

Work and Pensions Committee

Oral evidence: Support for ex-offenders, HC 58

Wednesday 26 October 2016

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Members present: Frank Field (Chair); Heidi Allen; Ms Karen Buck; Neil Coyle; Richard Graham; Steve McCabe.

Questions 151- 224

Witnesses

I: Damian Hinds MP, Minister of State for Employment, Michelle Dyson, Director, Children, Families and Disadvantage, Department for Work and Pensions, Sam Gyimah MP, Parliamentary Under-Secretary of State for Prisons and Probation, Ministry of Justice, Gita Sisupalan, Deputy Director for Prison Reform Policy, Ministry of Justice, and, Rachael Reynolds, Head of Employment Commissioning Group, National Offender Service, Ministry of Justice.

Written evidence from witnesses:

- [Department for Work and Pensions and the Ministry of Justice](#)

Examination of Witnesses

Damian Hinds, Minister of State for Employment, Michelle Dyson, Director, Children, Families and Disadvantage, Department for Work and Pensions, Sam Gyimah MP, Parliamentary Under-Secretary of State for Prisons and Probation, Ministry of Justice, Gita Sisupalan, Deputy Director for Prison Reform Policy, Ministry of Justice, and, Rachael Reynolds, Head of Employment Commissioning Group, National Offender Service, Ministry of Justice.

Q151 **Chair:** Welcome. Might I ask you, beginning with you, Michelle, to identify yourself for the sake of the record and we will go down the line?

Michelle Dyson: I am Michelle Dyson. I am the Director of Children, Families and Disadvantage in the Department for Work and Pensions.

Damian Hinds: Damian Hinds, Minister for Employment.

Mr Gyimah: Sam Gyimah, Prisons and Probation Minister.

Gita Sisupalan: Gita Sisupalan, Deputy Director from the Ministry of Justice Prison Reform team.

Rachael Reynolds: Rachael Reynolds, Head of Employment at the National Offender Management Service.

Q152 **Ms Buck:** Could the Ministers tell us exactly what the lines of accountability are for responsibility for prisoners finding work on their release?

Mr Gyimah: Thank you, Karen. Where I will start on this, if I may, Mr Chairman, is a general statement that having been in the job four months, if I was to give a verdict on how employment works in the prison system, I would say that it is an area that requires significant improvement. It is an area that requires significant improvement because without reform of our prison system, which the Secretary of State and I are committed to delivering, it is not possible to deliver the kind of employment opportunities that would reduce reoffending, cut crime and reduce the number of victims.

On the areas of accountability, to use that as an example, which is the specific question being asked, there are a number of organisations that interface with the prisoner for employment opportunities post-release. The Community Rehabilitation Companies and the National Probation Service have a role, among others, to work with the prisoners to find accommodation and also to find post-release employment, but there are a number of activities that happen before a prisoner gets to that stage, for example release on temporary licence, which also helps with their future employment.

Q153 **Ms Buck:** With respect, that is an answer to a totally different question. We have had witnesses and we have been to Featherstone and it is clear



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that there are a number of organisations, some statutory, some voluntary, and some doing superb work in this field. I asked you who is responsible, not who is doing the work.

Mr Gyimah: At the moment, there is no one person responsible for a prisoner's employment, although there is an expectation that the Community Rehabilitation Companies will do the work necessary in order to achieve that. As part of our prison reform programme—and we will be publishing a White Paper in weeks, if you bear with me—the governor would be given responsibility for a prisoner's education and the activities that lead to employment. The governor is the person on the ground who can be the ringmaster for these services.

Q154 **Chair:** Is that why we have two Ministers, because two Ministers are responsible, or are you saying that it is shared between different Ministers in your Department, Sam?

Mr Gyimah: No. If you want to drive employment, there are two stages to it within the prison system: what happens while the prisoner is in custody serving a sentence and the education and training opportunities there, and then what happens at the point of release. At the point of release is where the prison system interfaces with the Department for Work and Pensions to make sure that all the services, not just employment, that would help a prisoner move and settle in the community are available.

Q155 **Ms Buck:** I am grateful for you giving a clear answer to that basic question: that there is no single person who is responsible. I think this is part of the dilemma and I am going to ask Damian for a response on this.

Going back to the question about everything having to wait for prison reform, I am not clear why it has to wait for reform. We all agree that there needs to be fundamental reform of prisons, but this particular package of measures identifies the education, training and preparation needs for prisoners before release and then follows them through into employment. It does not seem to me to need fundamental prison reform as a prerequisite. Is this just another way of saying, "It is all too complex because it involves too many different agencies so we are not going to give a single line of accountability for it"?

