

London Advice Conference - 2010 Report

Transformers: Changing lives through advice

July 2010



Acknowledgements and thanks

Firstly we would like to thank Clifford Chance for hosting the conference in an absolutely wonderful venue. We would also like to thank the members of the London Advice Executive - Charlotte Jackson from Citizens Advice, Andy Gregg of Lasa, Wesley Harcourt from AdviceUK and Miles Kunzli, from Law Centres Federation, who has recently decided to return to Australia, as well as Noeleen Adams and Jen Ball also from the Law Centres Federation. We would also like to give big thanks to two people in particular, Artie Singh from AdviceUK, who did a wonderful job organising the conference and also Lindi Maqhubela, from Lasa, who has assisted brilliantly in getting everything ready. We would also like to thank everyone who attended for contributing to an extremely useful event. Thank you.

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1. Introduction

This is the report of the London Advice Executive's third advice conference, Transformers: Changing lives through advice held on 1 July 2010, at Clifford Chance in central London, for not-for-profit organisations working in the advice sector.

The main focus of the conference this year was on workforce development. This had been identified as a key concern for the London advice sector at the 2009 advice conference. The conference sought to concentrate on how investing in staff development can aid recruitment and retention of staff and improve the quality of advice services. This is considered to be particularly vital in the current economic climate, with concerns in the sector about potential funding cuts.

The conference was opened by Wesley Harcourt of AdviceUK who outlined the purpose of the day and Charlotte Jackson from Citizens Advice, who provided information on the aims and role of the London Advice Executive. The main part of the day consisted of a number of speeches and workshops relating to workforce development. These keynote speeches came from the following:

- Rilesh Jadeja, External Relations Director for London, at Jobcentreplus on The labour market in London and the challenges ahead;
- James Allen, Senior Policy Officer, at NCVO on the macro-environment impacting on the advice sector
- Peter Lewis, Chief Executive, at London Voluntary Sector Council (LVSC) on the political landscape and its impact in the sector

In addition to the speeches, the conference included a series of workshops that covered a number of workforce development and other key issues currently affecting the advice sector. The workshops covered the following:

- Managing demand and change through innovation
- Volunteer development and management
- The 3Rs - Recruitment and retention of roles
- Legal Services Commission: Developments and Financial Stewardship
- The critical relationship: Chair, Trustees and the Chief Executive
- Employment Law Update
- Accreditation and sector qualifications for advisers and fundraising for training
- The changing rules of the game: regulatory change for legal advice

The conference also included a funders' panel that provided a review of advice funding programmes from a number of the key London funding bodies, including London Councils, London Funders and Trust for London (formerly City Parochial Foundation).

The conference also included question and answer sessions following both the keynote speeches and the funders' panel that provided those attending the conference with an opportunity to raise questions and make comment on issues concerning them and their organisations.

This report has been put together to provide information on the main points coming out of the conference. It provides information from each of the sessions as well as the questions and comments from participants. Further information including details of the speeches, workshops and presentations are available on the websites of the London Advice Executive members.

2. Welcome

Wesley Harcourt, London Manager, at AdviceUK welcomed delegates to the conference.

In opening the conference Wesley outlined the current environment in which the sector is operating. He particularly mentioned the potential cuts both within the sector and across local government likely to come about in the spending review. He went on to say that sector is currently in a period of change and a period of uncertainty where no-one is sure what is going to happen, what the government's plans are and what the effects of all the changes are going to be. However, the one certainty is that there are going to be major cuts in the sector.

As a result of the potential changes in the environment Wesley stressed the importance of the conference theme in looking at staff, as it sets the scene for trying to preserve those staff in a difficult time. Staff are one of the most important resources that the sector has and the knowledge and skills that they have are absolutely essential to the running of the services that agencies provide. As a result working to retain those staff and where necessary recruit new staff is going to be paramount in the current environment.

Wesley commented on how good it was to see so many people coming together at the conference at a time when it could be easy for agencies to keep their heads down and protect what they have in their own centres.

3. The London Advice Executive - Aims and role

Charlotte Jackson of Citizens Advice provided the conference with some background to the work of the London Advice Executive (LAE). The work of the LAE has progressed as part of the feedback from last year's advice conference that said the sector needed to increase its profile, particularly in London, and through working together on the conference over the last two years. The work of the LAE has progressed and formalised the 'paper partnership' that so many agencies in the sector have to make something more formal and more real. So the LAE was really born out of a lot of the work that was done on last year's conference. The members were keen to keep the momentum up around the work that is done across the major networks and look, at a time when much of the talk has been about competition, what desire there was for more collaboration and partnership. The LAE has worked together closely on a number of issues.

The terms of reference for the LAE have now been formalised. The Executive has also identified the priorities that they wanted to focus on as a group and have identified common issues by looking at what things they have in common and what could make a really big difference. The LAE was interested in looking at those things that the sector could approach with a collective voice and those issues that are upon all of the networks. Charlotte said that the LAE had been concerned to consider some of the issues that were brought up last year, particularly the point that the advice sector is not always very good at highlighting the value of the work it does. The LAE was aware that with funding under pressure across all the sectors the importance, more than ever, for demonstrating the positive work that the sector does. The LAE works very closely with the London Advice Forum (LAF), chaired by Andy Gregg from Lasa, and also looks at what are the up and coming issues for the sector and tries to cascade messages to all agencies that attend the LAF.

Charlotte encouraged delegates to share their views and stressed how important it is for the LAE to take on those views, as it has done in the past, in order to get a much stronger voice for the work that the sector is doing together.

