

## **Housing renovation, support and accommodation social enterprises for ex-offenders**

This paper outlines a range of housing renovation, new build, support and accommodation and related social enterprises employing offenders and ex-offenders which are currently running or developing in the UK. It presents financial and operational options based on these case studies but is by no means an exhaustive list of social enterprises in this sector.

### **[The Together Group](#)**

The Together Group currently operates businesses in Bristol (established in 2011) and the Midlands (established in 2013) and Glasgow (established in 2015) offering job opportunities in construction for offenders.

The organisation purchases empty and sub-standard homes and works with social enterprise partners to provide mentoring and support whilst engaging ex-offenders in the repair, refurbishment and restoration of the properties concerned. The organisation also works in partnership with local authorities and other organisations - including charities - on co-development projects.

Once properties are fully restored they are then sold and the original capital, plus any profits, re-invested back into the business to finance further property purchases and further job creation.

Offenders are provided with training and are offered paid work within the business and given the support required to secure ongoing employment in the sector.

During its initial three to four years of operation the organisation has created jobs for around 150 offenders.

Reoffending rates amongst offenders employed are running at close to zero.

### **Bristol Together**

Bristol Together CIC was the founder member of the Together Social Business Group. It launched in October 2011 and its aim is to create full-time jobs for long-term unemployed people and ex-offenders in particular. It does this by buying empty properties, and working with other social enterprise partners ([Aspire Bristol](#) and [The Restore Trust](#)) to employ ex-offenders in all aspects of the repair, refurbishment and restoration. Once the properties

are fully restored they are then sold, and the original capital, plus any profits, reinvested back into the business to finance further property purchases, and further job creation.

Bristol Together is a Community Interest Company limited by shares which started in October 2011 after raising £600,000 in investment capital. The initial capital was raised through a bond issue but which was pre-subscribed by The Esmée Fairbairn Foundation and a wealthy individual. It then raised a further £1 million in May 2012 to complete its first Social Impact Bond. [Triodos Bank](#) provided Corporate Finance advice. Both the bond issues are 5-year issues.

Since its launch in 2011 Bristol Together has created employment for over 60 ex-offenders, and achieved a near-zero percentage reoffending rate.

### [Midlands Together](#)

Midlands Together is a sister company (CIC) which has raised £3m through a Social Investment Bond issue targeted at socially minded investors. The company estimates that this level of finance will enable it to buy and refurbish approximately 15 properties per annum over the course of the 5-year bond. It will also provide employment/training and support to upwards of 150 ex-offenders. Midlands Together CIC has recruited a CEO: Richard Nicol, who has a background in the private sector, housing and in social enterprise.

The bond issue is split into A and B shares. The A shares relate to property investment and renovation while the B shares relate to rehabilitation activities (wages, training and mentoring). Community Investment Tax Relief was available on the B shares only.

Midlands Together has recruited several social enterprises to work in partnership with them on the project. These are:

- [Jericho Foundation](#)
- Reconstruction
- [Inspired Steps](#)

Again, Triodos Bank has assisted with the bond issue.

Since its launch in 2013 Midlands Together has successfully completed a series of projects creating almost 20 jobs, nobody has re-offended.

### [Glasgow Together](#)

Glasgow Together is a Community Interest Company (CIC) that exists to create full-time, living wage jobs for ex-offenders in the construction space, as well as meaningful work experience for current offenders within the prison environment. It successfully raised £2m in a bond issue with help from Triodos Bank. The Company's belief is that employment is key to offender rehabilitation: ultimately, recognising their future potential, not their past, is paramount to helping these men and women regain control over their lives.

This is achieved through a commercially sustainable business model which involves:

- Building new affordable homes: acquiring high quality land plots and constructing timber framed housing for sale to the private market and social enterprises such as housing associations; and
- Refurbishing empty homes: buying, refurbishing and restoring empty or sub-standard residential properties prior to sale.

On all projects, both new build activity and renovations, ex-offenders are employed on-site in the construction works – this mirrors the social delivery model applied by Glasgow Together’s sister operations in Bristol and the Midlands. For new build projects, current offenders on custodial sentences – and also some on non-custodial Community Payback Orders – gain precious work experience through involvement in the workshop or prison-based prefabrication of timber structures (e.g. timber kit/roof trusses) used by Glasgow Together. This experience equips those offenders with the confidence and skills for ongoing employment, potentially with Glasgow Together, on release.

