



DERBY CITY COUNCIL

COUNCIL CABINET
5 June 2007

Cabinet Member for Neighbourhood,
Social Cohesion and Housing

ITEM 7

Derby Community Legal Advice Centre

SUMMARY

- 1.1 The Council has given a commitment to jointly fund a Community Legal Advice Centre in Derby. The Centre will be one of the national pilots to jointly commission and deliver integrated advice services in one location. They will be funded by the Legal Services Commission through its civil legal aid and from the Council's funding for legal advice services through the Community Grants Budget and funding for Derby Advice. The Derby CLAC will be delivered by the Council's in house advice service, Derby Advice and another provider to be identified through an open tender process. It is proposed to co-locate some elements of Derby Advice services within the CLAC to deliver the services in partnership with another provider to be identified through an open tender process. The inclusion of some elements of Derby Advice services will allow the Centre to offer a more integrated and holistic service for legal advice clients.
- 1.2 A Project Board has been established of representatives from the Council and the Legal Services Commission to oversee the work. Appendix 1 to the main report summarises the proposals to:
- establish a Community Legal Advice Centre in Derby
 - include selected elements of the Council's Community Grants Budget in the tender pot
 - include selected elements of the Council's in-house advice service, Derby Advice, in the CLAC.
- 1.3 Subject to any issues raised at the meeting, I support the following recommendations.

RECOMMENDATIONS

- 2.1 To approve the Council's involvement in work to set up a Community Legal Advice Centre in Derby.
- 2.2 To agree the inclusion of selected Community Grants Budget funds detailed in paragraph 1.13 in the CLAC tender pot.
- 2.3 To agree in principle for the Council's in-house advice service, Derby Advice, to operate alongside the successful bidder to deliver services through the Derby CLAC.
- 2.4 To authorise the Director of Corporate and Adult Social Services, in consultation with the Leader and Cabinet Member for Neighbourhoods, Social Cohesion and Housing Strategy, to enter into contract with a preferred provider following the tender process.

REASON FOR RECOMMENDATIONS

- 3.1 To deliver an improved, a more co-ordinated, accessible, holistic and integrated legal advice service for local residents through a single point of entry.
- 3.2 To configure legal advice services to take advantage of Legal Service Commission's funding.
- 3.3 To strengthen links between the City Council and other advice providers.



Derby Community Legal Advice Centre development

SUPPORTING INFORMATION

- 1.1 The Legal Services Research and Centre's national civil law and social justice survey found that around one-third of all adults will experience legal problems in their lives and of these only about a half will seek advice. The research estimated that nationally there are around 1 million unsolved legal problems. It also highlighted that:
- civil justice problems lead to further problems
 - those experiencing problems were likely to be socially excluded
 - 1 in 7 people who try to get advice fail to do so, mainly because the adviser couldn't help, and
 - the more times a person gets referred on, the less likely they are to continue seeking advice.

The research demonstrates the importance of providing a range of legal advice services which people know about and which minimises multiple referrals.

- 1.2 The Legal Services Commission's strategy for the Community Legal Service 'Making Legal Rights a Reality' published in March 2006, advocates a new approach to the way civil legal advice services are funded, purchased and delivered. Community Legal Advice Centres, CLACs, are being set up in urban areas to better respond to people's problems and the way in which people seek advice. The Centres will be jointly funded by the Legal Services Commission and by local authorities to maximise the value of the resources by pooling funds where they share common objectives.
- 1.3 The Centres are being piloted nationally in areas of concentrated population with high levels of deprivation. Derby City Council was approached by the Legal Services Commission as we have a strong commitment to improving access to legal advice services and an excellent track record of working with local advice providers and the LSC to deliver this as evidenced by our award of Beacon Council status for Community Legal Services.
- 1.4 The proposals have a significant impact on the way the Council funds legal advice services. It is intended that the Council's in house advice service, Derby Advice, will operate as part of the CLAC with another provider to be identified through an open tender process.

