
Cabinet Voluntary Sector Committee

MONDAY, 23RD NOVEMBER, 2009 at 19:30 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: Amin (Chair), Canver, B. Harris, Reith and Basu

AGENDA

1. APOLOGIES FOR ABSENCE

2. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. (Late items will be considered under the agenda item where they appear. New items will be dealt with at item 7 below. New items of exempt business will be dealt with at item 10 below).

3. DECLARATIONS OF INTEREST, IS ANY IN RESPECT OF ITEMS ON THE AGENDA

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest **and** if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct **and/or** if it relates to the determining of any approval, consent, licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

4. MINUTES (PAGES 1 - 4)

To confirm and sign the minutes of the meeting of the Committee held on 30 June 2009.

5. DEPUTATIONS

To consider any deputations received in accordance with Standing Orders.

6. THE LEGAL SERVICES COMMISSION (LSC) LEGAL ADVICE PROCUREMENT REFORMS (PAGES 5 - 12)

To make recommendation to the Voluntary Sector Committee in relation to proposals to enter into a joint funding relationship with the Legal Services Commission for the procurement of social welfare legal advice in Haringey.

7. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 2.

8. EXCLUSION OF THE PRESS AND PUBLIC

The following item is likely to be the subject of a motion to exclude the press and public as it contains exempt information relating to the financial or business affairs of any particular person/organisation (including the authority holding that information).

9. REVIEW OF CORE GRANT FUNDING FOR COMMUNITY CENTRES, LEGAL AND ADVICE ORGANISATIONS 2010-2013. (PAGES 13 - 30)

To make recommendation to the Committee on 3 year core funding following an independent review of Community Centres and Legal and Advice organisations.

10. NEW ITEMS OF EXEMPT URGENT BUSINESS

To consider any items admitted at 2 above.

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Member Services
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13 November 2009.

**MINUTES OF THE CABINET VOLUNTARY SECTOR COMMITTEE
TUESDAY, 30 JUNE 2009**

Councillors *Amin (Chair), *Basu, *Canver, Dogus and *B. Harris

*Present

MINUTE NO.	SUBJECT/DECISION	ACTION BY
VSGC01.	<p>APOLOGIES FOR ABSENCE (Agenda Item 1)</p> <p>An apology for absence was submitted by Councillor Dogus.</p>	
VSGC02.	<p>MINUTES (Agenda Item 5)</p> <p>RESOLVED:</p> <p>That the minutes of the meeting of the Committee held on 27 April 2009 be confirmed and signed.</p>	HLDMS
VSGC03.	<p>REVIEW OF CORE GRANT FUNDING FOR COMMUNITY CENTRES, LEGAL AND ADVICE ORGANISATIONS 2010-2013, WITH A VIEW TO WORKING TOWARDS SOCIAL COHESION (Report of the Assistant Chief Executive Policy, Performance, Partnerships and Communications - Agenda Item 6)</p> <p>We endorsed the Council's commitment to creating a thriving environment for the third sector and noted that the organisations receiving core grant funding had been identified as key local agencies with a long standing association in supporting the Council and our statutory and voluntary partners. We also noted that the continuation of core funding was a vital funding stream for these organisation's strategic and policy development work and to the support the sustainability of a thriving third sector.</p> <p>In order to ensure that the Council's investment was spent wisely and for the purpose it was given, it was proposed that these organisations be independently evaluated and assessed. The review would inform decisions on whether to provide continuing financial support to these organisations for a further three-year period from 1 April 2010 - 31 March 2013 by independently assessing each organisation's ability to be best placed in continuing to help shape a better future for the people of Haringey.</p> <p>Clarification was sought of whether the proposed criterion for continued funding after 2010 organisations must be based in the Borough with at least 75% (and preferably 90%) of users living and/or working in Haringey would adversely impact on them being able to generate funding from other sources, and we asked that officers ensure that the eligibility criteria to be applied would enable core cost funding to be supported across various funding streams with particular regard to the requirements of match funding arrangements.</p>	ACE-PPPC