Once the properties are constructed, or fully restored, they are then sold and the original capital, plus any profits, re-invested back into the business to finance further land and property purchases and further job creation.

Glasgow Together has secured planning permission for a new build site and is currently working on another 4 properties in Pollockshields Conservation Area, Victoria Park, Montgomerie Road and Bellevue Road.

### [Green Pastures](#)

Green Pastures is a national Christian social enterprise that exists to provide homes for the homeless and those in most need (including offenders and ex-offenders). Green Pastures partners with some 35 like-minded organisations to house over 450 homeless/vulnerable people. Partners are organisations that have approached Green Pastures with a desire to help house the homeless in their area. A map of partner organisations is available [here](#). Some are church based but not all. Most of the partners at the current time are based in the North of England. Each partner agrees to house and care for homeless people in their locality in properties identified by the partner and purchased by Green Pastures. They have additionally worked with NW Prisons to house prisoners likely to be homeless on release.

In November 2010, Green Pastures formed Green Pastures Community Benefit Society Ltd. This has exempt charity status. It is an associated company of the Green Pastures Group: Green Pastures North West Ltd, Green Pastures South Ltd, Green Pastures East Midlands Ltd and Green Pastures Partnership.

Rather than using community shares (equity), they decided to issue loan stock to investors. The minimum investment is £1,000 with a choice of fixed terms. Investors can choose a fixed interest rate on their investment of between 0% and 5% gross.

The GP financial model is based on 30% of its purchasing capital coming from Loan Stock and 70% coming from mortgages. At present on average, it costs in total approximately £33,000 to purchase a home for one person, so an investor buying £10,000 of loan stock provides a home for one person. If investors choose an interest rate lower than 5%, the forgone interest acts as a surplus within the model. This surplus is used to assist the growth of Green Pastures towards the goal of eradicating homelessness. GP decides whether to take out mortgages dependant on funds and terms available therefore house purchases may sometimes utilise loan stock funds only.

Annual rental income is assumed to be 9% of the total outlay at 85% occupancy. A breakdown is available in the winter 2013 GP financial information for investment.

Mortgages are secured whereas loan stock is not. This allows Green Pastures to secure mortgages at 70% of the purchase price.

Green Pastures has become very adept at raising funds through loan stock:

<b>2013</b>	<b>SUBSCRIPTIONS</b>	<b>TOTAL AMOUNT</b>
November.....	12.....	£302,000
October.....	33.....	£405,000
September.....	18.....	£318,082
August.....	27.....	£392,000
July.....	16.....	£185,500
June.....	19.....	£283,000
May.....	22.....	£364,000
April.....	20.....	£196,200
March.....	17.....	£178,200
February.....	27.....	£211,000
January.....	17.....	£121,715

In 2015 and 2016, investment totalled £6.25m and in 2017, investment in loan stock is running at £3.5 at the end of August.

### [Progressive Lifestyles Solutions CIC](#)

Progressive Lifestyle Solutions CIC describes itself as a Not for Profit social enterprise offering safe, secure accommodation and floating support to adult males at risk of homelessness (including ex-offenders) in the Liverpool area. It has secured Empty Homes Funding for capital purchases and renovation. PLS also has a small Awards for All grant and agreements with Job Centre Plus, NACRO and others.

Progressive Lifestyle Solutions CIC (PLS) secured £491,000 from the Empty Homes Community Grants to bring 10 homes back into use. Paul Martin (Director) holds that the average cost of a house is approximately £30,000 and renovation is undertaken using a contractor known to PLS and volunteer labour (i.e. homeless people). The volunteer gains skills and training AND the opportunity to take on a renovated property for less than the market rent. So, the 'sweat equity' keeps the costs down and that is 'repaid' through a discounted rent.

### [Osco Homes Ltd](#)

Osco Homes Ltd is a social enterprise and wholly owned subsidiary of Procure Plus Holdings Limited, set up to bring in a new, fairer way of developing homes. With a wealth of industry experience in the board of Directors and senior management team, it seeks to provide the market with houses at a cost directly related to the build cost, not the market opportunity and benefit the economy by directly employing and training locally.