Mr Gyimah: I am not saying it has to wait for prison reform. What I am saying is that if you have a prison system where these things are localised rather than centralised—we are already seeing that with the reform prisons that we have, where the governor is in control of budgets, can make decisions about training that is procured, can work with the work coaches from DWP and effectively with the community rehabilitation system, and there is a clear expectation for the governor to deliver on these things, then you are going to get the kind of cut-through that we want to see in this. All of that said, your point is we don't have to wait. Of course we don't have to wait. I think there is a lot of good practice and we are going to come on to that during the course of this session. That is happening. What I am saying is that structural reform is what would



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ensure the system can deliver it. In addition to the White Paper, I might as well as say upfront that early in the new year the Department will be publishing an employment strategy specifically looking at the issues that drive offender re-employment.

Q156 Chair: Are you saying, Sam, that we don't have to wait for change—we don't have to wait for Whitehall change—and that the delegation of budgets and power to governors can bring about the change that Karen's question is after?

Mr Gyimah: Yes. I am saying that to get the kind of change that ensures that the system can do this on the industrial scale that we want it done requires that kind of structural change. At the moment there is good practice; it is patchy, inconsistent and does not happen everywhere. We can see that in the offender re-employment stats and the reoffending stats. The change that we are talking about is what will make sure that this is something we can expect of the system.

Q157 Heidi Allen: Sam, as you are describing it the prisoner has two lives: inside with the retraining and everything that happens there, and then when they hit the big wide world and come under the auspices of the DWP. Is it not true to say that so much of what could help some of these reoffenders stay on the straight and narrow is that consistency, that friend, that mentor, that person who stays with them? I am curious to know why you see these as two very separate areas. There has to be some continuity, surely.

Mr Gyimah: In the life of a prisoner, there is a lot to do with their sentence plan and their life in prison and the prison officers perform a huge part of that role. With respect to their employment, there is a single point of contact at the point of resettlement, which is the Community Rehabilitation Companies. Before they get to the point where the Community Rehabilitation Companies deal with their resettlement needs, specifically with regard to reoffending, the governor is the one who has a lot of control over their training needs, making sure that they are accessing training that would equip them for life outside, making sure that they are not idle, festering in their prison cells, and are productively engaged in prison.

Q158 Heidi Allen: But the governor is not going to have the time to keep an eye on every single prisoner when they are released. I am talking about a mentor. For example, we saw some excellent best practice in Featherstone that just blew you away—amazing. There is a Jobcentre embedded in there. Some of these prisoners are coming to them really late in the day, because of where they may have been transferred from, and they are doing their absolute best to build a relationship with them, get them the skills, get them up and at it and ready to go out there. That continuity has to be there when they leave.

Mr Gyimah: I have seen excellent examples of mentors. I was at the Kent and Sussex Community Rehabilitation Company and met ex-



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offenders who had benefited from a mentor. But the question is: at what time in someone's life in prison does this mentor interface with them? If someone is in prison for under 12 months it is a completely different question to someone who is in prison for seven years, 10 years or more and what training needs they have and, therefore, how they are mentored. That is what I am saying: that ultimately the system needs to hold someone accountable for this, to organise it on the ground, rather than the system prescribing that every prisoner has to have a mentor. While they are in prison, ultimately that person is the prison governor.

Q159 Ms Buck: But I think what we have seen of the evidence so far—and this now starts to turn towards Damian—is that unless there is a form of, if not prescription, absolute direction, particularly in these very top-down services—and we know that JCP is very top-down—it does not happen. It is simply not good enough to say there are islands of good practice, which there are. The point is that that good practice is not widely disseminated through the service. Why is it not? Why is it that there is this huge variation in JCP performance in relation to prisoners?

Damian Hinds: I am not sure it is the case at all, Ms Buck, that JCP only works well on a top-down kind of instruction basis. We are on a journey of having greater autonomy for individual Jobcentres and greater autonomy for individual work coaches through things like the Flexible Support Fund and so on. We are seeing good results from that: giving work coaches mixed caseloads; giving them the tools to be able to tailor support to individuals; treating each one of our customers who comes through the door as an individual with individual needs. That applies to prisoners as well.

On the question of which single person is responsible, it is definitely right that there have to be clear lines of accountability. The reforms and the future plans that Sam is outlining go to the heart of that, but we also see this as a shared responsibility. I think you can look at just one person being responsible in two ways, either as a positive or a negative. We think this is a group of people for whom there is such a premium to place them into employment that we absolutely share that responsibility and so do many other groups in society. We know that for anybody getting into work is a good thing but even more so for this group of people for themselves, families, life chances for their children, the reduced risk of reoffending, the cost that has to society, the state and the taxpayer. We share that, absolutely.

We have 150 prison work coaches working in the prison system who are there to provide a real link between the Jobcentre Plus network on the outside and what happens on the inside. We are working to improve data sharing and all these other aspects to try to make that journey and transition as smooth as possible, but there is a difference. There is a slightly binary thing between being in prison and being at liberty, and in pursuing these reforms and improvements you do have to be cognisant of that fact.



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Q160 Ms Buck: I think there is a world of difference between local flexibility to meet the needs that reflect different local circumstances and a national government organisation like Jobcentre Plus making very clear what expectations and priorities it has. What is the process for monitoring what is done within JCP in respect of prisoner release? How do you monitor what is being done and what the success rates are?

