

MEETING: 06/07/2018

Ref: 14550

ASSESSMENT CATEGORY - Resettlement and Rehabilitation of Offenders

Key4Life

Adv: Tim Wilson

Amount requested: £115,000

Base: Westminster

Benefit: London-wide

Amount recommended: £115,000

The Applicant

Key4Life is a Somerset-based Charitable Incorporated Organisation with a history of operations in London prisons, particularly Brixton. Registered in 2013, the organisation is concerned with young men (18-24) and the impact pre-release and post-release life-skills and employment training can have on the reduction of re-offending rates. Activities follow a seven-step model which explores the root cause of offending, builds positive relationships through mentoring, and provides work experience.

The Application

With an existing operation in HMP Brixton at the invitation of the Governor, Key4Life seeks support from City Bridge Trust to cover the costs of its post-release and community resettlement activities with its participant cohort. Beneficiaries are young men from a prison wing identified by the Governor, with programme participants selected following information days and voluntary sign up.

The Recommendation

Whilst Ministry of Justice data indicates that the overall reoffending rate for adult and juvenile offenders released from custody varies between 29% and 32%. This rate more than doubles among 18-24 young men, many of whom will return to prison within one year of release. Key4Life focuses on this cohort, working in group as well as one-to-one settings to investigate the underlying reasons behind offending behaviour (including exploration of family and home life). The charity has built strong relations with a range of employers offering host placements for young men post release, enabling them to benefit from good quality work experience. Whilst the model is still relatively new, independent evaluation of Key4Life's approach indicates that participants are four times less likely to reoffend following completion of the programme. Of the 14% who have re-offended, the charity cites positive progress against its wider set of metrics for personal change.

The support of the Governor of HMP Brixton is notable. Members may be familiar with other rehabilitation services at this prison including the Clink restaurant, Bad Boys Bakery and Spark Inside. The prison currently provides funding towards Key4Life's pre-release work and City Bridge Trust is asked to support preparations for and work following release. A grant will help support the growth of Key4Life's work and build the evidence base around its approach. Funding is advised:

£115,000 over three years (£36,000; £38,000; £41,000) towards the costs of Key4Life's 'through the gate' work with 18-24 year olds involved in the HMP Brixton programme.

Funding History

None

Background and detail of proposal

Key4Life's work to reduce re-offending rates encourages programme participants to see better, more productive futures. Within prison it looks to build trust, responsibility and confidence through a structured activity schedule of football, music and equine therapy. The charity introduces mentoring to provide participants with positive role models and teaches interview skills. As soon as participants are released, Key4Life will meet participants at the gate and support them with diary management as well as liaison with the Probation Service. Further mentoring supports them with the development or rebuilding of positive family and domestic relationships, as well as getting participants work-ready with involvement of the charity partner Suited and Booted. The programme continues with three-day work tasters where participants continue to receive mentoring support and concludes with a residential after 12 months. The charity has received expressions of interest to work in several London prisons, and notes the critical role a supportive Governor plays in ensuring successful programme delivery. Key4Life has recently launched its own small-scale catering operation with support from NatWest to provide further workplace training.

Financial Information

Key4Life's income grew by 68% between the year ending 31st December 2016 and the end of the following financial year. This resulted from planned fundraising and reflects growth in both restricted and unrestricted income lines. This level of growth is not unusual for a relatively recently established organisation.

The table below shows a spike in the costs of raising funds in 2017 compared with the two years either side. The charity has advised that it had the opportunity to run two fundraising galas at public sporting events in 2017. Whilst this generated valuable unrestricted income, it was also administratively challenging, and the charity has decided that it will not continue this type of fundraising activity in the near future

Key4Life holds free reserves above its stated target. In 2016, this target was set as 3 months' operating costs, and was subsequently lowered to 2 months in 2017. Your officer has discussed this with the charity and noted that, given its increased commitments arising from new contracts and services the target appears low. You would normally expect to see a reserve holding of 3-6 months and the figure held by Key4Life, whilst above target, is not judged excessive.

Year end as at 31 December	2016	2017	2018
	Examined	Draft Accounts	Forecast
	Accounts		
	£	£	£
Income & expenditure:			
Income	495,351	830,405	813,750
- % of income confirmed	n/a	n/a	80%
Expenditure	469,310	829,253	811,733
Total surplus/(deficit)	26,041	1,152	2,017
Split between:			
- Restricted surplus/(deficit)	0	9,983	17
- Unrestricted surplus/(deficit)	26,041	(8,831)	2,000
	26,041	1,152	2,017
Cost of Raising Funds	64,737	151,018	54,500
- % of income	13.1%	18.2%	6.7%
Operating expenditure (unrestricted funds)	437,810	610,293	286,040
Free unrestricted reserves:			
Free unrestricted reserves held at year end	170,113	159,574	161,574
No of months of operating expenditure	4.7	3.1	6.8
Reserves policy target	109,453	101,716	47,673
No of months of operating expenditure	3.0	2.0	2.0
Free reserves over/(under) target	60,661	57,859	113,901