Procure Plus is a member of the [Re:Allies Partnership](#), a strategic collaboration of housing consortia that aims to be recognised as the first choice in housing procurement. It is known for delivering genuine social and commercial value to housing providers, communities and the local economy which that is achieved through effective and efficient procurement, combined with strategic cost and contract management. The membership currently consists of Procure Plus (PP), Efficiency North (EN) and the Central Housing Investment Consortium (CHIC) – a Midlands-based consortium of housing associations.

In 2016 OSCO Homes built eight new bungalows for Together Housing (<https://www.togetherhousing.co.uk/> (no relation to Bristol Together or the Together Social Business Group))

The components for the homes were built in a factory based at HMP Hindley and then assembled on-site by ex-offenders employed by OSCO Homes. The partnership meant that

the homes were built quickly and build prices kept lower than a traditional construction approach. The development took around six months to complete, around one-third faster than a traditional construction programme.

The initial target is for Osco Homes to build two homes a week, and within three years reach output of 1,000 homes a year.

Osco Homes recruited eight prisoners to start and is due to increase with production to around 24. All the prisoners were in the final year of their sentence at Hindley and were trained to build external walls, floor and ceiling cassettes. All prisoners selected to work in the factory had undertaken construction training in plastering, joinery, kitchen bathroom fitting, provided by NOVUS, the Offender Learning social enterprise wholly owned by the Manchester College. The factory and prisoners were supervised, with further training in assembly production skills, installation of windows, doors and final finishing by prison service instructional staff. Each prisoner was paid a salary for their work by Osco – over and above what they would usually receive from the prison – that was held in trust until after their release.

“As well as providing a way to help tackle the housing crisis, Osco Homes was also set up to ensure that when new houses are built, there’s a more tangible benefit to the wider community and economy. One of the ways we’ll do this is through partnering with local prisons like Hindley, and providing education to prisoners.

“One of the hardest things for former prisoners to do on release is find work. By training them with key construction and manufacturing skills, we’re helping prisoners to take an important step in the rehabilitation process. Through the programme, offenders will have a better chance of reintegrating with society and the opportunity to enter a career in a growing sector. By having a guaranteed, secure, sustainable job it significantly reduces their chances of reoffending.”

Mike Brogan, chief executive of Procure Plus.

### [Vanburgh Construction](#)

Vanbrugh Construction is a Wolverhampton-based social enterprise specialising in the production, supply and erection of steel framed modular homes and units. The Vanbrugh Modular Housing System (VMHS) is constructed by assembling pre-manufactured steel framed panels which are bolted together. These innovative wall panels can compete with the traditional methods of construction as the building frame (2 storey) can be typically erected within a day, enabling the development to be completed very quickly.

Members of the Black Country Chamber of Commerce and Social Enterprise UK, they specialise in working with the community-led housing sector. Community-led housing is a way for local people to play a key role in solving housing problems, providing affordable homes that meet the needs of the people whilst building a strong community feeling.

Working with [Black Country Make CIC](#) they are building homes directly with the local community using locally unemployed and unskilled people striving for change, the majority of whom are ex-offenders.

They are currently also in talks with HMP Styal and Shelter about a women prisoner accommodation and employment initiative and recently won the Best Criminal Rehabilitation Initiative 2017 Award.

They have also been closely involved with the RSA's 'New Futures Network' Report, reviewing the support provided to prison governors in relation to offender employment, the recommendations of which are currently being reviewed by the Ministry of Justice Permanent Secretary's Office...

"...not only trying to bring awareness to our plight of building more affordable homes but also in the upskilling and employment of ex-offenders. Many employers are still putting up barriers to those with a criminal record. Vanbrugh Construction is not one of those. We have proven that by giving those who have limited skills, unemployed and those who have a criminal record an opportunity, motivation and help and support, we can make a difference. We can build homes. We can upskill. We can change lives".

Nicola Clayton-Mewis FRSA, Director of Developments, Vanbrugh Construction (Social Enterprise)

### [Clean Start](#)

The Clean Start programme in Trafford, Greater Manchester, is aimed at helping former prisoners rebuild their lives and find work.

Set up in 2011 the business is run by Trafford Housing Trust and Greater Manchester Police, who hire ex-offenders to clear out and repair empty properties owned by the Trust for re-letting.

Ex-prisoners work with the Trust for between six to nine months. There is then a structured progression route into mainstream employment with contractors from the ProcurePlus framework.