Damian Hinds: There are two organisations involved in this. There is our organisation, Jobcentre Plus, and then there is the CRCs within MoJ. I should let Sam talk about the CRCs and every aspect of what they do, but the CRCs have the overall view of all the things that are going to help to get this individual's life back on track: somewhere to live, work, access to benefits and so on. Our responsibility is doing everything we can to help people into work and that is what we do. That is our day job and is not something unusual to do. It is just the case that with X prisoners it is a particularly hard group of people to place but also there is a particularly great premium on success.

The way we monitor performance on that is as we monitor performance for other groups of people. We have the full range of people from society coming through the Jobcentre Plus system. We have a lot of expertise in trying to get young males into work. We have increasing understanding, knowledge and partnership work in things like overcoming mental health barriers. We have to develop more, more relationships with employers to get work experience placements, and that is harder when you are talking about harder-to-place groups but also more important. To answer your question of how these things are monitored, they are monitored through the management systems of the Jobcentre Plus network as they would be for other groups.

Q161 Ms Buck: Do you receive that information?

Damian Hinds: I would be alarmed if an organisation of 700-plus individual outlets, each with many customers, many work coaches working for them, relied on me seeing the individual management information tracking on what is happening with individuals. But I do see a view of how our progress is with different groups. There are data challenges, Ms Buck, as you will know, and we will probably come on to talk about some of that later. You will not find either Sam or me saying we know all there is to know. There is plenty more to be done on the analysis, being able to track individuals, to know how well we are performing, but we do have plans to make progress on that.

Q162 Ms Buck: If the systems are as robust as you are understandably seeking to defend, why did you feel that the inspectorate report on the Through the Gate provision, for example, was so totally damning?

Damian Hinds: I fear that may be a slightly leading question.

Ms Buck: It is a highly leading question. That does not mean it is wrong.



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Damian Hinds: There is more to be done. I should let Sam talk about more of the detail about Through the Gate but the principle of what is happening is without doubt right. We have just been talking about the desirability of having an entity that has end-to-end accountability and responsibility for what happens to an individual. We have talked about the fact that there are many individual factors that are involved: contact with family, financial capability, getting a job, benefits and, in some cases, substance addiction. All of these things need to be seen in the round. That is absolutely what these reforms are about.

Mr Gyimah: The community rehabilitation companies to which your question refers do have an incredible role to perform in terms of dealing with the prisoner from custody into the community but the services are in their infancy—they have been going for a couple of years now—and what they are expected to do is quite complicated for a complicated set of individuals. We cannot get away from that.

What typically will be done in a Through the Gate service is there will be help on entry to custody to deal with immediate resettlement needs. That might mean closing down or retaining accommodation. They help ex-offenders find somewhere to live, they help on retaining a job or finding a job, access to finance, benefits and debt. What I am saying is that these are services that are essential. They are in their infancy. I am conducting a probation services review as we speak to make sure that those services are being as transformational as originally envisaged.

Q163 **Ms Buck:** We know they are not, do we not? We know that, according to that inspectorate report, none of the prisoners who went through Through the Gate were assisted into employment or training and none of the rehabilitation services were able to provide any information on the outcomes that they had achieved for prisoners.

Mr Gyimah: This is a big transformation. I would say that it is work in progress. If you go around Government in any public service transformation looking at it in its first 18 months—

Q164 **Ms Buck:** You cannot track what is happening. I do not understand how you are going to monitor and review the service if, according to this report, nobody can even track what is happening.

Mr Gyimah: There are clear service level agreements that the CRCs have to deliver against. If you are talking about, at a public service level, determining what the level of ex-offender employment is, the best way to do that is to have a shared objective between the CRCs in the prison and when prison governors are evaluated, to have an employment and education outcome against their activities.

The truth of the matter is that this area has not been a political priority for decades. Now it is a political priority and there are some services in place but there is still a long way to go to get them to deliver the kind of outcomes that we should expect.



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Q165 Richard Graham: One of the things that has come through in the evidence that we have had so far is that there were some very ambitious goals for the new strategy outlined a couple of years ago when these changes were put in place.

This is the feedback we have been getting. The Chief Executive of Working Chance told the Committee, "That was the idea behind Through the Gate idea, that the same people who were looking after prisoners in prison would come out and do it," but the jury is still out as to whether that is working or not." HM Inspectorate of Probation and Prisons was a bit blunter: "The strategic vision has not been realised." It outlined a whole number of problems.

Can I turn to the civil servants first? What do you think are the biggest impediments to the success of the strategy? Was it overambitious in the beginning? Were the goals over-egged or anticipated too quickly? How are we going to get to where we want to get to? Gita, can we start with you?

Gita Sisupalan: Do you mean in relation to CRCs and transforming rehabilitation? The first thing I would say is that the original goals of the programme were to, for the very first time, give offenders who had been in prison for under 12 months supervision into the community. That is a major change and benefit to those offenders in helping them to secure things like accommodation, work and the stuff we are discussing today.

