

**ASSESSMENT CATEGORY - Reducing Poverty**

**Paddington Law Centre**

**Adv: Sandra Davidson**

**Base: Westminster**

**Amount requested: £165,300**

**Benefit: Westminster &**

**Amount recommended: £165,300**

**Surrounding areas**

**The Charity**

Paddington Law Centre provides free specialist legal advice, casework and representation to poor and disadvantaged people in Westminster. It operates from office space in one of the most deprived wards in Westminster, on Harrow Road. Its team of solicitors support around 200 beneficiaries a year. 70% of beneficiaries are suffering from an illness or disability, 65% are from BME communities and 70% are women, including many single parents.

**The Application**

Paddington Law Centre seeks three-year funding to promote and provide a full wrap-around service delivering specialist debt, financial planning and welfare benefits advice to individuals and families experiencing multiple disadvantages. GP surgeries, places of worship and community hubs will promote the service in order to engage "hard to reach" beneficiaries.

**The Recommendation**

Paddington Law Centre has a wealth of experience and an excellent reputation for the services it provides, and is a trusted community resource. Due to changes in the legal aid and benefits system, the grant will enable the charity to address the need for provision of free, high quality, legal advice.

***£165,300 over three years (£54,200; £55,100; £56,000) for the salary and on-cost of a part-time Housing Caseworker (2.5d d/p/w) a Welfare Rights Worker (2 d/p/w), and a Project co-ordinator (1d/p/w); plus associated running costs.***

**Funding History**

None

**Background and detail of proposal**

Westminster is a very wealthy borough; however, despite this there are pockets of extreme deprivation and poverty, an acute disparity of income, high levels of child poverty and a significant housing shortage. In Westminster, 37% of children live in income-deprived households with 24% of children (9,000 children) living in severe child poverty: the fifth highest borough in the country. (Westminster Primary Care Trust Annual report 2012-13). Westminster has the highest private rented sector and one of the highest rates of homelessness in the country. 25% of all rough sleepers in England are in Westminster (Homeless Charity Connection at St Martin-in-the-Fields) and 30% of housing in Westminster is overcrowded as defined by the government, which is the third highest in the country (Understanding Social Needs in Westminster –NPC Think Tank October 2012). Forthcoming policy changes in welfare and housing will further exacerbate the problems Westminster residents face. This project will address financial and related benefit and welfare needs

through a combination of specialist legal advice, casework support and representation. In excess of 1,125 people will access this service over three years. 195 service users will benefit from intensive casework and advocacy to improve their economic circumstances through income maximisation and advice to sustain (or secure) appropriate housing. Key outcomes for this project include: increased awareness of legal rights - through more people accessing legal support; improved economic circumstances - as a result of more claimants winning benefits appeals and a reduction of homelessness due to receiving support; and representation from Paddington Law Centre.

### Financial Information

Forecast income for the current year 2016/17 is £231,778, of which £170,278 (73%) had been confirmed by 22<sup>nd</sup> April 2016.

The charity has not previously disclosed its costs of generating funds in its accounts, although this will be included in future accounts on advice from your grant officer. In the meantime, the charity has provided an estimate for the current year. This is low however, which the charity explains is due to benefiting from pro bono consultants employed by the Law Centres Network.

<b>Year end at 31 August</b>	<b>2014/2015 Audited Accounts</b>	<b>2015/2016 Forecast Outturn</b>	<b>2016/2017 Budget</b>
<b>Income and Expenditure</b>			
Income	210,835	221,684	231,788
Expenditure	215,202	232,173	217,388
Unrestricted Funds Surplus / (Deficit)	(4,367)	(10,489)	14,390
Restricted Funds Surplus / (Deficit)	0	0	0
<b>Total Surplus / (Deficit)</b>	<b>(4,367)</b>	<b>(10,489)</b>	<b>14,390</b>
Surplus / (Deficit) as a % of turnover	(2.1%)	(4.7%)	6.2%
Cost of Generating funds (% of income)	0 (0.0%)	0 (0.0%)	7,500 (3.2%)
<b>Free unrestricted reserves</b>			
Unrestricted reserves held at Year End	84,582	74,093	88,483
How many months' worth of expenditure	4.7	3.8	4.9
Reserves Policy target	53,801 – 107,601	58,043 – 116,086	54,347 – 108,694
How many months' worth of expenditure	6.0	6.0	6.0
Free reserves over/(under) target	(30,782) – 23,019	(16,050) – 41,993	(34,136) – 20,211