She also stressed that there may be times when networks and agencies have their own issues and concerns. In these cases it won't be possible to deal with some things collectively. However, she concluded by saying that what the members of the executive were finding in their work is that there are more issues that they have in common than issues that divide them.

4. Opening session - workforce development

Introducing the session Charlotte Jackson reiterated that the emphasis of the conference on workforce development had come about following comments at last year's conference. Each of the speakers, both in the sessions and the workshops, was asked to consider different aspects of workforce development such as paid staff, volunteering or the legal aspects. Charlotte reported that the advice sector has 7% of the workforce in London, equivalent to the Finance Sector. She said as well as being advice providers the sector is a significant employer in London.

■ The labour market in London and the challenges ahead

Rilesh Jadeja, External Relations Director for London at Jobcentreplus opened the session by stressing the challenging and difficult times that everyone is facing particularly in relation to the recession that is biting in and everything else that goes with it. Rilesh offered to discuss the potential impacts that may be brought about by the austerity measures due to come in at a later time, particularly in relation to how it impacts on the advice agencies and the 'customers' that use the advice centres.

Rilesh thanked the London Advice Executive for being given the opportunity to set out some thinking around the transformation of the recent welfare announcements, particularly in relation to the migration of 'customers' currently receiving Incapacity Benefit and what's going to happen to that community in London when the big migration window opens up in April next year. He said that there are currently around 300,000 people receiving Incapacity Benefit in London.

Rilesh pointed out that the slides that had been made available included contact details for people at Jobcentreplus and he encouraged delegates to contact them to have detailed discussions in order to help get across the messages to the customers of both Jobcentreplus and the advice sector.

He outlined that the session would touch on the rationale for the changes that were taking place, some of the expected impacts and also provide some information for agencies to get more information for either themselves or their customers as the agenda starts to pick up, which he said it is starting to do with customers already.

The emphasis of the 'incapacity migration' is on those customers in receipt of Incapacity Benefit and Income Support on the grounds of their incapacity. They will be transferred to Employment Support Allowance (ESA) or Jobseekers' Allowance (JSA). In advance of the national migration that starts from April 2011 some trial work will commence shortly in Burnley and Aberdeen. This will look at a core of about 1700-2000 customers and test out the processes that are going to be introduced to see what kind of impacts that's going to have. They will look particularly at customers' understanding, the challenges, and the difficulties of that migration and similarly what is it saying about the way Jobcentreplus has been behaving and the way that it

changes the way it imparts the information to its customers and helps them through the transition.

Rilesh outlined the difficulties that were likely to occur in terms of getting people to engage with the process and ensuring that the communication mechanisms work and ensuring those that are severely disabled do not feel that they will be forced into any form of employment when that is not an option for them. Rilesh stressed that it was important for Jobcentreplus to ensure that those messages were getting through to people.

In London it is expected that from April next year the migration pattern will be in the region of 1,200 customers per week migrating across from Incapacity Benefit to ESA or JSA. Although that depends on whether the assessments they go through determine whether they are fit for work. Those that are deemed ready for work immediately will go on to JSA and those that need additional support will migrate to ESA under which there will be two categories - the first category is the 'support group' which means they are unable to go into work and they need ESA while Jobcentreplus is supporting them and another category that determines that given the right kind of support over a period of time a person should be able to get back into the labour market.

Rilesh added that nationally up to 2.5 to 3 million people are in receipt of Incapacity Benefit and something in the region of 1.5 million people will be going through the work capability assessments to determine which group they will go in to. Rilesh emphasised the size of the task that this presented with around 10,000 customers each week nationally migrating from Incapacity Benefit. There is a three-year window that finishes in 2014. There has been some discussion in the media that the new government may try and speed up the process. At this stage Jobcentreplus are working to the three-year cycle and there is currently no plan to speed up the process, but should that happen they will get messages out as soon as possible.

In London the 1,200 customers each week come from across the 32 London boroughs (33 including City) with considerable variations in numbers within different boroughs. There are around 11,500 residents in Southwark in receipt of Incapacity Benefit and 190 customers in the City of London.

Rilesh said that it was important for reform on this scale to feel right. He said that historically customers on Incapacity Benefit have been left there without any form of contact from DWP or Jobcentreplus advisers and left simply to do whatever they can do for themselves. As a result most of them remain on Incapacity Benefit. He mentioned analysis that had found that people remaining on Incapacity Benefit were more likely to die by remaining on Incapacity Benefit than if they are given an opportunity to do something other than that, i.e. by improving your lifestyle having been supported to go back in to the labour market.

Rilesh stressed the need to make sure that the support offered to customers needs to be very well articulated as many of them will not have had any contact with

Jobcentreplus advisers at all. He said the relationships need to be managed sensibly and sensitively as people are going to one day get something through their letterbox inviting them to all sorts of things.

The catalyst to the changes was the Welfare Reform White Paper of 2008. There was an immense need to simplify the benefit system from the plethora of different benefits. This is a serious attempt at rationalising the system and creating a standard model that reduces the confusion that not only customers, but those working in benefits, experience.

At the same time that the migration is taking place the introduction of the Work Programme is taking place. This will come into 'operational effectiveness' from summer 2011. It will replace all the existing provision in London and across the UK. It is still being decided how the Work Programme will develop and decisions on how large the geographical contract package areas will be are still being thought through. While the programme is being thought through existing support provision will remain in place until it has been replaced by the Work Programme. The contract package area could be as large as all of London as a single contacting area. This would result in a huge shift in resources both in terms of skills and skills providers that will have significant impacts as it comes into fruition next summer.