Q166 Richard Graham: Yes, we all agree with that goal but the evidence so far is, "We do not see any innovative work by CRCs to make access to accommodation easier." Is that a fair judgement by Her Majesty's Inspectorate?

Gita Sisupalan: We share some of the concerns about how the CRCs are operating. That is why the Minister has asked us to conduct a comprehensive review of probation services. As the Minister was saying, it is relatively early days. It has been 18 months since these changes have come in. In the NAO report, although both the NAO report and the Inspectorate reports have been critical, they did accept that the transition had been well managed and services continued to be delivered.

Q167 Richard Graham: Can I ask, specifically, what thought has been given, for example, to looking at a sector like construction? Government wants millions of new houses built and there is a shortage of people who can build them. What sort of strategic thinking has there been in saying, "Right, can we not match up the skills needed for building with males who are leaving prison, get them trained and get them onto the construction sites so that we can give them a job, reduce reoffending and increase the number of houses being built?"?

Chair: Gita, before you come in, I have written to four prison governors to ask whether they would consider running in prison, short boutique apprenticeship courses, 12-week courses, in bricklaying or carpentry, and all four said yes but we have yet to get them off the ground. There is a



willingness, is there not, among the governors to do this, but it is getting it rolled out on the scale that Richard is talking about.

Richard Graham: And space in the prison, of course.

Gita Sisupalan: What you are describing is exactly the kind of thing we want to achieve. There are some good examples and you have just given four. It goes back to the point the Minister made right at the very beginning about the need for this structural change to allow governors to have that freedom to make these kinds of decisions. Rachel might perhaps give some more examples of how they have responded to that local labour market.

Q168 **Richard Graham:** Okay. Rachel, do you want to give us those examples? Bring this to life.

Rachel Reynolds: One particularly good example we have at the moment is that at HMP Brixton last week we opened a scaffolding workshop. It is very new but the first four graduates went straight into work and the local employers are queuing up to take the next 20, with guaranteed jobs if they get through the system.

Q169 **Richard Graham:** That is encouraging. What sort of obstacles are there? What hurdles are there, for example in people's conviction records and the business of when their sentences have not been "spent"? Is there anything more you think Government should do to encourage employers that giving people a second chance is not going to make them more liable, for example, to claims if people then do turn to crime again?

Rachel Reynolds: We definitely need more businesses to come with us on this. We have the Employers Forum for Reducing Reoffending and what we have done in that is made it very much a business-to-business agenda, so that one business can mentor another business and say, "This is the way it works, this is the way it does not work, this is how we suggest you interview a prisoner," and all the rest of it, so that we can try to get more people on board. Only 20% of businesses say that they would consider employing someone with a criminal conviction and that just cannot be right.

Richard Graham: Thank you. Chair, can I come in to comment on that?

Q170 **Chair:** Just before that, who did the training for the scaffolding? Did the prison bring people in to do the training? They had the budget to do that?

Rachel Reynolds: It is a combination of a small charity called Bounce Back working with Land Securities, which is a large construction company.

Q171 **Neil Coyle:** I think it is Grosvenor, who run the fantastic Bermondsey construction training centre in my constituency. They specialise in ex-offenders and peripheral gang activity, trying to avoid people going to prison to begin with. If governors need encouragement to come to somewhere like that or if you want to organise a visit, you would be more



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than welcome.

- Q172 **Richard Graham:** Can I come to the Minister now on this? Damian, from your point of view, coming into this role—I appreciate that both Ministers are pretty new into these difficult tasks—when you look at this objectively and you think about how we are going to get former prisoners back into the employed sector, do you see that there are opportunities in certain specific sectors? I am thinking also, for example, that in the south of England there are an increasing number of people growing grapes for wine and champagne. This is a hugely expanding business. A lot of them are bringing in pretty unskilled employment from Eastern Europe. Are there opportunities both in that sector and the construction sector for doing something quite big and ambitious?

Damian Hinds: Yes. I like the idea of thinking in terms of “big and ambitious” and you are quite right to identify some of the opportunities. I do not think it would be totally fruitful for me to identify all the individual opportunities that we think are there. On a systemic, systematic basis, the important thing is that there is a mechanism for communicating these opportunities to individual prison governors. That done happen informally and has happened informally for some time but probably in a slightly uneven way.

- Q173 **Chair:** Damian, before you go on, not now but might we have the list of what you think all these opportunities are?

Damian Hinds: I would be very happy to do that. They are not necessarily specific to prisoners.

Chair: Sure. That would be great. Thank you.

Damian Hinds: If I could just continue that, the important thing is to systematise these things to the extent possible. Our two predecessors in these two roles ran a pilot of local labour market intelligence—I think it was in Greater Manchester—and we are going to now look at doing that on a wider basis. As well as the informal Jobcentre to prison communication of where the local labour market opportunities are, there will also be this more systematic thing.

Can I just come back to one other thing that Mr Graham said as well about needing to have more employers? This is absolutely fundamental. You need to have people leaving prison who are as work-ready as possible but you also need to have employers who are willing to take on ex-offenders.

