

MEETING: 18/03/2016

Ref: 13001

ASSESSMENT CATEGORY - Resettlement and Rehabilitation of Offenders

Fine Cell Work

Adv: Tim Wilson

Base: Westminster

Amount requested: £133,508

Benefit: London-wide

Amount recommended: £133,000

The Charity

Fine Cell Work (FCW) was established in 1997 to teach needlecraft to serving prisoners. The training courses have proved extremely popular with over 5,000 participants across 55 prisons. Training is delivered by 52 volunteers, and "stitchers" (as participants are known) spend time producing goods for sale, getting to keep a proportion of the proceeds. The charity has received very favourable media attention for the quality of its cushions, quilts and tote bags. Having funded the charity in 2011, City Bridge Trust subsequently commissioned a stitcher to produce a City of London crest which is being framed for display in the Trust's office.

Stitchers are generally long-term male and female prisoners, and a typical programme participant will engage with FCW for two years. Beyond the formal tuition, stitchers usually spend between 20 – 40 hours at work when locked in cells where there is evidence that this purposeful and creative activity improves mental health. Stitchers mentor one another, and from sales of goods see the benefit of work. FCW works to improve prisoners' readiness for release.

The Application

FCW seeks funding to develop post-prison support services for its stitchers, helping them find employment and settle into the community. This service, called *Open the Gates*, has been piloted over the past 24 months, largely thanks to funding from the Clothworkers' Foundation. The charity now wishes to scale its *Open the Gates* work so that it can support 30 ex-prisoners each year by 2018. To achieve this, FCW wishes to move to new premises with workshop space, and to expand its network of employment mentors and work experience placements. City Bridge Trust is asked to support the costs associated with the delivery of post-release services.

The Recommendation

FCW is an award-winning charity which has developed a strong brand reputation. Its stitchers' work sells through the charity's website as well as via outlets such as the V&A, the British Library and the Tate Modern. The proposed work is a natural extension of FCW's in-prison work, and is intended to address what remain high levels of re-offending amongst former prisoners. Currently, 45% of adult prisoners are reconvicted within a year of release, and a range of studies have shown the positive correlation between employment and reduced offending rates. Funding is advised as follows:

£133,000 (£36,000; £46,000; £51,000) towards the running and on-costs of Fine Cell Work's Open the Gates programme supporting ex-prisoners towards employment and settled living. The grant is awarded on the condition that the charity raises the balance of funds.

Funding History

Meeting Date	Decision
20/01/2011	£98,500 over 3 years towards the salary costs of a Studio Workshop Manager at H.M.P Wandsworth helping improve social and employability skills.

Background and detail of proposal

FCW's *Open the Gates* programme begins with prison-based tuition and in-cell work. This is intended to boost prisoners' motivation and productivity, as well as their self-esteem and preparedness for release. The charity states that 20% of stitchers are currently released into London (this from a total number of approximately 260 per annum), and for those who wish to take part, FCW will offer the next step by providing through-the-gates work where ex-prisoners will have the opportunity to attend FCW's new workshop space. This extends the current textile training offered by the charity, and combines it with support to find employment placements and stable accommodation. The approach is designed to build confidence and reduce the sense of alienation which is often associated with custodial release.

FCW has developed a strong network of organisations willing to offer work placements and will use the proposed grant from City Bridge Trust to develop the scheme until it can support 30 participants each year. Placements will run from 3 – 24 months and benefit from volunteer employment mentors providing personalised support to improve the likelihood of successful transitions to independent living.

Financial Information

Forecast income for the current year to 31st December 2016 is £1,008,000, of which £197,355 (19.6%) had been confirmed as at 7th January 2016.

The charity advises that the increase in expenditure forecast for the current year to 31st December 2016 is largely due to a planned move to larger premises; associated costs are estimated to be £239,130. The forecast increase in income to meet these costs is £239,130, of which £80,000 (33%) had been raised by 29 February 2016. The balance of £159,130 is hoped to be raised from pending grant applications.

The charity states that the remaining growth in income and expenditure budgeted in 2016 is due to increased production and sales of goods, improved fundraising and prior year staffing vacancies being filled.

Members will note that the charity expects to incur deficits on restricted funds in the three years shown in the table below. This will exhaust Fine Cell Work's restricted reserves during 2016 leaving expenditure of £19,461 on restricted activities to be financed from unrestricted free reserves. After this call, unrestricted free reserves are budgeted to be £252,448 as at 31st December 2016, which is equivalent to 3 months' worth of expenditure and in line with the policy target.

Year end at 31 December	2014 Audited Accounts	2015 Draft Accounts	2016 Current Year Forecast
Income and Expenditure	£	£	£
Income	729,731	603,775	1,008,000
Expenditure	661,206	598,783	1,003,413
Unrestricted Funds Surplus / (Deficit)	97,626	72,418	65,320
Restricted Funds Surplus / (Deficit)	(29,101)	(67,426)	(60,733)
Operating Surplus / (Deficit)	68,525	4,992	4,587
Gains on Investment Assets	4,792	0	0
Total Surplus / (Deficit)	73,317	4,992	4,587
Surplus / (Deficit) as a % of turnover	10.0%	0.8%	0.5%
Cost of Generating funds (% of income)	149,287 (20.5%)	116,372 (19.3%)	187,662 (18.6%)
Free unrestricted reserves			
Unrestricted free reserves held at Year End	134,171	206,589	252,448
How many months' worth of expenditure	2.4	4.1	3.0
Reserves Policy target	165,302	149,696	250,853
How many months' worth of expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(31,131)	56,893	1,595