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	<p>Clarification was also sought of whether the activities of the organisations would be monitored to ensure that they were in accord with the Council's own strategic objectives and, with regard to community organisations, whether they related not just to their own communities but to the wider community. We were advised that as part of the review organisations would be assessed to determine whether, amongst other things, their activities met the needs of the local community and contributed to the Local Area Agreement. All organisations funded had an assigned monitoring officer whom, through contact with officers in other Directorates, checked activities for their compliance with Council strategies including the Haringey Community Strategy. We stressed that it was important that organisations were clear about what they were expected to deliver as part of their respective business plans to facilitate effective monitoring.</p> <p>Community organisations would be required as part of the proposed review to demonstrate how they had addressed equality, diversity, social inclusion, community cohesion and sustainability issues and how they worked with other community groups and organisations. We asked that as part of the review officers give consideration to the introduction of an additional eligibility criteria funding in relation to whether groups activities benefited the wider community.</p> <p>In response to a question about funding arrangements we were informed that some organisations were subject to a circular rent arrangement further details of which could be provided as part of the review. Reserves held by individual groups would be checked for compliance with the Council's Reserves Policy and the conditions of grant aid. It was suggested that the Council's Emergency Planning and Business Continuity Manager be asked to liaise with the consultant during the course of the review to ensure that adequate safeguards for business continuity were in place should a group having funding withheld or withdrawn.</p> <p>With regard to the possibility of capacity building for the voluntary sector, we were advised that the Haringey Strategic Partnership Board's Performance Management Group had commissioned a mapping exercise for submission in December and we asked that a report on the outcome of that exercise be brought back to our Committee if possible at the same time as the review.</p> <p>We were also advised that a number of groups or organisations funded by London Councils claimed that their activities benefited Haringey and we asked officers to arrange a meeting to exchange information about these groups and to discuss what added value they provided, to identify any gaps in services and how to make them more accountable for performance monitoring purposes through London Councils.</p> <p>RESOLVED:</p> <p>1. That the 18 Voluntary Organisations listed below whose 3 years funding ended on the 31 March 2010 be reviewed by an</p>	<p>ACE-PPPC</p> <p>ACE-PPPC</p> <p>ACE-PPPC</p> <p>ACE-PPPC</p> <p>ACE-PPPC</p>
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	<p>independent assessor to evaluate and assess the work that the organisations had carried out over the past 3 years and were proposing to undertake over the next three years -</p> <p>Legal and Advice Agencies</p> <ol style="list-style-type: none"> 1. Haringey Citizens Advice Bureaux 2. Haringey Law Centre 3. Angolan and Cabinda Community Organisation <p>Community Organisations</p> <ol style="list-style-type: none"> 4. Asian Centre 5. African Caribbean Leadership Council 6. Alhijra Somali Community Association 7. Ethiopian Community Centre in the UK 8. Haringey Chinese Centre 9. Haringey Somali Community and Cultural Association 10. Haringey Irish Cultural and Community Centre 11. Hornsey Vale Community Association 12. Jan Trust (addition to this round) 13. Jackson Lane Community Centre 14. Cypriot Community Centre 15. Kurdish Advice Centre 16. Kurdish Community Centre 17. Selby Trust 18. Innovation and Community Education (formally Asian Action) <p>2. That, subject to a satisfactory review and budgetary constraints permitting, funding provision to the total funding available to the 15 community organisations be maintained for a further 3 years at the 2009-2010 level, but that the funding of legal and advice agencies continue to receive an annual inflation allowance in recognition of the continuing and increasing demand on the legal and advice services in the Borough due to the present economic downturn.</p> <p>3. That the review of legal and advice agencies be conducted having regard having regard to the decision of our Committee taken on 27 April 2009 (vide Minute VSGC15(2)) that the Council and Haringey's Legal Services Partnership explore with the Legal Services Commission the establishment of a Community Legal Advice Centre (CLAC) or a Community Legal Advice Network (CLAN) in Haringey.</p> <p>4. That a further report with the recommendations of the review be submitted to our Committee in November 2009 for approval.</p>	<p>ACE-PPPC</p> <p>ACE-PPPC</p> <p>ACE-PPPC</p>
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The meeting ended at 19.45 hours.