- Q174 **Chair:** Damian, Rachel’s comment was that if you train them with skill shortages, there is no problem with employers queuing up to get the ex-offenders.

Damian Hinds: I do not want to put any words in Rachel’s mouth but I am not sure that is what Rachel said. She may have said so in the specific case but—



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Q175 **Chair:** Yes, because the prison governor had been clever enough to locate where there were labour shortages and had trained prisoners so that they could walk out the door into a job.

Damian Hinds: Indeed, but it is also the case that many employers do not take on ex-offenders.

Q176 **Richard Graham:** What can we do? We can all identify the problems. What it would be interesting to know is what you as Ministers feel, in terms of running Departments that have this as a key goal—and it is quite an important social goal—you can do in terms of setting a strategy, getting some examples and presenting governors with potential solutions, rather than what could look a little bit like, “Right, governors, you are responsible for this. You have plenty to do. You have to look after prisoners and now, by the way, you have to train up everyone in there, make sure they get a job and do not reoffend. Over to you. Good luck.”

I sense it has to be a bit more like, “If you have a shortage of houses in your community,” which so many of these prisons will do, “here is what you can do in terms of training them up for the skills needed in the construction sector. In your local area, these are the three key people.” Then empower the Jobcentre Plus to have that discussion with them and the employers and maybe meet. How many times have governors, JCPs and employers sat around a table to meet?

Heidi Allen: Where it works really well, for example Timpson’s, is when the employer comes into the prison, so the employer is in before the people who have been released.

Richard Graham: Yes, they are a great role model.

Damian Hinds: I will let Sam talk about governors but of course we have prison work coaches in prisons with a revised role and part of that role is to work with prison governors on all these matters, including stuff around local labour market opportunities. Drylining is a case that comes up quite often in terms of something that more people could be trained up for to fill a shortage.

You asked what we could do practically. I would also suggest something you can do, something the Committee can do, and I hope in the report that you produce one of the things that you might say loud and clear is the need for more employers to see these opportunities, to be willing to take the plunge and look at employing ex-offenders. We have the See Potential campaign, which runs across a number of different disadvantaged groups but ex-offenders is an important one of them, to try to push that message through communications with employers.

Another very practical thing we can pursue is the Ban the Box campaign, which the civil service has signed up to, whereby the box that you sometimes see on an application form that says, “Do you have a criminal record?” you do not have at that stage of the recruitment process. You can have it later on but after you have had an opportunity to meet this person, to see their potential, to find out about their talents and what



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they can achieve. Then, at the job acceptance stage, you can ask that question. Then the person has an opportunity to explain a little bit more about it.

Q177 Richard Graham: Can I just ask one last thing, perhaps of both Ministers? Have either of you come across an organisation called Blue Sky which specialises purely in employing ex-offenders? The great advantage of Blue Sky is that if they are, for example, providing labour to a contractor—to a local council who is cutting the grass, maintaining grounds and so on—they are the employer and therefore the Council is not hiring or taking on ex-offenders themselves. They are hiring a contractor to provide labour, often to their own contractor. I suspect Rachel knows all about them. I feel that there is more that could be done to promote that sort of opportunity, working in combination with the Local Government Association. Is that something, Rachel, that you know has taken place? Are Ministers briefed on this at all?

Rachel Reynolds: There are several companies that work in that way. Another one is Lendlease, who are redeveloping the Elephant and Castle, where they take on the employee themselves to take the risk away from the contractors. Blue Sky works on the same model. It helps when employers are frightened.

Q178 Richard Graham: Yes. Again, I sense there could be some top-level meeting with the LGA to try to perhaps build this into what local government requires of their contractors, that they take on a percentage of ex-offenders from the local area so that everybody can see the benefit. Is that something, Minister, Sam, that you think—

Mr Gyimah: It is an excellent suggestion. As I have said, we are in foothills of reform here so all ideas are welcome and should be considered.

In terms of a number of points you have raised in your question, if I can just respond to a few of them briefly, I agree very much with what Damian said that what we are trying to do is to create a system that makes this possible.

On the supply side, we are already making some important steps. The education budget for prisons sat within the DfE. What the current Prime Minister did, one of her first acts, was to move that budget to the MoJ. We are now allowing governors to determine the curriculum, for example, what kind of training it is, so that they can get the right training for inmates that relates to jobs. Once we have our prison reform underway, these budgets will be delegated to the governors themselves so they can procure the courses. For a very long time, prisoners have done courses and gained qualifications inside that have no relation to their job prospects outside. This machinery of Government change in delegating the budgets will enable us to link the supply with the demand.



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In terms of the supply side and employers there is a lot of work to do and I echo everything that Damian has said. What we are seeing in terms of what works very well on a system-wide basis is where you have employment academies in prisons. You have it with Timpson's, you have it with Greggs and you have it with the likes of Clinks, where training in prisons, release on temporary licence and eventual employment are all linked seamlessly. It is that kind of system that allows us to create a conveyor belt of employment rather than patchy initiatives that may get two or three people into work this month but with no guarantee that that will happen six months down the line. What I would like to see, practically, is an expansion of these employment academies being run by some of these large firms, who should be commended for the work they are doing in taking on ex-offenders.

Q179 Richard Graham: That all sounds encouraging but how is this linked together? For example, now when organisations are looking at schools, universities and further education colleges, they are also being judged on the outcomes of what people achieve through their education. The logical extension of what you have done by moving the budgets for training into the prisons and encouraging prison governors to be responsible for them and make decisions on how those happen is then to say that part of what prison is all about is preparing people for work afterwards and therefore that is part, perhaps, of how prisons are going to be judged, is how successful they are in getting people into employment afterwards. Is that something the Department is looking at?

Mr Gyimah: That is absolutely correct. For prison governors under our reform scheme—the White Paper is being published in a few weeks—there will be an expected employment outcome and an expected education outcome and they will be judged against those outcomes. What we will do is give them the resources and the levers to drive those outcomes.

Q180 Chair: Could I follow up on that before bringing Heidi in? I asked a question of you, what data you have on the success of placing prisoners in employment, and the answer was, "We do not have any".

Mr Gyimah: There is some data.

Q181 Chair: The reply was wrong?

Mr Gyimah: No. The data we have, which is self-reported by prisoners, is that something like 25% of prisoners are in employment. That data is not data that I hang a lot on but there is some data. In terms of another data point—

Q182 Chair: Sam, the data I was thinking of, we have a huge number of people moving through prisons each year and one of the pieces of information I would like if I was the Minister for Prisons would be to know how many of those are safely secured into employment when they leave and do not reoffend. That was the question and it was rather like the Mad Hatter: all the papers went up in the air and after they came down you



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said, "We have no idea."

Damian Hinds: Chairman, we do not know enough.

Chair: You could not answer that question.

Damian Hinds: We are all agreed on that. In 2011 we did the first mass data-matching exercise between MoJ data, HMRC data and DWP data to get the most reliable view of who was in P45 employment, so over the threshold in an employed job. That is a low number. One in six prisoners after 12 months is in P45 employment. There will be other forms of remunerative work. You could be in self-employment; you could be in employment but below the threshold or you could be doing something else. You could also be out of the labour market altogether because of sickness or disability, or relying on family, and so on. There is a lot more that we need to know.

Q183 **Chair:** Do you know, Damian, with one in six in employment, what happened to the other five in six?

Damian Hinds: That is what we are trying to outline. We know how many are on out-of-work benefits after a year from a different data source but that still leaves much more that we need to know. In the Universal Credit world, data is somewhat easier because you have RTI feeds, real-time information feeds, and we are in contact with people longer as they get into work. You have more information on self-employment and so on. Even before that, obviously, we are looking at how we can know more. There is a repeat exercise of that big data-matching analysis happening at the moment where we will get slightly more up to date data, financial period 2012-13 and parts of 2013-14, but there is no pretence from either of us that we know all there is to know. Absolutely no way. We know more than we used to know, Chairman, so we are making some progress, but there is a great deal more to do.

Q184 **Chair:** Do we know how many reoffend within three, six and 12 months?

Damian Hinds: Yes, we do.

Mr Gyimah: We know that probably about 50% of people who leave prison would reoffend within 12 months and be convicted.

Q185 **Heidi Allen:** Not very good, is it?

We have talked a lot about giving them skills while they are inside prison and trying to find them employment ready to go before they leave. This is probably a question for you, Damian. Talk us through what happens. A prisoner comes out and has not managed to secure an employment opportunity while they were in. What is their interface with the Jobcentre and the facilities that are available to them through that?

Damian Hinds: The interface starts before they leave prison. There are 87 resettlement prisons. In those 87 prisons there are, between them, 150 prison work coaches who are there to work with prisoners who are coming close to release. Depending on whether they are going to be



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claiming a Jobseeker's Allowance or Universal Credit, the process is slightly different, but the prison work coach is partly there to help them be ready to activate their claim on day one when they get out. They are also there to start to advise on work opportunities. In fact, I say start to advise but their role could have started earlier, even in the induction of that prisoner into the resettlement prison.

On day one, the prisoner has an appointment already made at the Jobcentre in their home location, an appointment that has been made by the prison work coach. They will then activate their claim. Given that there is going to be an acute financial need in many cases, it is possible to get a benefit advance of up to half of your UC claim, and of course from that point the work coach in the Jobcentre is working with you on looking for jobs and also addressing the barriers that remain. We have a wider range these days of provision to help with confidence, with mental health barriers, as well as with practical skills building. That starts from day one.

Q186 Heidi Allen: Will the service, if we call it that, that they get be any different to the service that I would get if I walked in as a person from a non-offending background? For instance, will they have access to the Work and Health Programme any more swiftly than I would?

