



DERBY CITY COUNCIL

COMMUNITY COMMISSION 16 September 2009

Report of the Corporate Director of Corporate and Adult Services

Derby Community Legal Advice Centre and Derby Advice - Progress Report

RECOMMENDATION

1. To note the progress of the Derby CLAC and Derby Advice's relationship with the CLAC partners.

SUPPORTING INFORMATION

- 2.1 At the meeting of 30 March 2009 the Community Commission received a report on the progress of the Derby Community Legal Advice Centre - CLAC and the key issues identified for 2009/10. The Commission asked to receive a further progress report in six months time regarding the CLAC and Derby Advice's relationship with the CLAC partners.

2.2 Re-audit of the Specialist Debt category - CLAC

Following on from a comprehensive audit of the CLAC service in December 2008, concerns were highlighted regarding supervision issues within the specialist service in the Debt category of advice and this category was re-audited 7 May. The re-audit was undertaken jointly by the Council in partnership with the Legal Services Commission – LSC. The outcome of the re-audit was positive and all corrective actions have been completed. The CLAC Debt service will now continue to operate at the Specialist Quality Mark and the contract with Derbyshire Access2Law will continue.

2.3 Re-audit of the Specialist Welfare Benefits category – Derby Advice

The comprehensive audit in December 2008 highlighted concerns around supervision requirements in the Welfare Benefits category for Derby Advice. This category was re-audited in June by the LSC. The outcome of the re-audit was positive and all corrective actions have been completed.

2.4 Access for priority groups and wards

The service is now in its second year of operation and it continues to meet the needs of identified and agreed priority groups and wards. Statistics are provided monthly by priority group and by ward for both generalist and specialist advice. 54.2% of clients accessing the service at the generalist level between April 2009 and July 2009 were from priority wards (Alvaston, Arboretum, Chaddesden, Derwent, Mackworth, Normanton and Sinfin). Some 62.4% of clients receiving specialist advice were from

priority wards in the same period. The target set by the contract for both generalist and specialist advice is 50% of clients from a priority group or ward. 40.2% of clients accessing the service at the generalist level between April 2009 and July 2009 were from Black or Minority Ethnic communities. In the same period for the specialist service, 36.3% of clients were from Black or Minority Ethnic communities.

The service has experienced additional pressure owing to increased levels of need in the current economic climate. When last reported to the Commission in March 2009, waiting times had reduced significantly and the 10 working days target was being met in all categories except Debt. Since May 2009 waiting times in all categories of law remain at or below the 10 working days target set by the contract. The Contracts and Liaison Manager from Derbyshire Access2Law continues to report on waiting times on a two weekly basis.

2.5 Anonymous case studies from CLAC

The following three case studies are taken directly from CLAC caseworkers.

Case study 1

Case of Client B and Mrs B. The client attended an outreach money advice appointment in one of the priority wards. This initial meeting revealed that the client and his partner had numerous debts totaling £ 45,000. Calculations revealed that although Client B is in full time employment their combined income was insufficient to meet their scheduled repayments. Mrs B also reported that she is unable to work as she has 3 young children to care for and 1 of their children is disabled.

Having assembled all of the information on their income and expenditure we carried out a benefit check for the couple and we identified that they were eligible to claim for carers allowance which they were not aware of. This has been awarded and their family now benefits from nearly £200 per month additional income. Previously, Client B had sensibly contacted their creditors on numerous occasions to attempt to negotiate affordable repayments and also explained their situation to them. However, some of the creditors were continuing to harass them. We answered their cry for help and advice as they have been unable to cope with dealing with their creditors.

We explained the debt collection procedure to our clients and made them aware of both their rights and responsibilities. Together, we set up a re payment plan and jointly presented it to their creditors. In a further meeting we jointly concluded that realistically they would never be able to re-pay their creditors and bankruptcy was their only option. However, a further hurdle was that they did not have the £335 required to register their bankruptcy with the Court. Once again we helped in successfully applying to the Severn Trent Trust Fund for their bankruptcy fees. The outcome for Client B and his family is they have now been declared bankrupt and are successfully restructuring their life.