In conclusion, Rilesh highlighted the types of customer groups, identified through extensive field research, that are likely to be affected by the changes. He emphasised the impacts of the changes on customers and the importance of understanding these changes in relation to the social fabric and offered to come back to speak to groups of agencies in more detail about what is happening.

■ **Macro-environment and influencing**

James Allen, Senior Policy Officer at NCVO said that he intended to talk about the macro-environment both nationally and in London. He outlined the position with the current economic climate and the new coalition government which he said mean different priorities and a new set of challenges for NCVO.

James added that the House of Commons was a very different place than it was in April with over one-third of MPs losing their seats or stepping down. This means that influencing politics at every level is very different for the sector. He also talked about the changes that had occurred at local government level with Labour making gains, particularly in London, where the results were very different to the national trend. He said that the changes in government at national and local levels could potentially lead to tension in the relationship between local and central government.

He said that the priority for NCVO as an organisation was to build relationships with the new government and to demonstrate the value that the sector brings to society and to influence the government's agenda in the external climate, for the better, whenever they can.

Economically, he said that recent times had been particularly turbulent with a very deep and long recession in both the UK and internationally. This has created a lot of financial challenge for the sector that is unlikely to get any easier in the immediate future.

Turning to opportunities to engage, James said that NCVO sees the Big Society as an opportunity for the sector if it is done properly and thinks that the sector has a duty and responsibility to engage and influence that agenda, whenever possible, to ensure it is delivering the right results for the communities that the sector serves.

Looking in more detail at the Big Society he added that it was at the heart of the political agenda for the current government. The Prime Minister has been very clear in saying that he wants the Big Society to be his legacy and the government wants to see a fundamental shift in power away from central government to local government and through those local authorities into the hands of community groups and individuals. NCVO certainly shares the vision of people and communities being the agents of change and not the objects of policy.

The Big Society is in its early stages and there is limited detail on how it will be implemented but there is much to welcome from the theory. In terms of empowering people in their communities and reinvigorating civil society it is welcome.

James stressed that the voluntary and community sector has multiple roles and is not just about delivering services and it plays an important role not only in the Big Society but also in what NCVO calls the 'good society'. A society which benefits from a strong democracy where people benefit from being at the heart of decision-making, where rights and freedoms are protected and where people have the capacity and confidence to speak out against injustice. The sector, he said, needs to be at the heart of realising that vision and needs to continue to give representation to those who need it most including to the most disadvantaged and marginalised people in society.

In terms of a practical policy, James said that NCVO had campaigned for a long time for a wholesale investment bank. The government has promised to bring forward its plans to implement a Big Society bank financed by unclaimed assets which will deliver valuable assets into the voluntary and community sector which will make a real difference.

James continued by discussing public sector reform. He reiterated his earlier point that this was about reform and transformation and not just about delivery in public services. He said that suggesting that the role of the sector lies purely in service delivery neglects what the sector can bring to the debate. The sector has a valuable role to play in identifying need, in pointing out areas where there should be different services and where services should be delivered differently in order to deliver real change.

For that to happen, he said, the sector needs to be involved at every stage, consulted on the way services are commissioned, the way the procurement process works, the way that services operate and are measured and the way that services are evaluated to allow us all to do things better. He added that it was important that the sector was not the 'provider of last resort' or the cheap or soft option. There should be a sophisticated debate that decides when it is right for the sector to be involved and when it is right for the state to deliver. It shouldn't be a matter that the state should get out of the way so that the voluntary sector can pile in to solve all the problems. Both sectors should work together in a complementary and constructive way.

James said that there were some issues with the way that services are being commissioned and procured at the moment. The big changes taking place in the contracting processes is leading to concern in the voluntary sector particularly for the small niche providers who are concerned about being crowded out because they don't have the capacity to bid for those projects. Another issue is the need for voluntary sector organisations to fully recover their costs and need to be able to build up financial resilience to be able to cope in the future. Organisations in the sector need to be resilient enough to cope, to survive and to thrive and to continue to deliver the services that give peace of mind to the people that depend on them.

James called on the government to seize the opportunity to do things differently. To look at the way the process works and to engage with the sector in the debate. Finally, he said there was also a challenge for the sector to get better at the way that outcomes are measured and value is demonstrated. Payment by results will bring a particular challenge. If used properly it could be used to push up productivity and improve the quality of services. However, it needs to be proportionate and needs to be implemented sensibly with adequate timescales in place as many organisations in the sector cannot wait two, or three or five years for payments. He said that there needs to be open discussion about how that will work.

The public spending climate he said was a subject that couldn't be avoided. It is very difficult economic and financial position for the sector. The budget has ushered in the biggest financial retrenchment that has happened since the Second World War and probably the biggest financial entrenchment that has ever happened to the public sector. It is important for the sector to engage with the process. NCVO is consulting with members and will be submitting evidence to the spending review. James encouraged everyone to participate in the exercise. NCVO is collecting evidence on the impacts of cuts in order to make representations to government. He said that it was important for government to take a long term view. The sector accounts for 2% of public spending and delivers an awful lot for that. Where the sector needs to do more for less or a different approach to funding is to be adopted then there needs to be discussions. Cuts shouldn't be made without taking into account what the impacts of those cuts will be.

James added that it was important for the sector not just to ask questions but to offer solutions as well. The sector should look at what it can do differently. NCVO does not

consider that the sector is overburdened with red tape. There is a need for better regulation and to ensure that the sector is regulated in a proportionate way.

There is an issue around the Finance Act, the first of three Finance Acts this year on fit and proper persons. As a general principle, both in terms of tax and regulation NCVO will always strive for fairness and a fair deal, however, there are a couple of areas where there isn't a level playing field for the sector at the moment. One of those is VAT, and the ability to recover VAT costs, and another is Gift Aid where the current system isn't proportionate or delivering the kind of incentive to give to the sector that there should be.

In conclusion, despite what he described as a 'somewhat gloomy presentation', James said there are real opportunities for the sector as well. He said that he thought that the Big Society has some generally interesting and promising theoretical elements and it is the sector's responsibility and chance to influence how that will work. In terms of the cuts, he stressed again that there are big cuts coming, he said that its likely to be 25% and more in unprotected departments and likely to be more in the departments that provide funding to this sector, such as Communities and Local Government, the Cabinet Office and others. James said that he thought it was important for the sector to take the opportunity to make its case and demonstrate its value, not to assume that the sector should have money because of who it is, but funding and support should be available because of the difference the sector makes to people's lives in their communities every day.

■ The political landscape and the advice sector

Peter Lewis, Chief Executive of LVSC, began his talk by discussing the recent general and local elections. He outlined that while much of the country had turned Conservative, other than the urban areas, the situation in London was very different. London still has a majority of Labour MPs (38) and following astonishing results in the local elections a majority of Labour boroughs in London. On London Councils, 17 of the leaders are Labour. This leads to an interesting picture with David Cameron & Nick Clegg at the top, Boris Johnson as Mayor and Jules Pipe, the first elected Mayor of Hackney Council, as leader of London Councils.

He went on to discuss various changes that are taking place that are likely to impact on the sector including changes in the regional structures. In London, the London Development Agency is being abolished and the Homes and Communities Agency is probably going to the Mayor. The likely outcomes, of what he called the 'Big Squeeze' he said is likely to be an increase in marginalisation, an increase in unemployment, more stress and mental health issues and an increase in the demand for services.

The coalition has reiterated the previous government's commitment to ending child poverty but has also appointed Frank Field MP to look at what poverty really is. In London, LVSC are keen to ensure that child poverty remains on the agenda,

particularly as it is unclear how sustainable the future of the Child Poverty Commission is, and it will be working with partners to try and do that.

Peter said that he thought there were some positives in the things that the government is talking about. There are some positive things relating to flexible working that may be helpful to the people that the sector works with. Although some of it is not particularly thought through. He said they are talking about internships for underrepresented groups in Whitehall, but he said that we know that underrepresented groups are actually in need of paid work so if you want to get underrepresented groups in to Whitehall you need to pay them properly and not offer them internships.

He said that the big issue for the sector in relation to climate change is the government's ambitious target to reduce carbon emissions by 10%. He added that the thought they were going to want to pass those responsibilities down and so organisations that aren't doing anything at the moment to reduce their carbon emissions need to think about what they are going to do. These are likely to come in as part of government and local authority contracting and they will want to pass that responsibility down the chain.

In relation to health inequality, Peter said that London now has a health inequality strategy. A national strategy has been expected but it hasn't arrived. The coalition programme does have a commitment to give communities greater control over budgets and about accessing health care and about individual behaviour rather than dealing with some of the things that all the evidence shows impacts on health inequality, such as housing status, employment status etc. He said that there was a disappointment that this has not made it on to the national programme.

One thing of interest in the programme, particularly for the advice sector, is that with a 100,000 people petition you can get a debate in Parliament. He said that this is something that the sector as a whole really needs to think about. The advice sector across the country should be able to get together 100,000 signatures and then get a debate about the advice sector in Parliament.

Peter went on to say that the abolition of Local Area Agreements is affecting a number of the organisations that LVSC works with and this may be an issue for the advice sector. Many organisations had invested money in order to get reward money from the government. As the targets have now been abolished there will be no reward money. So organisations that have invested funds are not going to get the money they expected in the future.

On the Big Society, he said that Cameron is talking about it as his legacy and he is making every government department have a minister that is responsible for it. They are talking about 'community organisers' who may well come from organisations in the sector who have people doing things that come into the remit of community organising. However, exactly what it means is still very unclear. He said that

discussions that LVSC had had with the Office of Civil Society suggests that they are also still unsure what community organising means or what the outcomes their politicians want from community organisers.

Peter said that the cynical view of the Big Society is that it's just about cost cutting and getting volunteers to deliver public services. Based on a response given by Oliver Letwin at an ACEVO meeting, Peter said that the idea was that cutting back the state so far would, in around 5 years time, result in philanthropy kicking in and people then either start to volunteer or pay for things to happen to address the issues. He said, that the cynics would say that Thatcher tried that and the Mayor has tried that with the Mayor's Fund, he was expecting to get £20 million out of the City, and it hasn't worked. There is generally a lot of cynicism around about whether this will work at all.

The optimist's view is that the Big Society is a 'love letter' to the sector. The sector has been consulted widely - lots of roundtables and lots of discussions. Unfortunately, he said that despite all that engagement the government didn't quite get it. He added that while the Big Society document shows a commitment to work with the sector the reality is that they don't quite know how to do it. Peter emphasised the need for the sector to talk to government and to show them what they really should be doing to build on their promises and ideas about the Big Society. He said that LVSC is bringing together CVSs, settlements and London citizens to ask them about community organisers, to find out what it means to them and to find out what they would do if they were running a community organiser programme, so that they can then put that proposal back to the government. He said that it was important to approach the coalition with solutions and to try and address the issues they are struggling with rather than being negative.

