



A briefing note from The Ideas Mine

Social Enterprise in the Criminal Justice System

Although the term '*social entrepreneurship*' was only coined in the 1960s, the tradition of merging social and business objectives has a long history in this country dating back to the industrial revolution. Having fallen somewhat out of favour following the Second World War and the rise of the social welfare state, the popularity of social entrepreneurship began to grow again during the second half of the 1990s and really took off in the last decade as the Government encouraged not-for-profit organisations to enter the market as deliverers of community services.

In the summer of 2008, the Ministry of Justice published its Third Sector Strategy. Later that year it was followed by an action plan¹ to build on work to reduce barriers to the sector's role in reducing re-offending, protecting the public, achieving safer communities, and tackling social exclusion. The two documents set out the case for full inclusion of the third sector in the provision of services and highlight the role of social enterprises and the need for gender specific service delivery.

The case for social enterprise in reducing re-offending

The main advantage of social enterprises is that they bring a fresh approach to providing services and realistic work and training opportunities; can work across the different parts of the criminal justice system and provide 'through the gate' services for women prisoners; are used to working in partnership with other local providers; have access to socially excluded groups; and can offer real value for money.

Using local social enterprises as part of their supply chain can help prisons and probation services cut the costs of goods and services as most are run at a lower cost than commercial businesses. Therefore, even if the social enterprise is nothing more than a supplier, savings can be made. However, making best use of the potential of social enterprises means developing a closer working relationship with them.

For prisons, social enterprises offer opportunities relating to regimes, estates and catering. Social enterprises working within the prison can provide worthwhile and interesting occupations for inmates with vocational and enterprise training built in. For the estates and catering division, they can be a supplier of goods and services using the internal market of one (or a group of geographically linked establishments) to be commercially viable. Depending upon the model of social enterprise, both of these opportunities could be run, at the least, on a zero cost basis for the prisons. At the best, they can make a profit which could be recycled to provide other relevant services.

¹ Working with the Third Sector to Reduce Re-offending – securing effective partnerships 2008-2011: Annual Progress Review, 2010, MoJ

Prison and probation services can also make use of social enterprises with experience of delivering to socially excluded clients. Providing relevant services that meet client needs and, equally importantly, are trusted, is a challenge for everyone working in the criminal justice system. Social enterprises are adept at both, and are therefore well placed to deliver services (for example education and training courses, employment readiness training and support for lifestyle changes such as tackling addiction and dealing with domestic violence).

The social enterprise model is particularly effective where such organisations are able to offer volunteering places or employment to ex-offenders, who then bring their knowledge and experience to improve the service delivery and act as role models or new clients. The Ministry of Justice's own research² suggests that traditional modes of provision for employment and vocational training need to be reviewed:

"The only evidence on employment and vocational training was negative, and suggested that current modes of training and employment were not appropriate." (p. 25)

Independent research also suggests that traditional forms of employment training could be improved with greater emphasis on enterprise training to encourage new attitudes to employment and self-employment³. Social enterprises, by their very nature, are better positioned to bring a different, more realistic approach to vocational, employability and enterprise training than traditional providers (such as colleges).

Real financial benefit for the budget of NOMS could be realised with the increased provision of services in the community to offenders as an alternative to custody and to those at risk of offending to divert them from offending. For example, while the cost of a prison place is £42,000 per year⁴, the unit costs of the Liverpool Together Women Project in the first year were around £1,900 per woman⁵. The Social Exclusion Task Force has estimated that early intervention by community-based services would have saved the public purse over £122,000 in a case study of one female offender²⁹.

Most offenders have multiple problems, so an effective response is likely to require the involvement of a range of voluntary and public sector organisations within their own communities⁶. Planning and integration of those services must also happen at local level and increasingly local authorities are taking the responsibility for social inclusion of many excluded groups including ex-offenders⁷. While many social enterprises are ideally placed to provide services inside a prison **and** in the community, they normally work in small geographic areas and therefore may not be able to provide joined up services for offenders who are in custody at a considerable distance from their home. It is crucial therefore that social enterprises work with local authorities and in partnership with other similar organisations to ensure continuity of support to prisoners on release.

² Lart, R., et al (2008) *Interventions aimed at reducing re-offending in female offenders: a rapid evidence assessment (REA)*, Ministry of Justice Research Series 8/08

³ Eley, S., (2007) 'Job Searching with A History of Drugs and Crime', *Howard Journal of Criminal Justice*, 46(2), pp. 162-175

⁴ *Short Study on Women Offenders* (2009) Social Exclusion Task Force and MoJ

⁵ Justice Minister Maria Eagle's speech about the achievements of the Together Women Project at a conference in Liverpool, 2008, <http://www.cjp.org.uk/news/archive/the-together-women-project-17-09-2008/>

⁶ Gelsthorpe, L., Sharpe, G. and Roberts, J. (2007) *Provision for women offenders in the community*, Fawcett Society

⁷ *Neighbourhood by Neighbourhood*, 2006, The Coalition on Social and Criminal Justice

Key learning points

Risk

By definition, the prison system is risk averse; it has important responsibilities in relation to public safety and security, and this is reflected in everything that it does. By definition, social enterprise is comfortable with risk: it is the essence of enterprise, and informs everything that it does. If the two are to work together, ways must be found to achieve common ground.

The Acumen pilot at HMP Low Newton was an opportunity to explore ways in which this common ground could be defined. Limited progress was made, and was predicated on Acumen relinquishing two of the most important elements of its model: selling produce from the activity, and offering accommodation to offenders on release.

Trust

As with any relationship, a precondition of success is trust. Perhaps because of their different cultural starting points, and because the bid was written without the opportunity for detailed discussion, the level of trust between Acumen and the prison was not high at the outset. The Service Level Agreement was symptomatic: highly prescriptive, it defined the basis for the relationship in detail. A complex document, it took staff time and effort from both Acumen and the prison to draft, and was not finalised until the project was well underway, by which stage the basis for the working relationship had already evolved.

The appetite for innovation

The idea of introducing social enterprise into the prison system is appealing to its advocates: they can see the connection with reducing re-offending. However, for others innovation of this kind is too risky, and contrary to the cultural frame of the prison system. For some who have explored the possibilities, the task is too difficult and they have given up trying.

Timescale

Entrepreneurs are accustomed to responding quickly to opportunities, and because they rarely operate within a strictly regulated regime, can do so with the minimum of consultation. The prison system, on the other hand, is highly regulated and it is more difficult to respond quickly to opportunities which fall outside their core activities.

Priorities for the future

- Gather evidence to assess the impact of existing services delivered by social enterprises in relation to the contribution they make to NOMS performance indicators, value for money and social value
- Develop an action learning network for social enterprises working in the CJS and prisons and probation services who are, or wish to, work with social enterprises
- Develop a consensual social enterprise policy and strategy for NOMS
- Provide developmental support for regional NOMS teams in commissioning social enterprises

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