

MEETING: 13/03/2014

Ref: 12018

ASSESSMENT CATEGORY - Resettlement and Rehabilitation of Offenders

Changing Paths Charitable Trust Limited

Adv: Jenny Field

Amount requested: £50,000

Base: Outside London

Benefit: London-wide

Amount recommended: £50,000

Purpose of grant request: We are requesting funding for core costs to maintain infrastructure.

Background

Changing Paths was established in August 2010 by the Wates family through its Wates Family Enterprise Trust. Changing Paths registered as a charity in December 2011.

It aims to support offenders and ex-offenders by providing employment training and supporting them into employment, primarily within the construction industry and its supply chain. It is based within the grounds of HMP Rochester and Rochester Young Offenders Institute. It works mostly with Probation Trusts in London and Kent, HM Prison Service, Jobcentre Plus, the Department of Work and Pensions and other government providers. Its main geographical focus is London, but it also covers part of the South East due to the location of some of the feeder prisons. Offenders and ex-offenders come to Changing Paths either by referral (mainly through the Prison service and Probation Trusts) or as a result of direct contact. Currently, Changing Paths provides accredited training in three main programmes:

1. **Liberty Employment:** Under this programme, offenders and ex-offenders receive accredited training to enable them to obtain the Construction Skills Certification Scheme card, a mandatory requirement for working on a construction site, and the Certificate of Competence of Demolition Operatives. This is then followed by a two-week placement on a Wates construction site.
2. **Liberty Stonework:** This programme provides certificated training in stonemasonry. Your assessing officer was able to see the workshop in HMP Rochester on the day of her visit, where commissioned works – including plaques, sun dials and headstones – are produced to a very high standard.
3. **Liberty Catering:** This programme provides the visitors' café facilities at HMP Rochester, as well as catering services for the prison's conferences and meetings. It also provides catering services for Thames Tideway Tunnel's offices in Paddington where it has established Sir Joe's Café. Training is provided in food hygiene and catering, whilst the opportunity to gain retail experience is a useful and transferrable skill. Changing Paths has recently developed a partnership with the Pret a Manger Foundation which will provide employment opportunities for its job-ready trainees.

Once trained, all clients of Changing Paths receive tailor-made support to help them find and retain employment. This might be in very practical things, such as help to open a bank account or to obtain a driving license, as well as mentoring once employment has been obtained.

Funding History

None.

Current Application

Changing Paths is requesting a contribution towards its core costs over the coming two years.

According to Home Office statistics, it costs between £38,000 and £41,000 a year to keep an offender incarcerated (rising to as much as £178,000 for a secure training centre. 58% of adult male prisoners and 70%+ of young adults re-offend within two years of release. Whilst it is early days for Changing Paths, it believes that its approach – of helping those it works with gain qualifications and a real job, combined with tailored aftercare, make a real difference in changing attitudes and behaviour that lead to offending. As one construction site manager said:

"I am always willing to take on a Changing Paths candidate. Their enthusiasm encouraged the rest of the team."

Financial Observations

Audited accounts for the year ended 31st March 2013 show a surplus of £9,248 (4.4%), wholly comprising unrestricted funds.

The charity's reserves policy aims to hold free unrestricted reserves equivalent to three months' worth of expenditure, which equates to £103,587 based on 2014/15 projected expenditure. At 31st March 2013, free unrestricted reserves stood at £70,969, which is equivalent to 2.1 months' worth of 2014/15 projected expenditure.

The forecast for the current year to 31st March 2014 shows a surplus of £27,939 (8.1% of turnover), comprising £22,939 on unrestricted funds and £5,000 on restricted funds. Total income is £343,673, of which £315,634 (91.8%) has been confirmed.