Peter said that LVSC are pushing the message to the coalition not to reinvent the wheel and stressing that they should build on what is already there. He added that many organisations are already doing many of the things outlined in the Big Society and this should be built on. He said that the sector is flexible and the government needs to be in dialogue to work out the best approach and how to do things.

Peter said that LVSC thinks it is important that the government remembers that London is different and that it is important to have some services that work across London and that some of the advice sector services in particular make sense to operate London-wide. London Councils is currently discussing the repatriation of funds, from the London Borough Grants Programme, back to individual boroughs. There are concerns that this will lead to cuts in funding as boroughs may not reinvest the money back in to the sector at a borough level. However, there may be an opportunity for the sector to influence what is happening here. He said that the sector may be able to do this with the new Labour administration at London Councils particularly if it can provide evidence about what should be delivered locally and what should be delivered sub-regionally or regionally.

Peter said that public spending cuts are inevitable and will be severe. London councils are expecting cuts of £355 million this year, £169 million at local authority level. The issue is that those cuts shouldn't be hitting those people who are already struggling the most and those who are already marginalised. He added that the danger with the 'more for less' argument is that the cuts will affect most those who already have the least. Again, he stressed the need for there to be a dialogue between the government and the sector to discuss the cuts.

Peter finished off by saying that the big question to ask is whether it is fair, and added that the coalition government has made a big play on it being fair. George Osborne, announcing the Budget, said it was the richest paying and that the vulnerable were being protected. Peter mentioned data from the Institute of Fiscal studies, on the Guardian website, showing how they think the cuts have impacted on people, particularly in relation to their income level. This shows that previous government cuts were hitting those who had more money, mainly around tax rises, and what the current Budget has done is hit those who have the least.

5. Workshop summaries

The following provide basic information on each of the conference workshops. More detailed information on each of the workshops is available in the report appendices.

■ **Managing demand and change through innovation**

The workshop was chaired by Andy Gregg of Lasa and involved Margie Butler of the Mary Ward Legal Centre and Michael Ashe of South West London Law Centre discussing their experiences of working as Chief Executive and Director of their respective organisations in response to questions from those attending the workshop.

Margie and Michael discussed the challenges they had faced in their jobs, this included working under the LSC's contracting system and particularly the introduction of fixed fees. Margie highlighted some of the ways that senior managers could engage with staff and Michael discussed how SWLLC had dealt with a serious financial crisis.

■ **Volunteer development and management**

Julia Dennis, Volunteering Development Manager at Citizens Advice led this session that considered the positives and negatives of using volunteers in delivering advice services and identified some top tips for using volunteers.

The workshop considered some of the positive and negative points of using volunteers and highlighted some of the issues people faced when working with volunteers before outlining a number of top tips for working with volunteers that included keeping in mind the benefits volunteers bring; setting expectations from the start, creating policies in case things go wrong; making sure there is effective communication and not to underestimate the costs.

■ **The 3Rs - Recruitment and retention of roles**

Annie Clarke, Workforce Development and Training Project Manager at AdviceUK led this workshop that explored the issues of recruitment and retention for advice agencies in the current climate. The workshop set out the key principles for recruiting the right person to the right role; examined how organisations can improve their retention rates and considered different ways to identify development needs.

■ **Legal Services Commission: Developments and Financial Stewardship**

This session was led by Emma Archer, Relationship Manager - Birmingham and Joint Not for Profit National Lead and Diane Hayward, Relationship Manager - Cambridge at the Legal Services Commission and chaired by Noeleen Adams, Director of Development and Support at Law Centres Federation.

The main focus of the session was to provide agencies with information on the financial stewardship visits being carried out by the Legal Services Commission (LSC). The visits had been set in motion following the National Audit Office's (NAO) report that led to the LSC's accounts being qualified and NAO concerns over the accuracy of providers' bills and the LSC's control of the legal aid fund that had resulted in an overclaim of around £25 million.

■ **The critical relationship: Chair, Trustees and Chief Executive**

The workshop considered the differences in the roles of Trustees and the Chief Executive, how the roles are separated and what could be the likely cause of any difficulties. The workshop was led by Wesley Harcourt, London Manager at AdviceUK and Jennifer Ball, Training and Conference Co-ordinator at Law Centres Federation.

The workshop considered the differences in the roles of the chair and the trustees and the chief executive and staff team, with those attending the workshop discussing the roles and highlighting potential difficulties that might arise between the relationships and how these could be improved.

■ **Employment law update**

Victoria Cook, Principle Employment Adviser at Bates Wells & Braithwaite Solicitors presented an update of recent changes in employment law. Victoria provided a general case law update as well as some important cases in various areas of discrimination and an update on the Equality Act.

■ **Accreditation and sector qualifications for advisers and fundraising for training**

Rachel Allan, Workforce Development Consultant and Kerry Herbert, Vocational Training and Assessment Worker, AdviceUK led a session that looked at ideas for developing staff in the advice sector. The session provided Help & Support from others that have had success in their own centres.

The group reviewed and discussed the terminology used - coaching; action learning; shadowing; skills sharing; qualifications; training; mentoring and considered the most and least commonly used activities within the sector. The group also looked at ways of using current internal experience, what might be available either cheaply or free and what is important for effective applications for getting funding for training and development; as well as considering potential sources of funding and what tools and resources currently exist.