Since it began five years ago, 39 people have been through the programme, with 22 now in permanent employment.

The vast majority of participants have avoided reoffending.

The Trust has recently launched a linked furniture recycling scheme run by ex-offenders called the Rainbow Furniture Centre

### [Bounce Back](#)

Bounce Back – based in London - operates training centres within HMP Brixton and HMP Wandsworth and in the community, focusing on dry lining, painting and decorating and scaffolding, and offers job opportunities to offenders in painting and decorating and related building services through a separate, community-based social enterprise.

The business employs approximately 30 offenders at any one time.

The scheme works with private clients on residential and commercial properties as well as on major projects with large construction companies working on regeneration sites around London.

To date over 300 people have been through the organisation's training courses and/or been employed via the business with reoffending rates amongst offenders running at less than 12%.

Bounce Back is noted for its delivery of associated mutual or peer-led resettlement and rehabilitation services as well as the desistance-supporting employment in their social enterprise – delivering rehabilitation and resettlement in the context of a real job.

As CEO Fran Findlater puts it

"Success is measured in our Bounce Back 'community' of current and ex-participants who stay in touch, are now friends and help each other to get work and 'stay out'. Through the things we do and the places we appear, we want people to see people from prison 'in a different light'."

### Social Cooperatives

The Bounce Back approach to developing a community of current and ex-participants who help and support each other to get work and stay out is exactly what the 'Social Cooperatives' in the Italian and other European jurisdictions aim to do. They differ from the Bounce Back 'community' only in the sense that they are formally structured as cooperatives.

Social Cooperatives are about offenders and criminal justice professionals working together to set up and run commercial social enterprises which provide:

1. Real paid employment for their prisoner members in custody, on ROTL and on final release.
2. Rehabilitation and resettlement support for their prisoner members in prison and on final release.

They effectively act as an offender co-run rehabilitation and resettlement agencies providing real paid employment for their prisoner and ex-prisoner members.

The main spheres of action for Italian cooperatives are construction, transport, business services, social services and health care and there are many other examples of construction-related cooperatives in the Criminal Justice system across the world.

One notable example set up by the International Labour Organisation is the Mekelle Prison Project in Ethiopia. Through this project prisoners are provided with education, skills training and opportunities to access finance and engage in economically useful activities. This has resulted in the creation of 31 active cooperatives that run successful businesses providing decent work, mainly construction-related for prison inmates and released prisoners.

#### [The Oswin Project](#)

While not a social enterprise as such, the Oswin Project has adopted elements of the Bounce Back and supportive community approach and supports ex-offenders in North East England, by sourcing paid employment and apprenticeship opportunities in the construction and hospitality industries.

To ensure that clients receive the maximum benefit from their placements the Oswin Project also supports its clients with mentoring and supervision, creating an 'Oswinners' community in the same way as the Bounce Back community enables current and former clients to help each other to get work and 'stay out'. It is envisaged that by the end of the client's apprenticeship period, which could be up to two years, they should have an excellent chance of securing long term employment.

#### [Emerging Futures](#)

Emerging Futures take a similar supportive community approach in their 'recovery communities' with offenders with drug and alcohol issues. Operating in Birmingham, Cheshire East, East Lancashire, Gloucestershire, Manchester, Warrington and West Sussex, they have developed 'Recovery Communities' in their premium 'Recovery Housing' where residents sign up to a programme of activities which includes any of the following – mutual

aid, structured daycare, one-to-one and/or group work activity, a commitment to meaningful activity or voluntary work.

This does not mean that people have to attend all of these options, but they do have to attend at least some and stay active. As they put it

“Recovery housing is more than just a house or somewhere to live, it is a home, a place of safety and security, a healthy living environment where people can grow, thrive and become responsible and productive members of the local community. Emerging Futures provide support tailored to the needs of each of our residents. This includes support from your own recovery coach as well as the wrap around support of our dedicated staff team. Crucially you also have the support of your peers who are experts by experience. Those who live in our recovery houses achieve a sense of pride, purpose, responsibility and accountability simply by being an active member of both the local recovery community and wider community activities”.

### [Giroscope](#)

Giroscope takes a more explicitly cooperative approach to building a desistance-supporting community around its ex-offender members and wider community membership.