KAUSHIKA AMIN
Chair

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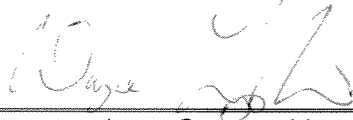
Agenda item:

VOLUNTARY SECTOR COMMITTEE**23rd NOVEMBER 2009**

Report Title. **The Legal Services Commission (LSC) Legal Advice Procurement Reforms - Update Paper**

Report of **Wayne Longshaw – Interim Assistant Chief Executive – PPP&C**

Signed :



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Wards(s) affected: **ALL**

Report for: **Non Key Decision**

1. Purpose of the report

- 1.1. To provide an update on the feasibility of Haringey Council entering into a joint funding relationship with the Legal Services Commission (LSC) for the procurement of social welfare legal advice in Haringey
- 1.2. To make recommendations for a way forward

2. Introduction by Cabinet Member (if necessary)

- 2.1. Having explored the feasibility of the Legal Service Commission (LSC) proposal of joint funding for the procurement of Social Welfare Law (SWL) in Haringey this report concludes that it would be prudent to postpone any further negotiations as the benefits are unproven and there is potential of destabilise long established and respected local providers.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

Council Priorities-

- 3.1 Encouraging lifetime well-being, at home, work, play and learning
- 3.2 Promoting independent living while supporting adults and children when in need
- 3.3 Delivering excellent, customer focused, cost effective services.

Council Strategies

- 3.4 Haringey Local Area Agreement/Haringey Community Strategy

4. Recommendations

The Voluntary Sector Committee to agree:

- 4.1 That the Council does not enter into a joint funding relationship to provide Social Welfare Law with the LSC.
- 4.2 That the Council work in partnership with the Haringey Community Legal Services Partnership (HCLSP) to explore the possibility of developing a Community Legal Advice Consortium in Haringey that could – if desired – bid for the LSC contract for the provision of Social Welfare Law (SWL) in Haringey once it goes out to tender.

5. Reason for recommendation(s)

- 5.1 The Haringey Citizen's Advice Bureaux (HCAB) and the Haringey Law Centre (HLC) were reviewed as part of the 2009 Review of Community Organisations and Legal Advice Centres and both organisations demonstrated a high level of service delivery, good partnership working and a clear understanding of the needs of the local community. Both organisations have been recommended for 3 year continuation of funding.
- 5.2 The LSC approached Haringey in 2006 with a view to jointly tender for Social Welfare Law on a 3 year funding arrangement. The proposal is to have one provider (not necessarily Borough based) who may or may not sub contract to local legal and advice providers. It was agreed by the Voluntary Sector Committee held on the 27th April 2009 that Officers explored this proposal and report the finding back to the next Committee.
- 5.3 Officers have consulted with the local advice sector through the Haringey Community Legal Services Partnership and have reviewed the current position with other local authorities as to the take-up and success of the LSC proposal.
- 5.4 To date the established CLACs have been developed outside of London. These are: Gateshead, Hull, Derby, Portsmouth and Leicester. Tenders are currently open to deliver services in another two areas: West Sussex and East Riding.
- 5.5 The only London authority that has expressed an interest in developing a CLAC is Barking & Dagenham. However, there is no date for when this will be put out to

tender.