■ **The changing rules of the game: regulatory change for legal advice**

Fran Gillon, Director of Regulatory Practice at the Legal Services Board led a session on the regulatory change affecting legal advice. The workshop was chaired by Noeleen Adams, Director of Development & Support at Law Centres Federation.

The Legal Services Act 2007 set up the Legal Services Board to oversee regulation of approved regulators of legal advice, e.g. the Law Society. The workshop discussed the changes and implications. The Act also defines six reserved legal activities, establishes a consumer panel and an office for legal complaints. The latter is a new independent ombudsman service for complaints against lawyers commencing on 6 October 2010.

6. Supporting the advice sector - funding for advice services in London

This session featured speakers from three key organisations involved with funding the advice sector in London providing a review of advice funding programmes. The speakers were:

- Gaynor Humphreys, Executive Director, London Funders
- Mubin Haq, Director of Policy & Grants, Trust for London (formerly City Parochial Foundation)
- Sasan Abtahi, Principal Grants Director, London Councils

■ London Funders

Gaynor opened the session by talking about an example of someone involved in commissioning support for the London NHS trying to persuade health service commissioners that funding debt advice will reduce their mental health bills. This was alongside some interesting material from the Royal College of Psychiatry about the interrelationship between debt and mental health problems. Gaynor said that it had given her great heart to see the way that he had gone about trying to tackle an issue by looking at the root cause.

Unfortunately, Gaynor said, there was little else optimistic that she was able to say. She explained that London Funders worked with around 100 funders in London, ranging from the boroughs and the Lottery distributors, charitable foundations and some corporates. She said that London Funders is the funders' association, it is their space to learn together, think together and to get to know each other so they can get up to speed on issues and do some collaborative work. In general it is about trying to strengthen them as funders and in turn to strengthen the voluntary and community sector in London.

Gaynor said she wasn't sure that she was aware of a time when the funding world was so challenged and uncertain as it is at the moment. In early 2009, London Funders brought funders together to look at the impact of the recession. At that stage the foundations were fearful of what was going to happen to them. Their asset values were being drastically eroded and they knew there was going to be a time, not too far away, when their grants budgets were going to be cut dramatically. The public sector knew that cuts were coming but had no conception of the scale that they are now facing.

It's interesting now that there has been turnaround, for most of the foundations the markets have recovered sufficiently for them not to be too apprehensive now about the immediate future and many of them are holding their grants budgets quite close to

what they have been. Although there are a few dramatic exceptions, it is better than they originally feared. They do, however, realise that they will be facing increasing demand as a result of the public sector cuts.

Lottery distributors have been a different case again because as people buy Lottery tickets in a recession they actually had more money than they were anticipating and last year considerably fewer applications.

From February 2009 until the election, London Funders was working with funders to help them understand the differential impact of the recession on them and their resources. This was so that they could share ideas about 'intelligent cuts' in order to help people understand that if you have to entrench you can do it in a way that is least damaging to the voluntary and community sector.

Gaynor went on to say that they had been looking, with funders, at the impact of the recession on London communities and the demand on voluntary and community organisations, with a special emphasis on the pressures on the advice sector. This came about particularly as a result of discussions on the pressures on debt advice. As a result London Funders encouraged funders to get involved in the London Debt Summit and to keep up to speed with a number of issues now being brought up by the London Debt Strategy Group.

London Funders has tried to find out what members are regarding as priorities. A survey of funders was carried out just before the election. Many of the boroughs that responded saw the advice sector has a particularly high priority. But, she said, that with the coming public sector cuts the charitable funders are likely to become inundated with requests for funding.

Gaynor said that she finds that more and more it is those organisations, wherever they are in the sector, that can show that they are 'better and smarter' than others and can show they are better and smarter than they were themselves last year, that can make the case with a combination of statistics and stories of case studies, that doesn't just show the intrinsic value of what they do, but can also show how their work will relieve other services and budgets, that are more likely to receive funding. It is important, she said, for organisations to show how they are working with other organisations, how they are creating efficiencies, how they are sweating their assets, how organisations are sinking their differences in order to combine and enhance effort.

Gaynor said she wanted to remind the sector that funders are very challenged at the moment and are thinking about how they can be most effective in supporting the sector. She said that in some boroughs she was aware that Financial Directors were pulling back on public spending even more than they were expected to do.

As a result of the cuts she said that it is important for the sector not to wait to be told what to cut but for organisations in the sector to see what they could do for

themselves and maybe by retrenching more organisations might find that the situation is not quite as bad as feared.

Gaynor summed up by saying that funders are finding that the sands are shifting and they, both individually and collectively, are trying to find out how best to support organisations. She said that that she thought those organisations that were going to survive and thrive are those that kept abreast of the changes that are under way from government and can make their business case very powerfully and show how adaptive they are. She encouraged the sector to 'scour wide horizon' to look for possible sources of funding and certainly try to influence the commissioning agenda, particularly at a local level and not wait to see what can be pitched for.

She said that it is important for organisations to keep in touch with funders and feedback, not just when they are being asked to, to tell funders what the outcomes and impact of their work is and keep funders informed if there are setbacks and challenges. Keeping funders informed she said would pay off.

Gaynor said she was very keen to feed back to funders in London the messages that she hears from voluntary and community organisations so that not only are organisations feeding back to individual funders but that funders hear collectively what is being said.