- 1.5 It is also proposed to include funding from the Community Grants Budget which is currently directed to voluntary sector agencies to provide legal advice services in the tender pot.
- 1.6 A Community Legal Advice Centre in Derby will lead to the following benefits ...
- Improved access to integrated legal advice services for priority clients through a single point of entry.
 - easier transition for clients from generalist to specialist legal advice services.
 - Improved outcomes for clients.
 - Improved customer service for clients. For example, through reduced referrals.
 - Builds a recognisable brand for legal advice services.
 - Dealing with multiple problems in one go may lead to savings.
 - Improved co-ordination of funding for legal advice services between the Council and the Legal Services Commission.
 - Make more effective use of funding by contracting with a single supplier will create efficiencies arising from increased economies of scales and reducing duplication of effort between agencies.
 - Increased purchasing power through combined funding.
 - Provides improved management information on client problems will mean that funders have a better idea about what is being delivered.
 - Better quality assurance and accountability.
 - Greater scope for tying money to outcomes and targets.
 - Clearer relationship between Derby City Council and its funded organisations.
 - Allow advice providers to take strategic action to solve the causes of common problems and play a role in educating people about their legal rights.
 - Early advice, such as preventative, educative and early resolution work, may result in reduced costs down the line. For example, in terms of litigation and court time.
 - Better co-ordinated legal advice services in local neighbourhoods. The need for legal advice is greatest in the City's priority neighbourhoods.
 - Contribution to reducing social exclusion.
 - More commitment to the Community Legal Service from suppliers involved in the Centre.
 - Increased national profile for Derby City Council about the delivery of legal advice services.
 - It will allow us to configure legal advice services in Derby to take advantage of Legal Services Commission's funding.
 - The CLAC will strengthen links between the City Council and other advice providers.
- 1.7 A Project Board of officers from the City Council and the Legal Services Commission chaired by the Assistant Director of Housing and Advice Services has scoped the feasibility for setting up a CLAC and makes the following proposals:
- to support the development of a Community Legal Advice Centre in Derby and to agree to the Council's participation in the process
 - to support the inclusion of selected funding for legal advice services from the Community Grants Budget in the tender pot
 - to support the inclusion of selected elements of Derby Advice services in the delivery of the CLAC.

Development of the Derby CLAC

- 1.8 The objective of setting up a Community Legal Advice Centre in Derby is to improve the provision of accessible, independent, quality assured and integrated general and specialist legal advice and representation services for clients in Derby. Currently publicly funded legal advice services are delivered by a range of advice providers in the City such as private sector solicitors, voluntary organisations and in-house advice providers including Derby Advice and the Housing Options Centre. These services are funded in three ways – through civil legal aid contracts from the Legal Services Commission and from the Council through its Community Grants Budget and funding for in-house services. The proposal is to pool the Legal Services Commissions funds with the Community Grants Budget funding and to tender for a single legal entity to deliver the services. This will minimise the need for referrals and ensure that services are delivered how people experience need rather than how services are funded.
- 1.9 The Project Board has undertaken various tasks to scope the feasibility of establishing a CLAC for Derby and is following a three-phase implementation plan:
- Phase 1 of this plan concerns the set-up for the tender process. It comprises a number of stages to identify local priorities and the management of the structure. The Project Board has carried out a needs assessment, agreed the structure for the CLAC and the funding model and performance targets.

The Council has also undertaken an extensive period of consultation with local providers about the proposals. The consultation has been two-fold. Firstly, we have consulted with individual voluntary sector advice agencies regarding any changes to their grant funding. Further information can be found in paragraphs 1.11 to 1.13. Secondly, we have consulted with local providers and users of legal advice services to identify the priorities for the Derby CLAC. The information gained from this consultation exercise has been used to make recommendations to the Derby CLAC Project Board to incorporate into the service specification for the initiative. A full analysis of the findings summarised with how the Project Board intends to respond to these recommendations can be found in Appendix 2 of this report.