- 5.6 The impact of the introduction of CLACs appears to be mixed. In Gateshead and Derby the contracts were awarded to consortia led by the local Law Centres. The consortia included Law Centre, CABx and legal aid solicitors. In Hull and Leicester the contract was awarded to Action for Employment (A4e) a private sector agency, who uses a legal aid solicitor to deliver the service. The consequence of this has been the loss of valuable and long established advice provision in the local area as in Hull the CAB which had been around for more than 50 years closed and in Leicester the Law Centre closed.
- 5.7 A report published by the Ministry of Justice (MoJ) in June 2009 stated that it was too early to assess the impact of CLACs, however there was concern at the loss of key voluntary sector provision in Hull which led to Government providing funding to retain a service at Hull CABx and also East Riding CABx on the basis that during a time of economic hardship it was vital to maintain locally recognised services where people could access debt advice. Attached at Appendix 1 for supplementary information is an extract from the MoJ report.
- 5.8 EU Procurement regulations state that all procurement processes must be opened up to fair and transparent competition. Therefore the Council and the LSC cannot jointly draw up a service specification which is favoured towards Haringey advice providers. This means that when the LSC SWL tender is released there is the risk that it may be awarded to an out of the Borough agency with limited knowledge or direct experience of Haringey's diverse needs. Additionally Council funding would be tied into a restrictive three year contract and would limit the Council's and the advice provider's independent ability to be responsive to the community's changing needs, which would be a particular area of concern given the current economic downturn.
- 5.9 There is the risk that by not entering into a joint funding contract with the LSC, the LSC will establish a separate independent service for delivering their specialist legal services via an out of borough or private agency. But by the same token should the Council enter into a tendering arrangement with the LSC, with the expectation of pooling some financial resources, and the SWL contract was awarded to an agency outside of the Borough, credible local advice providers – mainly the HCAB and Haringey Law Centre – would not only lose their LSC contracts but potentially Haringey's contribution to legal and advice funding. This would undoubtedly affect their sustainability and ability to provide essential services, unless the successful organisation agreed to sub-contract work to them.
- 5.10 To mitigate this risk the Haringey HCLSP have agreed to work together to establish an independent Community Legal Advice Consortium in Haringey that could – if desired – bid for the LSC contract for the provision of Social Welfare Law (SWL) in Haringey.
- 5.11 The aim of the Consortium will be not only to make funding bids to deliver services but to also build on the Haringey's Advice Providers Network to provide a seamless cross agency service to ensure clients are able to get help with their legal problems

through services which are easily accessible, culturally appropriate and well established.

5.12 Subject to the Committee agreeing the recommendations made in the related Review of Community Centres and Legal and Advice Organisations 2010 – 2013, the Council will continue with current advice funding arrangements of contributing to funding core advice services that are not covered by legal aid, such as general help services and some specialist level work that falls outside of the LSC's eligibility criteria.

6. Summary

- 6.1. The Council were initially approached by the LSC in 2006 to discuss the possibility of jointly commissioning a Community Legal Advice Centre (CLAC) or a CLAN in Haringey from 2010. In this arrangement the LSC would expect Haringey to put a realistic level of funding into the new service jointly commissioned service.
- 6.2. EU Procurement regulations prohibit the weighting of bids in favour of one group/organisation therefore the Council and the LSC cannot jointly draw up a service specification weighted towards Haringey local advice providers. Open competition could mean that the SWL contract is awarded to an agency outside of the Borough thereby putting an element of the Council's funding for advice at risk.
- 6.3. The Council should not, at this time, enter into a joint funding contract with the LSC for the delivery of SWL specialist services. There appears to be no real added benefit to Haringey to the LSC proposal and so far there is no convincing evidence that the LSC proposal has been successfully adopted by any of the London Borough's.
- 6.4. The way the LSC proposes to commission their community legal services in the future through one delivery agency for the Borough appears to have little benefit other than less contract management for the LSC.
- 6.5. The Council should work in partnership with the HCLSP to assist them in the formation of a Community Legal Advice Consortium that will be able to bid for the SWL contract for Haringey once it is tendered by the LSC and be in a position to take advantage of other funding opportunities as they arise.
- 6.6. All legal and advice funding from Haringey should remain exclusively for Haringey providers.

7. Chief Financial Officer Comments

- 7.1. The proposals set out in this report seem sensible and will allow service provision to continue for residents whilst supporting the development of a community legal advice consortium which should enable these groups to access work under the SWL contract in the future. There are no additional financial implications from this recommendation.

8. Head of Legal Services Comments

- 8.1. The Head of Legal Services notes the contents and recommendations of the report.
- 8.2. The European treaty principles of equality of treatment for bidders mean that it is not possible to discriminate in favour of providers in the borough, hence the recommendation against working with the LSC on a procurement for Social Welfare Law in Haringey.
- 8.3. The Head of Legal Services notes the proposed partnership between the Council and the HCLSP to assist in the formation of a CLAC which will be able to bid for the LSC contract in Haringey.
- 8.4. The Head of Legal Services advises that there are no legal reasons preventing Members from approving the recommendations in this report.