■ Trust for London

Mubin started by saying that he wasn't sure that we were all in this together. He said he wanted to talk briefly about what Trust for London did and then speak about some of the challenges that exist at the moment in terms of the advice sector.

He explained that Trust for London and City Parochial Foundation had come together the day before the conference and were now known as Trust for London. He added that it didn't mean they had had a credit squeeze. They still had the same amount of money, they still have the same staff, the same trustees and the same offices. The change came about to try and make it less confusing for organisations applying to them. They previously had two websites, two sets of funding guidelines etc. He said they also felt they needed a name that better reflected what they did, so they thought Trust for London sounded better than City Parochial.

He said that they had broadened their mission slightly to announce tackling poverty and inequality and one of the things they are really concerned about is incoming inequality in the capital. He said that the top 10% of Londoners have wealth that is 273 times more than those in the bottom 10%. He said that if we want to tackle poverty then it is also necessary to tackle inequality otherwise things are unlikely to change.

He said that Trust for London was a social justice funder. The Trust wants to get some sort of structural change, they aren't just interested in papering over the cracks but with around £6 million it can only do a limited amount. He said that the Trust tries to

get strategic change as well as funding frontline work and will continue to do a mix of the two.

The Trust has a long history of funding the advice sector, for example North Kensington Law Centre recently celebrated its 40th anniversary and the Trust was one of its first funders 40 years ago and has also provided funding this year.

Mubin talked through the different types of work that the Trust was involved in. These included -

- **Employment law** - this is something the Trust is very keen on - in its last funding round it funded 3 Law Centres to do employment law because the Trust feels lots of people have been exploited and people don't know about their rights and it is one of those areas of law where there is huge demand;
- **Immigration** - mainly specialist immigration advice and the Trust will also consider funding specialist niche work;
- **Social policy** - the Trust will fund work where social policy issues might arise through casework, particularly where agencies might want to work together, for example the Trust funded Wandsworth CAB to work with a number of CABs in south west London to feed through some of the policy issues happening there to the national body; and
- **Small grassroots organisations** - providing frontline advice, signposting etc., which were funded through the old Trust for London.

The Trust has updated its funding guidelines which are available from the website.

Mubin moved on to talk about the advice sector and mentioned the Lord Chancellor's speech that had talked about legal advice. The Lord Chancellor had said that the amount of money spent on legal advice in England & Wales is the highest in the world. In 2007, in England & Wales, £37 was spent per head of population on legal aid, in France it is £3 and in Sweden it is £1. Mubin said he wasn't sure what the figures were based on but if those were the figures the government was using they looked fairly detrimental. The Lord Chancellor also said that 1% of criminal cases account for 50% of that spending. He said there was a need for more analysis on what that legal aid was being spent on so that when the sector needs to defend services, which is what it will have to do, there will be evidence available.

Mubin flagged up the recent situation regarding Refugee Migrant Justice as an indication of where things might be going. Although he said that he hoped that it was a very specific incident due to the centre's work on very specialist immigration cases that had led to specific cashflow issues. But it does highlight the issue of where the cashflow is going to come from. Advice agencies are increasingly in a position where their reserves are being diminished in order to deal with cashflow issues.

He also highlighted the move towards fewer contracts and stressed that the Commission was also under pressure to make cuts in order to administer their budgets more effectively. Therefore, if they can give it to fewer providers it means it costs them less to administer. It's cheaper to give it to five people than it is to give it to 2,000.

He said that what the Trust was trying to do from a funder's point of view was talk to the Ministry of Justice and the Legal Services Commission. The funders have been talking, led by the Baring Foundation, about these issues. A meeting is scheduled with the LSC Chief Executive to talk about issues as it is having a huge impact on funders, He explained that funders needed time to deal with any issues that came up. They had been contacted about Refugee Migrant Justice with too little time to help.

Mubin reiterated Gaynor's point that it was important to talk to funders if agencies were facing difficulties as soon as possible. So if things needed to be done in terms of rescue packages, then funders can do that as early as possible. He stressed that things couldn't be done in 24 hours but that things might be possible given time.

He said that the Big Society might be a 'silver-lining', although he also added that he wasn't quite sure what it actually means, however, how it is balanced with public sector cuts and how it involves people, that might make it work for the sector. Mubin said he didn't think that you could involve people if you were only giving five contracts on immigration for example, that just doesn't work. If you want to involve people you have to fund lots of organisations and it needs to be at a local level. He finished by saying that there was need for the sector to ask itself what its view of the Big Society was and what role there was for the sector in it.

■ London Councils

Sasan said that like the rest of the local government world London Councils was facing big threats and challenges. He went on to say that following the election results in London 17 of the 32 elected councils are now outright Labour authorities, one which is No Overall Control is effectively Labour, there are 11 Conservative authorities, two Liberal Democrat authorities and Redbridge which is No Overall Control but is likely to be effectively Conservative.

As a result the political complexion of London changed in terms of the composition of the individual boroughs but, Sasan asked, has that spelled a different approach for the future governance of pan-London arrangements including the governance and practical arrangements of the London Boroughs Grants Scheme? At this stage, Sasan said, that it wasn't possible to say. However, he did say that regardless of political colour the authorities are now facing a massive threat in terms of the spending review and the local government settlement, which is due to be announced in November 2010.

Sasan said that local government has been scared by various government departments, particularly Communities & Local Government, about the impending doom. Figures

have been touted of a 20-25% overall cut in their central government settlement. Obviously until it is announced in November it won't be known but people think that this is the scale of things to come.