The budget for 2014/15 projects a potential surplus of £96,050 (18.9% of turnover), wholly comprising unrestricted funds. Total income is projected to be £507,500, however at 21st February 2014 only £72,500 (14%) of projected income had been confirmed. Fundraising events and donated income are anticipated to generate £40,000 (8%) and trading income is projected to be £115,000 (23%). Remaining projected income of £280,000 (55%) is anticipated from grant funding applications awaiting a decision amounting to £97,000 (19%) and a new contract bid worth £183,000 (36%), the outcome of which should be known in May 2014. The charity advise that if these grant funding applications and the contract bid are not successful, projected expenditure will be reduced with the aim of breaking even.

Officer's Appraisal

Changing Paths appears to be achieving impressive results, with good pathways into employment. In the longer-term, its capacity for earned income will increase as the social enterprise activities of Liberty Stonework and Liberty Catering grow. Although some of its work is in the South East, the majority of those with whom it works are from Greater London.

Recommendation

£50,000 over two years (2 x £25,000) towards the core costs of Changing Paths.

The City Bridge Trust

Investing In Londoners: Application for a grant



About your organisation

Name of your organisation: Changing Paths Charitable Trust Limited	
If your organisation is part of a larger organisation, what is its name?	
In which London Borough is your organisation based? Outside London	
Contact person: Mr Philip Southam	Position: Resource & Development Coordinator
Website: http://www.changingpaths.co.uk	
Legal status of organisation: Registered Charity	Charity, Charitable Incorporated Company or company number: 1145205
When was your organisation established? 06/08/2010	
Aims of your organisation: Changing Paths engages with Probation Trusts in London and Kent, HM Prison Service and other prison service providers including charities and social enterprises. We work with major national and regional providers and contractors to the National Offender Management Service, Department for Works and Pensions, Jobcentre Plus, London Development Agency and other government providers. We have also worked with the Olympic Delivery Authority. We specialise in delivering our service in London and the South East. Changing Paths places male and female offenders and ex-offenders into skilled, sustainable and paid employment within the construction and retail industries. Some have never worked and have no work history; we give them the opportunity to change through a mentored programme of new skills and work experience - including any required qualifications - as a prelude to a job.	
Main activities of your organisation: We select offenders and ex-offenders from either referrals (mainly Prison and Probation Services) or through direct contact; as Changing Paths has become known as a route of choice for those in the prison population with a genuine desire to change their life prospects. For the offenders selected, they will be trained and obtain formal qualifications before being placed in full-time work. Others, either during their sentence or on release, will be placed and obtain in-house training and qualifications relevant to their placement and consequently will be able to support themselves and their families. Changing Paths has a large employer base with a firm commitment for prearranged work placements including full-time jobs for the individuals who come through the Changing Paths construction skills training as it is important to provide a smooth transition from work experience to paid employment. We also have various enterprises underway including stonemasonry, optometry and retail as well as construction.	

Number of staff

Full-time:	Part-time:	Management committee members:	Active volunteers:
6	1	7	2

Property occupied by your organisation

Is the main property owned, leased or rented by your organisation?	If leased/rented, how long is the outstanding agreement?
Rented	Our office is rent free

Grant Request

Details of grant request

Under which of City Bridge Trust's programmes are you applying? Resettlement and Rehabilitation of Offenders
Which of the programme outcome(s) does your application aim to achieve? More ex-offenders successfully and sustainably resettled in the community and re-offending rates reduced
Please describe the purpose of your funding request in one sentence. We are requesting funding for core costs to maintain infrastructure.
When will the funding be required? 03/02/2014
How much funding are you requesting? Year 1: £25,000 Year 2: £25,000 Year 3: £0 Total: £50,000
Do you plan to continue the activity beyond the period for which you are requesting funding? If so, how do you intend to fund it? This is an on-going project. Along with current and prospective funding, in January 2013 we completed negotiations with an established social enterprise Liberty Glasses, also in February 2013 Changing Paths established Liberty Catering; a social enterprise programme providing refreshments at the Tideway Tunnel staff canteen in London - employing ex-offenders.
If you need any planning or other statutory consents for the project to proceed, what stage have the applications reached? Not applicable

Summary of grant request

Three quarters of offenders do not have a job to go to on release and 58% of ex-offenders re-offend within two years of leaving prison. Changing Paths is a route of choice, other than reoffending, for those in the prison population and the long term unemployed. Changing Paths meets the need of the Criminal Justice System, the Prison and Probation Services and the offender, by reducing reoffending and the costs to the public. Prison and Probation services have also identified that there is a gap in the provision of jobs for offenders preparing to leave custody.