9. Head of Procurement Comments

Not applicable

10. Equalities & Community Cohesion Comments

- 10.1 The Equalities Team are aware that the Corporate Voluntary Sector Team have consulted and considered in detail, the implications of the approach from the LSC.
- 10.2 As the report makes clear, entering into a joint funding arrangement with the LSC could place at risk, the continuation of accessible and efficient advice services that are sensitive to and meet the needs of the diverse residents of Haringey.
- 10.3 Monitored data suggests that the services of both Haringey Law Centre (HLC) and the Haringey Citizen's Advice Bureaux (HCAB) are used predominantly by some of the most vulnerable and deprived sections of Haringey community. Therefore, any arrangement which has the effect of threatening the existence or independence of these two organisations would potentially exacerbate the disadvantage already faced by this group.
- 10.4 Consequently, the Equalities Team concur with the recommendations of this report.

11. Consultation

- 11.1 The changes in LSC funding arrangements have been discussed on an ongoing basis with the voluntary sector through the Haringey Community Legal Services Partnership. Membership of the HCLSP includes Haringey Citizen's Advice Bureau, Haringey Law Centre and HAVCO.

12. Service Financial Comments

12.1 The Corporate core grants budget is currently fully committed and with the need to make ongoing efficiency savings over the next 2 years there is no funding available to contribute to the LSC proposal unless additional reductions are made to the corporate grants budget or the Council wishes to identify funding for this purpose from other funding sources.

13. Use of appendices /Tables and photographs

13.1 Appendix 1: The LSC Legal Advice Procurement Reforms – Update Paper

14. Local Government (Access to Information) Act 1985

- a. Ministry of Justice Report: Study of legal advice at local level, conclusion and recommendations. (June 2009)
- b. [Also list reasons for exemption or confidentiality (if applicable)]

Extract from Ministry of Justice Report: Study of Legal Advice at Local Level, Conclusions & Recommendations (June 2009)

Community Legal Advice Centres/Networks

- The concept of a Community Legal Advice Centre or Network [CLAC/N] is to co-ordinate local authority and LSC funding in order to provide “easily accessible face-to-face services (from early advice to legal representation) to address the combinations of problems people experience”. It should be noted that only five CLACs have been established so far, and that these have only been in operation for a short time. It is too early to draw any firm conclusions – whether positive or negative – about the impact of CLACs. Where CLACs have been established, they appear to be working well, and customer satisfaction ratings are good.
- Whilst there are wide variations between the different CLACs which currently exist, they do appear to demonstrate that the model can be an effective way of structuring case mix and associated costs appropriately to the fixed fee scheme. The addition of private sector skills and infrastructure to an advice delivery partnership can result in an efficient business model which allows advisers to concentrate on advising, whilst administration is carried out by specialist administrators.
- Some concerns about the CLAC model have been expressed: first, there is a risk that co-ordinating the two major streams of funding in an area will lead to further fragmentation of the other funding streams (from trusts and foundations, the lottery etc.). The original description of the CLAC/N approach was to integrate LSC, local authority and “other funding”. In recent work and in the CLACs in place so far, the focus appears to have narrowed.

We recommend that the LSC should take steps to monitor the impact of the establishment of a CLAC or a CLAN on other funding streams in the area, and should aim to involve other existing funders of local advice in plans for a CLAC or a CLAN wherever possible.

- Second, whilst the establishment of a CLAC should ensure that existing gaps in supply are filled, the reduction of funding to non-CLAC providers may reduce access in areas which previously had a range of different suppliers. Although this was a concern in areas where a CLAC or CLAN had been mooted, but not implemented, there is, so far, no firm evidence to show whether this is happening in CLAC areas.

We recommend that the LSC monitors the impact of the establishment of CLACs on local advice providers, including the potential for future competition in the area.

- One of the issues with the creation of CLACs is the different responsibilities and constraints on local authorities and the LSC. Where a local authority has a good knowledge of local communities’ needs, and of existing advice provision, and uses this to shape the CLAC/N in its area this could ensure a CLAC/N which avoided many of the concerns expressed to us by providers and local authorities. It is not clear how much scope local authorities have felt they had (or wanted) to shape the CLAC/N in this way.

We recommend that action be taken to encourage and support local authorities in shaping local CLAC/Ns.

VSC 23rd November 2009.

The LSC Legal Advice Procurement Reforms – Update Paper

APPENDIX 1

Document is exempt

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