He also said that people may think that this will result in equal cuts, of 20-25% across every service, but he added that unfortunately it is worse than that because certain services will have to continue as authorities have a statutory duty to provide them. There are things that local authorities have to deliver regardless of how little money they have because they would face a myriad of court challenges if they stopped doing certain things, for example mandatory education provision and some of the mandatory social services provision. This means that those services that do not have the protection of the law, including much of the spectrum of services provided by voluntary organisations, including much of legal advice provision, does not have that statutory protection and therefore may face further cuts.

Being realistic, Sasan said, things do look really awful out there in terms of the prospects. But at the same time there may be some positives and some silver linings. Speaking personally, Sasan said, the slow speed at which a lot of things happen in local government could have an impact on the 'alacrity with which cuts are going to be imposed'.

Sasan moved on to talk about what he thought might happen with London Councils funding. The new leader of London Councils has said in a speech that they want to repatriate a lot of the pan-London funding budget back to the boroughs. He said that there was an expression of an intention to take back some of the money from pan-London funding back to the boroughs for spending on voluntary sector provision. Although that commitment is not explicitly articulated it is implied that the repatriated money should be spent on voluntary sector provision in the boroughs. At the moment it is not a proposal to take money away from the advice provision or the domestic violence provision or the other raft of services funded through the London Boroughs Grants Scheme. The proposal is not to take a significant part of that funding to save the contribution of the boroughs, but it is to take it back to the boroughs for local commissioning.

Sasan said, that given the way things have gone in local government, there is a compelling argument - the localism agenda - that taking decision-making back to the grassroots, to as low a level as possible in terms of the hierarchy of governance, makes sense. From that perspective taking whatever they can back to the boroughs so that they can commission locally makes sense. But voluntary organisations are asking how London Councils can guarantee that the money will be spent on the sector. Sasan said there could be no guarantees. He added that this was the same for the pan-London spending, as it was a decision taken on a year on year basis. However, he did say that there is a 25-year funding tradition in place that people depend on for delivering services so that may help.

He also said that in the public sector a lot of decisions are not made on today's rationale but are made on what happened 30 years ago, where someone decided to do something in a different way and as a result that way then became cast in stone. In a way, he said, a lot of the processes and a lot of the funding streams are historical things. The view of how we ended up with £28 million for London Councils has been lost. But they have become part of the institutionalised setting in which everyone operates and on which everyone relies.

However, there is a threat, he said, to some of those funding streams in terms of what the authorities in London feel compelled they have to do. But, there are also some positives, as well as the speed at which things happen, the boroughs have not said 'we want our money now' or 'we want our money in April'. They have said, through the elected leaders of the London Councils structure that they want to be able to take a significant part of the money back for local distribution. A timescale for this hasn't been indicated. He said that for many of the organisations the funding arrangements are four-yearly and many of the legal advice stuff started in July or November 2008. As a result many organisations have at least an in principle agreement that as long as the money is available they will receive funding for those four years. Sasan said that this, therefore, leaves a large number of organisations with funding in place for the next two years. Although, he said it was possible that this could change, it is not expected to and that even if it did happen it would most likely take some time to implement.

He then went on to stress that those organisations currently funded by London Councils shouldn't lose heart because they may lose their funding in two years time but they should try and convince the decision-makers, the local boroughs that this grant scheme works. It is important, he said that the funding that is given to the voluntary sector brings value and the sector needs to give evidence of this. Sasan said that there is sometimes doubt amongst members as to the real value that they get from the sector because they don't see the work of a lot of the groups in their immediate area. Some of the groups funded to work across London may only have a handful of clients from their particular borough so members don't see the full value. London Councils officers do try to change views but it can be difficult to achieve this when they say they haven't heard of an organisation or its work and they are making significant funding contributions through the Grants Scheme.

Sasan concluded by stressing the importance of promoting the services that the sector delivers and that it is equally important to emphasise the financial value of what advice does and the money that it saves. Boroughs can think we fund these services and then they sue us so what is the point in that. The sector should be working to convince people that funding advice prevents people falling in to statutory provision that they have no choice to provide.

7. Closing remarks

Noeleen Adams of the Law Centres Federation closed the conference responding to some of the questions raised during the funding session. Noeleen clarified the funding situation with regard to Legal Aid, stating that the situation was difficult for the sector at the moment.

The figures that are quoted by the Ministry of Justice cover the whole of Legal Aid funding and that the biggest area of spend is Crime followed by Family Law. Of the £2 billion spent on Legal Aid about £200 million is spent on Social Welfare Law. In response to the issue of other countries spend on Legal Aid, Noeleen said that this is a mixed picture depending on which country is referred to. In France and Sweden there is no funding on Social Welfare Law but in other countries such as Australia and Canada funding is very similar to that in England & Wales.

Noeleen also spoke about the fact that 2010 is the 40th year of Law Centres providing legal advice with North Kensington Law Centre (NKLC) celebrating its 40th anniversary earlier this year. Noeleen said she had been to the celebration where Lord Gifford had spoken. As one of the founding members of NKLC he reminded people of the need to empower people and give them a voice. Noeleen added that people need advice centres more than ever and that this need is destined to grow, particularly in the short term. Lord Gifford had highlighted that 40 years ago many of the same laws were on the statute book but there were no lawyers or advisers providing Social Welfare Law services. She said that it is likely that due to the current environment more people than ever will need the sector's help.

Noeleen thanked everyone for attending the conference and also thanked Clifford Chance again for providing the venue.