The Derby CLAC Project Board is in the process of updating the Service Specification for the initiative in light of the findings from the consultation and we now need to seek agreement for the involvement of the Council before launching the tender.

We have also taken the proposals to the Community Commission for consideration. A summary of the Commission's recommendations is contained in Part B of this report. The Commission endorses the proposals subject to transitional arrangements for local advice providers being worked up. We have incorporated their recommendations into the work plan for Phases 2 and 3 of the project.

- Phase 2 of the plan concerns the procurement of the service. It comprises a number of stages which will commence with the launch of the formal tender stage, scheduled for 21 June 2007. This phase will also contain the evaluation, award and set-up of the contract and the identification of transitional arrangements for local organisations including transfer of caseloads and staff. Phase 2 is scheduled to complete when the contract is awarded to the successful bidder. We envisage this will be in October this year.
- Phase 3 of the plan concerns the establishment of the Centre. It comprises a number of stages including work to set-up the Centre, delivery of its services, and the transfer of caseloads and staff. Phase 3 of the project is scheduled to commence on 1 October 2007 and complete on 31 March 2008. The Centre is scheduled to start on 1 April 2008 when the new arrangements for funding and delivery of publicly funded legal advice services in the City will commence.

Community Grants Budget funds for legal advice services

- 1.10 The proposals will affect the way legal advice agencies receive funding. The Legal Services Commission currently funds a network of advice agencies in the private and voluntary sector to deliver advice services to residents in a locality. Under the proposals, these contracts will not be renewed and the funding will be included in the Derby CLAC tender pot. Individual advice agencies or groups of agencies will then have the opportunity to submit a tender to deliver the service.
- 1.11 The proposals also have major implications for the way the Council funds external legal advice services delivered by voluntary organisations through its Community Grants Budget. The ability to set up the CLAC in Derby is dependent on securing the agreement to include some of the Council's grant funding for legal advice services in the tender pot. The Corporate Director for Corporate and Adult Social Services has identified a rationale for inclusion and exclusion of grants. The selection criteria are that these organisations:
 - hold both a Specialist Quality Mark, and
 - an LSC contract, and
 - are in receipt of Community Grants Budget funding, and
 - are not delivering specialist legal advice services as an integral part of an advocacy or other support service for a vulnerable client group.
- 1.12 Applying this rationale identifies two organisations whose CGB funding is likely to be included in the tender pot; the Citizens Advice Law Centre - the newly merged Derby Citizen's Advice Bureau and Derby Law Centre - and Derbyshire Housing Aid. More information on local provider's views of the proposals and how the Project Board is incorporating these into the plans can be found in Appendix 2 to this report.

- 1.13 When established, the Derby CLAC will be the main provider of legally aided specialist level social welfare advice in the City. We accept that the decision to create a CLAC replaces the current rationale for funding organisations through the Community Grants Budget to deliver specialist legal advice services. Cabinet is asked to approve the recommendation to include grant funding of up to £310,248 annually from the Community Grants Budget for the period 2008/9 to 2010/11 inclusive in the Derby CLAC tender pot. This will mean that current grant funding for the following organisations to deliver specialist legal advice services will be withdrawn for this period:
- Citizen's Advice and Law Centre, £300,203.
 - Derbyshire Housing Aid, £10,045.

