 2016/17 as shown in the table below. These figures are low as approximately half of the charity's income is earned or donated, with the balance coming from grants.

Year end at 31 March	2014/15 Independently Examined Accounts	2015/16 Draft Outturn	2016/17 Current Year Forecast
	£	£	£
<b>Income and Expenditure</b>			
Income	192,239	276,862	215,500
Expenditure	157,229	231,602	213,741
Unrestricted Funds Surplus / (Deficit)	31,787	50,942	1,759
Restricted Funds Surplus / (Deficit)	3,313	(5,232)	0
<b>Total Surplus / (Deficit)</b>	<b>35,100</b>	<b>45,260</b>	<b>1,759</b>
Surplus / (Deficit) as a % of turnover	18.3%	16.3%	0.8%
Cost of Generating funds (% of income)	-	6,753 (2.4%)	7,005 (3.3%)
<b>Free unrestricted reserves</b>			
Unrestricted free reserves held at Year End	52,326	103,268	105,027
How many months' worth of expenditure	4.0	5.4	5.9
Reserves Policy target	78,614	115,801	106,871
How many months' worth of expenditure	6.0	6.0	6.0
Free reserves over/(under) target	(26,288)	(12,533)	(1,844)