It was conceived in the Mid-Eighties in Hull by a group of students and young unemployed people who decided to take direct action to resolve their own housing situation. Establishing a Workers’ Cooperative in 1986, Giroscope members purchased their first house using their Giro cheques for a deposit and set about redeveloping the property to provide accommodation for the unemployed.

They assisted and inspired other people to set up similar projects including a co-operative shop and a co-operative print workshop.

“Many people passed through our organisation including many volunteers gaining valuable work experience. A strong sense of community developed in the Co-op which is still present today”.

In 1995 Giroscope bought and renovated a dilapidated old stables and yard in the heart of West Hull to create the Arthur Street Social Enterprise Park. The building incorporated both solar thermal (hot water) and photovoltaic panel (generating electricity) technologies and provided space to over half a dozen small enterprises and community businesses. It was also to be the location of Giroscope’s HQ and office.

The ground floor has now been occupied by three ‘healthy eating’ businesses: an artisan bakery, an organic fruit and vegetable delivery service and a condiment manufacturer. The upper floor houses a classroom where English is taught to new arrivals to the UK by HEMCCF (Hull Ethnic Minorities Community Centre Foundation) and also provides office space for

several other social enterprises. Giroscope also owns a vegetarian café and a shop, which along with the Enterprise Park help to create and sustain jobs in the local community.

In 2007 they became a Registered Charity, by now owning over 40 residential properties and 9 business, retail and trading premises, and in 2009 they began working with HMP

Everthorpe, helping ex-offenders rehabilitate into society by providing them with volunteer/training opportunities and where necessary housing – introducing ex-offenders to their cooperative approach to community building and supporting their rehabilitation in the process.

Through to 2015 they renovated a total of 48 houses as a result of the DCLG Empty Homes Community Grants programme, effectively doubling the size of their housing stock and in 2013 purchased and began to renovate a disused workshop and yard space in order to develop a second Social Enterprise Park.

They continue to expand their volunteer programme significantly, by 2017 often having over 30 volunteers including ex-offenders working on site and in the office on a daily basis and having the opportunity to move on into employment in their associated social enterprises.

#### [East Midlands Home Cooperative](#)

East Midlands Homes Cooperative takes a similar cooperative approach to housing ex-offenders and offer them training and volunteer work experience in construction

It is helping ex-offenders in Nottinghamshire rebuild their lives by offering them affordable housing for rent.

The co-op has recently benefited from a £120,000 investment from the Affordable Homes Rental Fund – set up by Resonance, a company which connects social enterprises with investors. It used this to buy a three-bed property in Nottingham, which will provide supported accommodation in an area where housing costs have been increasing in recent years.

The East Midlands Homes Cooperative started in 2010 when four of the current members started volunteering. Officially incorporated in 2013, it now has 327 members across the UK, 46 of whom are active volunteers and 11 tenants in properties managed by the co-op.

Members of the co-op include various stakeholders, such as tenants, qualified builders, plumbers, electricians and other skilled labourers, who volunteer their time to the refurbishments and repairs required. They help maintain costs low by pooling skills and helping with the repair and refurbishment work. Together they have refurbished 11 homes, two of which are owned by the co-operative and nine of which are managed by it on behalf of landlords.

Osmond Okungbowa, the operations manager and a founding member at the co-operative, says: “The loan has enabled us to provide a decent shared affordable rental home for the young ex-offenders within our local community to rebuild their lives and reintegrate into their communities.”

### Jobs Friends Houses

JFH further illustrates the ‘community building’ approach to construction social enterprise as a means of supporting desistance and reducing reoffending – a ‘Working Recovery Community’ or ‘Working desistance Community’.

Jobs, Friends and Houses (JFH) was set up as a Social Enterprise by Lancashire Constabulary who seconded an experienced police sergeant to run the organisation in partnership with a well-known member of the local recovery community who had done considerable work supporting recovery in the two local prisons (Preston and Kirkham).

The rationale for JFH is the same as all social enterprises described in this Paper - that it is a business that aims to operate at a profit but whose goals are to provide training and employment to two socially excluded groups (those coming out of prison and those with substance problems). It was very successful in its social aims but ultimately failed to make a profit and had to close.

JFH built and renovated property in Blackpool, Lancashire, either for sale or to rent out to those who worked on the project, thus regenerating run down properties, and creating high-quality accommodation for those employed as builders on the project.

Individuals who signed up with JFH undertook an initial week of volunteering and, if this proved successful, were enrolled in a “Build It Up”, training course with Blackpool and Fylde College, while continuing with the volunteering at the project. On completion of the course, graduates were then enrolled in a two-year building apprenticeship in a relevant building skill.

Throughout the period of their apprenticeship, all JFH team members also worked on renovating the properties acquired by JFH, initially under the tutelage of skilled craftsmen, most of whom were ex-offenders or in recovery themselves. By July 2014 there were around 30 individuals working as part of the JFH team across eight sites in Blackpool.

The project is distinctive in that it has a strong welfare and support component with a well-being coordinator and a range of social activities (including mutual aid meeting attendance, but also photography courses, a football team and a series of recreational activities) central to the programme. In other words, participants committed to more than a nine-to-five job and this was central to the desistance and recovery supporting aims of the project

JFH emphasised that reducing reoffending through transitional employment in a social enterprise involves much more than just a job. It also requires pro-social friendship and support networks and access to sustainable accommodation.

By July 2014 only one person had been asked to leave JFH because of their relapse to substance use and there had been no reported instances of involvement in crime resulting in reduced involvement in the programme.

Unfortunately, Jobs Friends and Houses has ceased trading as an independent legal entity. We understand that the staff and resources are now part of Blackpool Council.

### [Blue Sky](#)

Blue Sky is a social enterprise that provides another model of desistance-supporting support for offenders in the context a real paid job in their social enterprise and then a structured progression route into mainstream construction employment through their construction employment agency.

Recycling company [Powerday](#) has recently teamed up with Blue Sky and HMP Onley to launch a construction industry employment scheme for ex-offenders based in London.

This partnership gives inmates from the Category C prison in Northamptonshire the opportunity to receive training and subsequent employment with Blue Sky and Powerday at construction sites across London.

The initiative sees Blue Sky and HMP Onley identify suitable candidates who will work towards their City & Guilds Level 1 Award in Health and Safety in a Construction Environment to enable them to apply for a CSCS Labourer Green Card.

After receiving onsite training and a final screening process with Powerday, successful candidates are offered a six-month contract of employment with Blue Sky who will place them within Powerday teams on site.

The first intake will be sited at Powerday's long standing client, St George, part of the Berkeley Group. Blue Sky will provide ongoing support to candidates who, where demonstrating a strong work ethic, will be considered by Powerday for full time employment.

Blue Sky has employed and supported over 1,200 ex-offenders since 2005. A job has been found to reduce re-offending by up to 50% but in England and Wales 75% of all prisoners are released into unemployment with over 60% going on to re-offend within two years. This rate drops to 15% after working for Blue Sky.

They put this success down to the fact that over half their full-time staff have lived experience of the criminal justice system and so can provide appropriate on-the-job support and mentoring to ex-offenders progressing through their programme and into independence in a mainstream job in construction.

In common with the more cooperatively structured initiatives discussed above, Blue Sky emphasise the importance of a real paid job in the social enterprise along with mutual support in a pro-social network as a structured progression route into crime-free mainstream employment in the construction industry. These they all see as being the key

factors in successfully reducing reoffending through social enterprise in the construction industry:

“In response to the challenges of leaving prison, by offering direct employment, a real wage for a real job plus in-work support, Blue Sky gives ex-offenders financial stability, self-esteem, and purpose. We also open up new social networks and help enable a healthier lifestyle, all resulting in people achieving sustainable outcomes for them and their families”.

#### [Prosper4](#)

Prosper4 provides a similar but more generic employment agency for ex-offenders. Founded by ex-offenders to assist other ex-offenders it operates in London and provides a job brokerage service for prisoners released from HMP Durham.

It also works with businesses to help them utilise prison industries to increase their production capacity and delivers self-employment training and support to prisoners wishing to start their own businesses.

#### [Offploy](#)

Offploy offer a similar service to Prosper4, providing ex-offender recruitment and retention services to businesses in all sectors in Huddersfield, Leeds, Hull, Nottingham, Norfolk and other locations.

#### [Groundwork West Midlands](#)

Groundwork is a regeneration organisation working to improve the local environment, the lives of local people and to strengthen the local economy.

They emphasize that regeneration is not just about physical regeneration but also about social regeneration and they have focused on social regeneration by getting local people involved in the physical regeneration by creating jobs for them in construction. This has been both by getting agreement from contractors to employ local people in physical regeneration as well as by creating new construction focused social enterprises on the Intermediate Labour Market (ILM) model i.e. transitional employment.

Their ILM model has both refurbished empty properties for selling on and acted as contractor for social landlords refurbishing empty properties for renting out by them to people in housing need. This ILM model has also been used to refurbish commercial premises – Groundwork’s current office at Albany Works in Burslem employed 70 local unemployed to refurbish it, each on 6-month contracts over an 18-month period. The main progression routes were into employment with the ILM’s contracting arm and into mainstream construction jobs or self-employment in construction. 70% left early to move on into better paid construction jobs or self-employment as the ILM deliberately paid just the

Living Wage in order to incentivise employees to move on to better paid mainstream construction jobs as soon as they'd gained sufficient experience in the ILM.

They emphasize the importance of additional support during the ILM phase to help people get used to a working environment as part of their preparation for progression into the mainstream labour market. So, like many of the examples above, the ILM social enterprises are not just about providing jobs, but also about providing support to enable participants to progress into mainstream jobs. That's what 'employability training' means as far as Groundwork are concerned – learning to work by having a job in a supportive environment which prepares you for mainstream employment.

This additional support can take many forms – loan of bus fares to get to work till first payday, parenting advisers and personal support workers, paying for driving license and dumper truck license training. All of this add-on support is essential if the ILM model is going to work, but there's not much money to pay for it in the current environment. But Groundwork emphasize that it is even more crucial in the case of ex-offenders.

Groundwork was last involved in an ILM initiative like this about 18 months ago when they were buying up houses on a small scale, refurbishing them and selling them on or renting them out. But in order to make it sustainable they found they needed to work on clusters of empty properties or whole streets at a time rather than individual properties here and there.

This latest Groundwork initiative also included maintenance and management of the green spaces associated with the properties they were refurbishing as well as an innovative approach to supporting progression into self-employment. This involved continuing to pay a salary to self-employment 'trainees' while they 'test traded' their construction business until they were ready to 'fly the nest' and trade sustainably on their own.

### [Restart](#)

Restart is part of [Saltbox](#) which for 25 years has been supporting the work in the community of local churches across North Staffordshire and increasingly other faith groups as well. It runs an older people's support service, debt advice and food banks as well as Restart.

Restart started as North Staffordshire Community Chaplaincy which provided through the prison gate mentoring and support and access to supported accommodation immediately on release in houses provided by Green Pastures. In 2007 it decided to become part of Saltbox 'because it was becoming too big' for the existing management and changed its name to Restart.

Since then it has reduced its reliance on Green Pastures for its accommodation and has increased leasing from private landlords. Restart currently has 86 bed spaces, all in shared accommodation - 2 and 3 bedroomed houses, because they don't want to be seen as a Hostel provider or as 'supported housing' in the conventional sense.

They have worked with 800 people over the past 3 years and describe what they do as being more about building 'supportive communities' in their accommodation for those 'who seek to move away from crime and reach their full potential' rather than 'supported housing' as conventionally understood – as being about building a positive relationship with individuals rather than just delivering a service to them.

They employ former service users particularly in their maintenance team but also where appropriate as Support Workers.

Their plans for the future include buying their own properties, particularly derelict properties which they intend to renovate using their existing maintenance team. They are exploring social investment opportunities to fund this and suggested that this was very much what the proposed social enterprise seemed to be planning – something they are already doing on a small scale with their maintenance team, employing ex-offenders. What they want to do is build it into a 'supportive *working* community' building more of their 'supportive housing communities' rather than just provide a job and that this would hopefully provide a springboard into better paid mainstream employment in due course – the primary purpose of their supportive communities.

### [Accord Housing](#)

Fry started in 1959 and was named after Margery Fry, Quaker and social justice campaigner. It has provided supported accommodation to ex-prisoners for 60 years. They have over 200 bed spaces across the Midlands.

Originally, Fry/Accord benefitted from supporting people funding but over 50% of that has disappeared with the cuts. Accord has managed to keep the 200 bed spaces despite the cuts. Ex-prisoners have been dramatically affected by the cuts and many organisations in the market have resorted to housing management (i.e. accommodation) with no support.