Derby Advice

- 1.14 It is intended that the Council's in house advice service, Derby Advice, will operate as part of the Centre and will work alongside the successful bidder to deliver the overall service specification. This will bring substantial extra resources to the Centre and allows greater flexibility in how services can be shaped by local need. For example, it will allow the Centre to offer some services not covered by legal aid, such as general help and benefits awareness training, campaigning and strategic policy work. This provides the best chance of co-ordinating all advice services in the interests of local people and will ensure that the Centre is able to offer integrated end to end legal advice services including generalist and specialist provision.
- 1.15 Cabinet is asked to agree in principle that Derby Advice will operate as part of the CLAC in Derby and work towards a shared service specification with the successful bidder. This may involve the co-location of Derby Advice with the successful bidder in the future.
- 1.16 We will not be able to identify the full impact of initiative on the Derby Advice service until we know who the other provider will be when the contract is awarded in October 2007. At this point, we will have the opportunity to discuss how the unified service will be delivered by both providers. A further report will be brought to Cabinet in November 2007 once the contract is awarded to the successful tender organisation and we are able to identify the full effect on the Derby Advice service.

OTHER OPTIONS CONSIDERED

- 2.1 To continue as present with the Council grant funding voluntary organisations to deliver advice services and the Legal Services Commission contracting with individual suppliers. This will mean that we would not be configured to take full advantage of national LSC funding. We would also miss the opportunity to co-ordinate services more effectively for local residents and to meet gaps in supply.

- 2.2 For the Council to undertake a review of advice services in the city to improve co-ordination between providers of legal advice services funded through the Community Grant Budget. We would also need to ensure that the Council's in-house advice provision, Derby Advice, integrates more effectively with external advice providers, notably the merged Derby Citizen's Advice Bureau and Derby Law Centre – the Citizens Advice Law Centre. This would mean that we are unable to take advantage of national LSC funding and may affect future partnership funding opportunities.

For more information contact: Kirsty Alldread 01332 256906 email kirsty.alldread@derby.gov.uk

Background papers:

List of appendices:

Appendix 1 – Implications

Appendix 2 – Report of the consultation on the draft service specification for the Derby Community Legal Advice Centre

IMPLICATIONS

Financial

1.1 The new service will be delivered within existing budgets from two sources:

- DCC Community Grants Budget funding – to the value of £310,248 annually. It is proposed to include this amount in the Derby CLAC tender pot.
- LSC contract funding – in the region of £524,000 annually. This is the minimum funds annually that the LSC is making available for the Derby CLAC provider if it is able to deliver legal advice services to the required level in welfare benefits, debt, housing, employment, community care, family and immigration. In addition, there is also scope to apply for additional funds to deliver more complicated, certificated work on an application basis. This amount will be included in the Derby CLAC tender pot.

One-off funds from the LSC in region of £70,000 will also be available to the successful tender organisation to assist the development of the new service. An additional £42,000 for a trainee solicitor post over the three year period of the contract is also ring-fenced in addition to the above amounts.

1.2 Detailed costs for delivery of the project from September 2006 to the start date of the Derby CLAC up to a value of £46,000 were approved by Cabinet on 17 April 2007. This estimate is based on a launch date for the Centre of 1 April 2008.

Legal

2. The decision not to renew the grant funding of identified voluntary organisations must comply with the Council's legal and contractual obligations and compact commitments. We have consulted with the organisations likely to be affected by the decision and have sought legal advice as appropriate.

Personnel

3. There could be implications for staff working for Derby Advice in terms of their duties and location where they work but the terms and conditions will be unaffected. Derby Advice employees have been regularly briefed about the proposals. We will consult with trade unions when plans for the inclusion of Derby Advice are formalised. These will be contained in the report to Cabinet in November 2007.

Equalities impact

4. Community Legal Advice Centres offer the opportunity to configure legal advice services that are client focussed and independent. They will minimise the need for referral and ensure that clients are better able to access the services they need.

Corporate Priorities

5. **Improve the quality of life in Derby's neighbourhoods, by:**

- reducing inequalities between neighbourhoods

Encourage lifelong learning and achievement

Build healthy and independent communities, by:

- delivering joined up services for children and young people that meet the needs of the local community.

Deliver excellent services, performance and value for money, by:

- reducing inefficiency by improving business processes and ability to perform
- minimising Council Tax levels and increasing value for money.