Offenders are either referred directly by the Prison and/or Probation Service or - as is becoming more frequent - contact Changing Paths directly. In conjunction with this, each offender is assessed for suitability by Changing Paths with regard to their individual needs and abilities. We work closely with both to identify suitable candidates for our employment opportunities. We are looking for individuals with a basic level 1 education, no real experience of work, but are willing to change. Candidates must show they are able to communicate, be able to take directions from authorised people as well as having an aptitude and an interest in the construction and/or retail industries. We do source other vocations if feasible.

If still serving their sentence Changing Paths can obtain the offenders release on a temporary licence (ROTL) in order for them to gain work experience, this being a further demonstration of their personal commitment. Work placements are generally in the Greater London area where Changing Paths has guaranteed employment opportunities available, including with London Tideway.

For offenders selected, they will be trained and obtain formal qualifications before being placed in full-time work. Others, either during their sentence or on release, will be placed with one of our partners and obtain in-house training and qualifications relevant to their placement (this tends to be more specialised). We organise mandatory training classes for a Construction Skills Certification Scheme card (CSCS) - a mandatory qualification - also a Demolition card (CCDO). Changing Paths will pay travel expenses and administrative fees for courses and liaise with the relevant authorities and the Candidate concerning the above, also checking documentation and verifying they have a National Insurance number, a bank account, passport and driving licence and a correct Unique Tax Reference (UTR) tax number.

The ongoing mentoring that Changing Paths provides has proved crucial to maintain a credible success rate as these early days are the most demanding for the offender. By maintaining personal contact for up to eighteen months, each offender is assured that they have the support of both their employer and Changing Paths personnel; a demanding but extremely worthwhile policy that has paid dividends for all concerned. This not only contributes to a fall in re-offending rates, ergo savings to the public purse as it costs the taxpayer between £38000 and \$41000 to keep offenders incarcerated, it bolsters self-worth and confidence which is reflected in their daily life.

Since early 2010 Changing Paths has enabled more than 7,700 hours of Work Trials/Experience, 15,000 plus hours of Skills Training, have provided 24 Apprenticeship placements and over 200 offenders into full-time work.

Changing Paths will invest time, money and expertise to facilitate skill-based training in trades in demand within the construction industry and provide routes into employment. To this end we have recently established a Stonemasonry Workshop inside HMP Rochester plus a further workshop outside the grounds. Selected offenders and ex-offenders are offered apprenticeship opportunities in this unique and sought after field.

Outputs and outcomes

What are the main activities or outputs you want to deliver? Please include no more than 5. By activities or outputs we mean the services, products or facilities you plan to deliver. If you plan to deliver work over more than one year you should include activities over the full grant period requested. Try to be specific.

To provide an increase in full-time employment for offenders and ex-offenders. Our target is up to 100 per year.

To see a further increase in our partner base and thus opportunities for offenders. Liberty Catering has and will continue to provide Changing Paths with High Street retail opportunities.

By the end of 2014: to provide the construction industry with trained and qualified Stonemasons (ex-offenders).

What main differences or outcomes do you hope the activities you have described above will achieve? Please include no more than 5. By differences or outcomes we mean the changes, benefits, learning or other effects that result from the work your project would deliver. These might be for individuals, families, communities or the environment.

Society: A reduction in reoffending rates thus contributing to an improved and safer society, also a saving to the public purse.

Offenders: Employment, security, a sense of achievement and self-worth, the opportunity to break the reoffending cycle.

Community: Breadwinners for families leading to unity and stability.

Who will benefit?

