

## **The Law Centres Network**

### **About us**

1. The Law Centres Network (LCN) is a specialist support charity and the national membership body for Law Centres. A Law Centre is a local not-for-profit law practice that targets its largely free services at those in greatest disadvantage in its community. Law Centres specialise in social welfare law, most commonly covering housing, welfare rights, employment rights, immigration and social care. There are over 40 Law Centres across England and Wales. This year, Law Centres celebrate 50 years of supporting their local communities and strengthening access to justice. As of 2018, for every £1 of public funding, Law Centres generate at least £9 in net economic benefit.<sup>1</sup>

### **Evidence**

2. We write to relate our experience of accessing the government's charity support scheme, to offer a recipient's perspective of the process and its impact and to inform the committee's consideration of the efficacy of its distribution.
3. Last April the Chancellor announced the government's charity support programme. As soon as it became clear that applications for support through this programme were expected to go through government departments, we have contacted our sponsoring department, the Ministry of Justice (MoJ), and asked for their assistance in supporting our request for government help.
4. Law Centres needed the support because the closure of courts and the first lockdown have had a direct impact on Law Centres' earned income from their civil legal aid contracts, a blow that we did not yet know how long it would last. What we did know, through assessing each Law Centre's financial and operational position, was that if it lasted for as long as six months, the precipitous income drop would have driven half of our member Law Centres to close. At the time, only business loans were on offer to companies and as charities this solution was inappropriate to our situation. We were also only able to make limited use of the newly announced furlough scheme, as most Law Centre lawyers work on both legal aid (contracted) work and grant-funded work and had to maintain required staff complements to keep services running.

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<sup>1</sup> Calculation based on acknowledged service unit costs undertaken by Social Finance, updating a 2013 analysis by accountants pwc.

5. MoJ had a direct interest in supporting Law Centres with grants-in-aid, because the potential harm in losing them would have damaged a public service at a time of crisis. 1 in 3 not-for-profit civil legal aid providers is a Law Centre. 1 in 5 providers of duty solicitor desks in the County Court, that work to prevent avoidable evictions, is a Law Centre. 1 in 3 Law Centres is also in a locality where, at least in one of the areas of law it covers, it is the only legal aid provider, meaning that losing it would render that locality a 'legal aid desert'. Law Centres also bring additionality to civil legal aid by offering allied services through other means that are no longer in scope of legal aid, such as with welfare or employment rights, thereby improving legal and wider outcomes. It was clear that the rigid framework of the Legal Aid Sentencing and Punishment of Offenders (LASPO) Act 2012 was inadequate for addressing systemic vulnerabilities exposed by the pandemic: it pays for work done and only once it is done and has no facility to retain providers (indeed, civil legal aid lost 55 providers in the pandemic so far).
6. At the time, we estimated that the pandemic would drive a marked increase in demand for legal aid and other Law Centre services. We knew that at the height of the global financial crisis (2008-2010) demand for Law Centre services increased by 30%, and they were better funded then and so better placed to meet the surge. The Covid-19 economic damage, however, was already more abrupt, severe and widespread, and Law Centres had been weakened over the past decade by successive policy changes and public funding cuts. What we could already see last April was an increase in demand for assistance that was not covered by legal aid, such as in employment law, that, if unmet, would increase the burden on public services like housing, social care, legal aid and the NHS.
7. On 4 May it was announced that the Law Centres Network was awarded £3m through the charity support scheme, for distribution among its member Law Centres. As defined by the general scheme rules, this support was intended to cover a period of six months and spent no later than the end of the 2020-21 financial year. To distribute the funds transparently, we have set up an internal bidding process in which Law Centres were required to set out the local need they wanted to address and the sum they needed for this. The decisions were made by a panel composed mostly of professionals such as managers from charitable foundations. Before any end grants were made, each Law Centre had to pass the Civil Service's due diligence checks as specified and carried out by MoJ.
8. 35 Law Centres have received grants ranging from £2,700 to £274,000. The funds distributed to Law Centres have enabled them to make service adaptations at pace in order to maintain regular services to disadvantaged people through the pandemic. This has included adaptations to Covid-19 safe practice, such as alterations to offices and spaces; costs of a rapid shift to remote working, such as laptops, phones and software subscriptions; costs of existing casework staff to enable them to offer vulnerable people free advice on matters in local demand but out of scope of legal aid; costs of employing new casework staff in practices seeing increased demand (e.g. employment law); and general organisation costs. In Liverpool, for example, a city badly hit by the pandemic, Vauxhall Law Centre has set up a dedicated service to help disadvantaged relatives with problems arising from their recent bereavement:

securing benefits, managing debt, meeting funeral costs, or succeeding their relatives in social housing.

9. Combined with some efficiencies enabled through the furlough scheme, the government grants-in-aid have been a real lifeline to Law Centres, enabling them to continue delivering their economic benefit and to focus not merely on survival but on preserving and enhancing a vital public service. The grants' monitoring and reporting structure has also enabled LCN to monitor the ongoing financial situation of Law Centres and to better anticipate further adverse turns and prepare for them as best we can. Consequently, we can see that by June 2021, Law Centres will face another financial crisis should there be no further financial assistance to them. This is set to worsen in September, when the furlough scheme ends, increasing financial pressures for Law Centres and driving further legal need in their communities.
10. This line of government assistance was considered so helpful to the access to justice sector that, in its report last July, the House of Commons Justice Committee recommended that it be repeated with further rounds of grants-in-aid. The committee has even gone so far as to ask the Lord Chancellor to explain to it his reasons if he chose not to do so. Unfortunately, to date, the Lord Chancellor has neither announced further grant assistance from the MoJ budget nor written to set out his thinking.<sup>2</sup> We remain hopeful that more funds would be found to support frontline charities such as Law Centres on the nation's path to recovery. In the longer term, as Covid-19 is widely anticipated to not be the last pandemic the UK faces, we believe that the government should learn from this experience and address the systemic weaknesses in legal aid before they lead to more damage to access to justice.

## **April 2021**

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<sup>2</sup> House of Commons Justice Committee, *Coronavirus (COVID-19): the impact on the legal professions in England and Wales*, HC520 <https://publications.parliament.uk/pa/cm5801/cmselect/cmjust/520/52002.htm>, para. 39.