Damian Hinds: They would probably have a different experience to you. Work coaches these days have more discretion to look at an individual as an individual and think about what the most appropriate programme is for that person in terms of the mix of looking for work and making applications, but also becoming more prepared for work, building up skills, addressing barriers and so on. Access to the Work and Health Programme is also going to be at the discretion of the work coach rather than being a "one size fits all", and will be dependent on whether that person is going to benefit from being on the Work and Health Programme. That has to be the key determinant.

Q187 Heidi Allen: Every town, of course, will be different, will have different demographics, different work opportunities and levels of employment and so on, but given that even though we are still waiting to hear details about the Work and Health Programme, one thing we do know is that its budget is going to be significantly less than the Work Choice programme as we have known it. What happens if you are in a town with very high levels of unemployment, for example, and it just so happens there are lots of people with disability and mental health issues? Where is the competition? How does that work coach, with their discretion, decide, with their limited budget, who they are going to put through it?

Damian Hinds: By way of background, it is worth saying that we are also recruiting work coaches at the moment.

Q188 Heidi Allen: It is not about the number of work coaches, it is the budget in the programme.



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Damian Hinds: The two things are connected for fairly clear reasons. There are different ways that you can help people. The work coach has available to them, a range of interventions, a range of provisions, programmes and so on, and we are investing both in that and also in the number of work coaches, so the amount of time that is available, one-to-one time or sometimes in small groups, with the work coach. The two things are not completely separate questions. In terms of yet to be heard about Work and Health Programme, it is being designed and it is being designed in consultation with stakeholders across the sectors involved, quite rightly. That includes stakeholders from prisoner representative groups to have some input into that. I am not sure I understood your question. "What is the competition?" What do you mean?

Q189 **Heidi Allen:** The difficulty is that none of us know what the Work and Health Programme is going to look like. My imagination might be way off the mark of how it might be. All we do seem to think we know about it is that the budget for the third-party contractors or whoever is going to be delivering that programme is going to be significantly less than the programmes we have had in the past. If there is a limited budget, that means that a limited number of people can be put through that programme. How does a work coach decide, if they have 20 people who have been away from the job market because of mental health issues and 20 ex-offenders, who gets priority?

Damian Hinds: In life's great Venn diagram, there may be some overlap between those groups. You may be both an ex-offender and have a mental health barrier. You may also have a history of substance abuse. You may have family issues. You may have financial capability issues. We do not think we see the world in a binary way, prisoners or ex-prisoners and not ex-prisoners. The way that the work coach will ascertain who will benefit most from being on the Work and Health programme—relative to and versus various other things that they could be helped through—will be by that work coach's judgment. This is what we are doing. We are trying to have a system that is more tailored to individuals. Yes, you have to have some rules. Yes, you have to have some standard operating procedures and some norms, but we also want to be able to say for this person, given their combination of talent, skills, barriers and history, what is it that is going to work best for them? Yes, the work coach will have to make that judgment.

Q190 **Neil Coyle:** There is a point made about the work programmes. In some of the evidence to the Committee there was a suggestion that the level of referrals of ex-offenders in the work programme was so low that those who thought they might be able to provide schemes found it financially unviable. Is it not a huge risk that with a smaller scheme for the new programme that it will be even less viable for potential providers?

Chair: Michelle, would you like to come in on this one?

Michelle Dyson: Yes, I am slightly surprised about the level of referrals being low. The stats that we have do not suggest that.



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Neil Coyle: I think they are lower than the DWP estimated they would be.

Michelle Dyson: An ex-prisoner is meant to go straight on to the work programme. That is the current system. Sorry, could you just go back to your question citing stats?

Q191 **Neil Coyle:** I think it was the ERSA who suggested that the level of ex-offenders being referred to the work programme is so low that the providers had suggested that it was financially unviable to provide that service. Is there not a great risk that with the new programme being a smaller budget, smaller numbers, that history repeats itself?

Michelle Dyson: It is quite important to think about—the new programme is just one of a number of different interventions that you can make for an ex-offender or an ex-prisoner. We have, for example, the Flexible Support Fund, an important fund that the Jobcentre has at its discretion, which it can use to contract with local providers, and does use them very successfully. You get very small scales of providers who want to do something specific with ex-offenders. I would not want there to be a complete focus on the work programme and its successor.

Neil Coyle: I appreciate you might not want there to be a specific focus on areas of failing but—

Q192 **Heidi Allen:** If I may the whole point is nobody would argue—okay, the employment environment now is very different to that which it was five, six years ago, we accept that. Everybody thinks the work programme did an amazing job of getting people into work. A fantastic sausage machine, got people through and it was great. But those that got left behind were people with more complex barriers—ex-offenders, disabilities, whatever it might be—and that is what Work Choice was there for. Work Choice did not work terribly well. We are now being told to help those groups that are further away from the market. We are now being told that both those schemes will go. The whole thing will be replaced with a significantly smaller budget Work and Health programme. In our previous inquiries we have been wondering how it would work for people with disabilities, and so on, but this population is the same.