About your beneficiaries

How many people will benefit directly from the grant per year?

100

In which Greater London borough(s) or areas of London will your beneficiaries live?

London-wide (100%)

What age group(s) will benefit?

16-24

25-44

45-64

What gender will beneficiaries be?

All

What will the ethnic grouping(s) of the beneficiaries be?

A range of ethnic groups

If Other ethnic group, please give details:

What proportion of the beneficiaries will be disabled people?

1-10%

Funding required for the project

What is the total cost of the proposed activity/project?

Expenditure heading	Year 1	Year 2	Year 3	Total
Core costs	25,000	25,000	0	50,000
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0

TOTAL:	50,000	25,000	0	50,000
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What income has already been raised?

Source	Year 1	Year 2	Year 3	Total
Trust for London	17,500	13,125	0	30,625
Monument (Sainsbury)	17,500	0	0	17,500
The Henry Smith Charity	10,000	10,000	0	20,000
LankellyChase	10,000	10,000	10,000	30,000

TOTAL:	55,000	33,125	10,000	98,125
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What other funders are currently considering the proposal?

Source	Year 1	Year 2	Year 3	Total
The Mercers Charitable Trust	7,500	7,500	0	15,000
The Freemasons Grand Charity	15,000	10,000	0	25,000
The Triangle Trust	40,000	30,000	20,000	90,000
	0	0	0	0

TOTAL:	62,500	47,500	20,000	130,000
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How much is requested from the Trust?

Expenditure heading	Year 1	Year 2	Year 3	Total
Core costs	25,000	25,000	0	50,000
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0

TOTAL:	25,000	25,000	0	50,000
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Finance details

Please complete using your most recent audited or independently examined accounts.

Financial year ended:	Month: March	Year: 2013
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Income received from:	£
Voluntary Income	69,901
Activities for generating funds	26,942
Investment income	0
Income from charitable activities	91,500
Other sources	20,600
Total Income:	208,943

Expenditure:	£
Charitable activities	165,885
Governance costs	958
Cost of generating funds	4,989
Other	14,347
Total Expenditure:	186,179
Net (deficit)/surplus:	186,179
Other Recognised Gains/(Losses):	-13,517
Net Movement in Funds:	9,247

Asset position at year end	£
Fixed assets	0
Investments	0
Net current assets	70,969
Long-term liabilities	0
*Total Assets (A):	70,969

Reserves at year end	£
Endowment funds	0
Restricted funds	0
Unrestricted funds	70,969
*Total Reserves (B):	70,969

* Please note that total Assets (A) and Total Reserves (B) should be the same.

Statutory funding

For your most recent financial year, what % of your income was from statutory sources?
1-10%

Organisational changes

Describe any significant changes to your structure, financial position or core activities since the date of your most recent accounts:

In addition to the Report and Accounts a Trustee has been assigned to oversee each of the enterprises.

Previous funding received

Please list the funding received by your organisation from the following statutory sources during the last THREE years.

	2010 £	2011 £	2012 £
City of London (except City Bridge Trust)	0	0	0
London Local Authorities	0	0	0
London Councils	0	0	0
Health Authorities	0	0	0
Central Government departments	0	0	0
Other statutory bodies	22,500	0	0

Previous grants received

Please list the grants received by your organisation from charitable trusts and foundations (other than City Bridge Trust) during the last THREE years. List source, years and annual amounts. Please include the 5 largest only.

Name of Funder	2010 £	2011 £	2012 £
Wates Giving	86,000	0	0
The Henry Smith Charity	0	9,500	20,000
Monument (Sainsbury)	0	0	35,000
Trust for London	0	0	35,000
The Bromley Trust	0	0	15,000

Declaration

I confirm that, to the best of my knowledge, all the information I have provided in this application form is correct. I fully understand that City Bridge Trust has zero tolerance towards fraud and will seek to prosecute and recover funds in every instance.

Please confirm: Yes Full Name: **Philip Southam**

Role within **Resource & Development Coordinator**
Organisation: