Prison to Work –
Encouraging the employment of ex-offenders and learning lessons from the United States

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Introduction

- 66,000 offenders will return to society from prison each year in England and Wales
- At least 75% of them will be unemployed and two-thirds will re-offend within two years
- Re-offending and employment are linked: offenders released from prison without a job are twice as likely to re-offend than those released with employment already lined up
- The cost of re-offending to the criminal justice system is, on average, £65,000 up to the point of imprisonment, and as much as £37,500 for each year in prison
- The estimated total cost of re-offending to society is £13 billion per year

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The Government is not doing enough to help ex-offenders back into work

- Various Government departments have policy initiatives in this area – but they operate on a small scale
- Fund for offender learning and skills has risen from £57m in 2001/2 to £166m in 2007/8
- In 2005 the MoJ set up the Corporate Alliance to engage employers on the issue of employing ex-offenders. Over 100 employers have agreed to support the alliance nationally which has helped 600 offenders go into training and employment
- The most recent scheme set up by the MoJ and the DWP is a vocational traning scheme based at HMP Wandsworth – it aims at securing jobs for prisoners by training them in high demand skills such as voice and data cabling installation

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Negative employer attitudes form a significant barrier to ex-offenders hoping to enter the workforce

Employer Attitudes

- Nature of Offence: the nature and seriousness of the offence concerns two thirds of employers
- Perception of risk: recruitment of offenders is considered to be a high-risk strategy
- Danger to staff and customers: 95% of employers see the potential risk to staff as ‘very important’ or ‘important’
- Damage to Reputation: Employers fear damage to their corporate profile and reputation when employing ex-offenders
- Lack of information and support: Two-thirds of employers say they would find guidance useful

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A skills shortage amongst ex-offenders and current legislation that demands disclosure of previous convictions compound the problem

- Lack of Skills
  - Prisoners typically have a poor level of basic skills and a disappointing education and employment record
  - Over 50% left school with no qualifications, and a third with literacy skills at or below those expected of an 11 year old
  - Only half of prisoners have the reading skills, one-fifth the writing skills and less than one-third have the numeracy necessary for 96% of all jobs

- Legislation
  - Ex-offenders are required by law to disclose previous convictions to employers
  - This requirement lasts up to ten years for shorter offences, and for the rest of the lives of those sentenced to over two and half years

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The benefits to employers of employing ex-offenders go far beyond just CSR

1. It can resolve skills shortages – Eight out of ten employers are experiencing recruitment difficulties due to skills shortages or lack of experience and the CBI believes that skills shortages have a ‘serious’ impact on a third of businesses; But by not employing ex-offenders, businesses are excluding a fifth of the working age population

2. High levels of performance and retention – Nine out of ten of employers who have experience of employing people with convictions consider them as productive as other works

3. It can be a cheap and transparent recruitment route – When a third of men have a criminal record and 88% of job applicants lie, recruiting ex-offenders allows recruiters to know all the facts

4. Demonstrates a commitment to corporate social responsibility – 72% of graduates say they need to feel happy with the ethical record of their employer

Case Studies

Center for Employment Opportunities – New York

Opportunity Reconnect – Newark, New Jersey

America Works – USA

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Center for Employment Opportunities

- Clients work full time through Neighbourhood Work Project (NWP) for local government agencies
- 20% of their time is spent in a Vocational Development program working with a 'job coach' and a 'job developer'
- Clients stay in NWP as long as is needed, with a limit of 75 days, and after placement there are 4 follow-ups within 6 months
- In comparison with a control group, CEO participants have a 50% decrease in incarceration rates after 1 year

FACTS

- 2,000 ex-offenders placed in employment each year
- Each offender placed in employment by CEO saves state government £47,500 annually
- The re-incarceration rate for participants in the pilot program was 50% less than the control group rate
- It costs CEO $33,220 a year to provide a slot in its community work crews

Opportunity Reconnect

- Opportunity Reconnect is a public-private partnership and works as a 'one-stop centre' for parolees, probationers and returning offenders
- It aims to ensure ex-offenders have access to services that support them becoming self-sufficient and productive
- This holistic approach, with partnerships across multiple agencies, serves 60-100 returnees per week
- Models such as this are difficult to implement, yet this type of structure offers a way to provide coordinated services across multiple areas

FACTS

- Each year, over 1,700 Newark residents return from prison
- Within three years of release approximately 60% of these individuals will be re-arrested,
- 43% will be re-convicted for new crimes, and 38% will be re-incarcerated

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America Works

- Specialises in moving unskilled and minimally experienced welfare recipients into the private sector
- Explicitly addresses issues arising from job-seeker's criminal record
- Provides six week intensive orientation
- Also provides post-placement work visits to talk to the employers and help deal with any problems that may have arisen

FACTS

- 3,000 ex-offenders are placed in employment each year
- Each ex-offender placed in employment placed in employment by America Works saves the US taxpayer $30,000 annually
- The re-offending rate for participants in the program is 2-5%, compared to the national re-offending rate for male offenders of 66%
- The average cost to place and maintain an ex-offender for six months is $5,000

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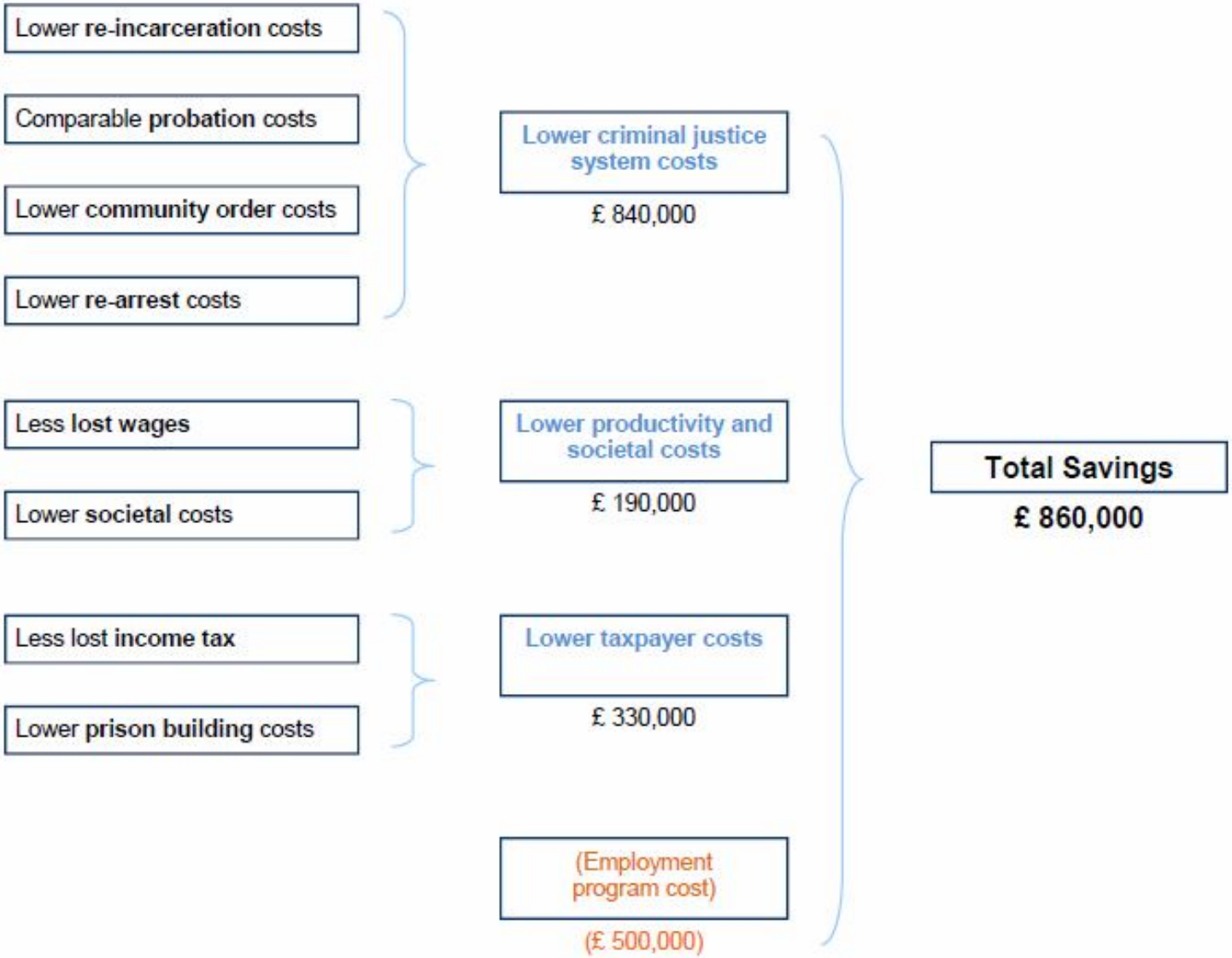
Our economic analysis shows that implementing these schemes in the UK would bring significant savings

- The most robust information suggests that well designed schemes would reduce recidivism by up to 60%
- In our model, we use a conservative estimate of 15%
- If we assume a programme cost of £5,000 per person, **the saving per offender is around £8,600 per year**
- When scaled to the actual number of offenders, **the potential savings amount to more than £300 million per year**

Economic Analysis



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Recommendations

- The Government should offer payment based on performance to any organisation which places and maintains ex-offenders in employment
- Local councils could design rate tariffs and provide a one-stop assessment and referral centre to help place offenders in employment
- The focus of education and training in prisons should be on skills tailored to the needs of employers
- A network for employers to share their experiences of employing ex-offenders should be established