Supporting People funding was originally a County responsibility/function and now Accord are increasingly liaising with the Districts: homelessness duty.

Accord have contracts with NPS and the CRC. Accord provide bespoke resettlement and move on support and emphasise that personal relationships are vital and come from being established, working together over time and based on trust.

They are also in the process of piloting a 'Housing First' model in Walsall. This is a tenancy which is not dependent on support. Supported housing is dependent on accepting the support package. Accord think there is a danger that there will be a rush to Housing First whereas they think that what is required is a full spectrum of housing need/choice from hostel to independent living (and everything in between). So that ex-prisoners and other vulnerable people can move on.

Accord risk assess all categories of ex-prisoner including:

- Sex offenders
- Arsonists

- People with violent behaviour background

So potentially, they take all categories (subject to the risk assessment) and provide them with an appropriate support package.

They claim that 90% of clients don't reoffend, but this figure is not based on official statistics but they do have medium term relationships with people and they normally know/hear when people 'return'.

Accord employ support workers across the patch so either working in a cluster of accommodation or in 'dispersed' houses. They are trained to help with issues such as:

- Finance/debt
- Accommodation
- Relationship breakdown
- Other

BUT they refer onto specialists:

- Mental health
- Drug and alcohol and substance misuse

Importantly, they act as what they call 'lead practitioners' so they support the person for as long as they require it. While funding and demand are issues, they go out of their way to accompany the person to the next appointment. They are therefore not just a referral agency but they rather establish relationships, trust and build confidence so that the person being supported can do it for themselves.

Accord has an employment and skills coach but they accept that getting some stability in people's lives is the critical first step. If their lives are chaotic then:

- Good time keeping/good use of time
- Engaging back in the community with family and networks
- Moving on in an incremental way

are all important

### Summary

1. There exist a variety of models which can be classified in a number of ways. It has not been possible to source detailed information on some of the case studies.
2. The Together Model has raised significant amounts of capital through bond issues and using the Community Interest Company limited by shares. These 5-year bond issues will require repaying and new bonds may be issued in order to finance this;
3. Green Pastures has also raised significant amounts of capital from its 'constituency' using loan stock. They appear to be able to raise approximately £6m per annum which allows them to finance further purchases and no doubt to repay loan stock.

4. Progressive Lifestyles did secure an 'empty homes' grant which provided 'pump-priming' for its operations. We understand that it has moved on to secure mortgage/loan finance.
5. Giroscope has also used grant funding and has established relationships with a number of charitable foundations: Talent match Number, LandAid, The Sir James Reckitt Charity and the Hull and East Riding Charitable Trust.
6. The Together Group provide skills training, jobs within the Group and access to follow on jobs BUT the houses are sold and no accommodation is provided for the ex-offenders
7. Green Pastures concentrate solely on providing accommodation
8. Progressive Lifestyles provides skills training and potentially discounted accommodation (rent) for service users including ex-offenders
9. OSCO Homes and Vanbrugh Construction are providing skills training to ex-offenders particularly in relation to the manufacture and assembly of modular homes.
10. Clean Start, Bounce Back, The Oswin Project and Blue Sky provide construction related skills training, temporary (and in some cases permanent) jobs and referrals into the construction industry
11. Jobs Friends and Houses in particular demonstrates that reducing reoffending through transitional employment in a social enterprise involves much more than just a job. It also requires pro-social friendship and support networks and access to sustainable accommodation.

### Conclusions

Social Enterprises employing offenders and ex-offenders in construction can be run commercially successfully using a variety of legal structures and a range of financing models.

If the social purpose of such enterprises is to reduce reoffending by supporting desistance through the provision of transitional employment into sustainable mainstream employment, then several additional conditions need to be met:

1. The provision of paid employment and training on its own is not enough. There needs to be access to pro-social resettlement support as well as a job, and where appropriate access to sustainable accommodation as well if employment in the social enterprise is to support desistance and reduce reoffending.
2. There needs to be clear and structured progression routes into sustainable mainstream employment (a job brokerage service) rather than simply an aspiration to 'improve peoples' chances of getting a job'

3. Impact needs to be rigorously monitored and measured beyond simply recording numbers moving on into mainstream jobs if the effect of the enterprise on reducing reoffending is to be demonstrated