Case study 2

Case of client C3 represented on the Court Duty Scheme. She had recently come out of a long term relationship and had a young dependant child. Her ex-partner had left her and made no efforts to contribute to the mortgage with Northern Rock or the Secured Loan with Black Horse. C3 was working and in receipt of Working and Child Tax Credits. She had previously attended court with proceedings having been issued by Northern Rock and had successfully maintained a suspended order. As a result she had been

unable to maintain her secured loan with Black Horse. Her income was not sufficient to maintain both the Mortgage with Northern Rock and the Secured Loan with Black Horse. The arrears on the Black Horse account were substantial and the balance outstanding was around £15,000.

Black Horse then issued proceedings for possession. Whilst discussing the matter with C3 we were discussing her re-housing options as there did not seem to be any other options apart from negotiating a longer period for possession to allow C3 and her dependant child to secure alternative accommodation.

C3 had attended court with her father, who offered to pay a lump sum of £7,000 towards the Black Horse account. We managed to persuade Black Horse to take £7,000 in full and final settlement of the £15,000 still owing on the Black Horse account. There was no obligation on Black Horse to accept this and no basis in law upon which they should have accepted this. We successfully persuaded the lender to take the lump sum payment in full and final settlement allowing C3 to remain in her home and affordably maintain the mortgage with Northern Rock.

Case study 3

We advised a client who had approached us for debt advice who had been diagnosed with cancer. The client had taken out a loan with the AA, Bank of Scotland and he had payment protection Insurance PPI on the loan. Our client presumed he was covered for his illness as at the time the PPI was sold to him and the Bank of Scotland had claimed that he was covered for critical illness.

When our client claimed on the PPI he was not covered. We took the complaint to the Bank of Scotland on the grounds that our client was mis-sold the PPI and they responded in denying it was mis-sold to the client. We then took the complaint to the Financial Ombudsman Service who investigated this further and agreed we had a case against the loan being mis-sold.

The matter has now been resolved where our client has been awarded £2,315 which included a refund of the PPI together with 8% compensatory interest.

2.6 Derby Advice and it's relationship with CLAC partners

Derby Advice continues to have a positive working relationship with the CLAC partners. A Welfare Rights Caseworker from Derby Advice has been based at the main CLAC building, Stuart House, for three days a week for the past 9 months. This arrangement has worked very well allowing a much closer working partnership. These developments continue to strengthen the referral process and the relationship between Derby Advice and the other CLAC partners, and ensures that all clients are referred to the most appropriate agency with no duplication of service.

2.7 Equality Impact Assessment

An Equality Impact Assessment of community legal advice services is currently being undertaken and should be completed in the coming months. The assessment team is made up of representatives from the CLAC, Derby Advice, LSC, Council and other local providers of advice. The assessment will consider the impact of community legal advice services across diverse groups in the city and identify any gaps in services, including meeting the language needs of people from new and emerging communities.

2.8 Level of client satisfaction

The CLAC has recently collated evidence of client satisfaction through a survey using data taken from April 2008 and March 2009. Using a sample of 540 clients the CLAC asked questions around accessibility, level of service and outcome, the full results of the survey are attached at appendix 1. The survey shows that, of those that responded some 96% of clients would recommend the CLAC to someone else. From those that responded the percentage of clients that rated the service as good or excellent was just under 96%, the contracted target being 80%. A sample of the positive comments from the client satisfaction survey is attached at appendix 2.

For more information contact:

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Background papers:

Case Starts Summary Apr09-Jul09
Generalist Advice Statistics Apr09-Jun09
Specialist Advice Statistics Apr09-Jun09
CLAC Client Satisfaction Survey Apr08 – Mar09

List of appendices:

Appendix 1 Client Satisfaction Survey Apr08 – Mar09 – included for Commission members only; available to others by contacting Rob Davison.
Appendix 2 Sample of positive comments from CLAC client satisfaction survey