Damian Hinds: Sorry, in a recent session of your Committee, which both Ms Allen and I were at, we talked about the ratios between work coaches and individuals, customers, coming through Jobcentres, and how significantly different they are. It is true, we have lower unemployment now than we did a few years ago. It is also true that are recruiting new staff. It is also true that we have a broader provision through the Flexible Support Fund and the district provision planning tool. To say that we are reducing the support that we are putting there to help people into work is not right.

We do recognise that as unemployment has come down, of course it becomes harder and what we do for the more difficult to place, but also more premium to place, groups becomes that much more important.



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However, we believe that it is right to have a tailored approach and to have a diversity of provision, which can be tailored more. Never perfectly, do not get me wrong, I am not saying it is ever going to be affordable to have a perfect individual person tailored system, but insofar as possible tailored to the individual, their needs, their opportunities, their barriers. That is what we are seeking to do.

Q193 Neil Coyle: What does that recruitment and retraining of existing Jobcentre Plus staff look like that provides the skillset that you think is needed to better support ex-offenders into work?

Damian Hinds: The new Jobcentre work coaches that are coming through are going through an intensive apprenticeship programme, and those who are currently on staff, are going to be retrained going through some of the same programmes. They do not need to go through some of the basics because they will have already accumulated that on the job but this is a set of skills that is applicable not only to ex-offenders. I do think it is an important point that when we talk about people with substance abuse history, people with very difficult, troubled family lives, people who are homeless, people who have no work history, people who have very low levels of skills and qualifications and prisoners these are not individual groups of people to deal with; quite often you get combinations of those and in some cases combinations of all of those in the same person. The upskilling, the further personnel development of our work coaches, is to deal with all of those things.

Q194 Neil Coyle: So it is more about retraining existing staff, which is from what I can tell from the papers provided to the Committee, is more about reading up on certain issues?

Damian Hinds: I am slightly surprised, Mr Coyle. I do not know what paper you have been presented with that suggests it is just about reading up on certain issues. I attended part of the induction course for the new work coaches coming on and it was not sitting and reading stuff. It is properly structured; there is guided learning and there is reading of course involved as well—I make no apology for that—and interactive learning, that is all part of how learning is done, but this is not a case of sending people off with a book to read up a chapter about incarceration.

Q195 Neil Coyle: So one witness to the Committee suggested that Jobcentre Plus staff had advised ex-offenders to lie about conviction rates when talking to employers. That obviously has ramifications for those who out on licence, for example. Your aim is that that would never happen again?

Damian Hinds: It is absolutely our aim that nobody advises somebody to lie, of course. In terms of spent convictions and the rules around, it not the most complex thing in the world but it also not the simplest thing in the world. We do have guidance that is there for our work coaches. We also recognise that we need to improve it and we are improving it. There is some new training coming on stream to do exactly that.



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When you say, “advised to lie”, I do not know about the specific case involved but there is a period after which a conviction is considered spent and after that time then you do not need to disclose unless you are applying to one of the exempt occupations like working with children and so on, but other than that then you would not have to disclose your conviction. That is not advising someone to lie.

Q196 Neil Coyle: Of course there are some convictions that should have been pardoned.

Can I just focus on this time of release issue that comes up? You touched on this already about support as people are leaving prison but one of the reasons witnesses suggested people reoffend is the financial problems faced within the prison. How will work coaches be better supported to make sure they can intervene earlier and get those benefit claims in on time so that people do not have a prolonged period without any income coming in after they have left prison?

Damian Hinds: Mr Coyle, that is precisely what the process is about, is about making sure that on day one, or within seven days if the individual prefers, but it can be on day one, the appointment is pre-set, pre-made by the prison work coach in the outside Jobcentre and the claim can then be activated.

We designed Universal Credit without waiting days for prisoners and you can get an advance. When there is great urgency about getting funds it is possible to do that within a matter of hours, which I think is completely right.

Q197 Neil Coyle: But it is based on an arrears system. You talk about benefits in advance; give us the stats. There has been a question on this already. How many at Jobcentre Plus are using the benefits advance programme? What are the figures and specifically around ex-offenders?

Damian Hinds: I would certainly expect—I do not have the number in front of me.

Neil Coyle: Can you provide them to the Committee?

Damian Hinds: Ex-offenders coming out of prison do not come out with a lot of money in your pocket. I would expect this to have an extremely high rate of usage. Of course prison work coaches will be very conscious of this.

Can I just say a couple of other things on the point about financial pressures? We also very much recognise, and have built into the design of Universal Credit, the whole idea of building up financial capability. It is a subject that is close to my heart, and close to the Chairman’s heart as well, that if you do not have that financial capability, you do not have the access to a bank account, you do not have the ability to budget and so on, so many other things can go wrong.



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In Universal Credit, yes, it is set up to be as close to being in work as possible, so yes, there is monthly pay, and yes, there is, for most people but there are exceptions, payment to the individual of their rent, but also the availability of more support to help with budgeting and financial management.

Q198 **Neil Coyle:** Does anyone have those stats? Can we have them, on benefit advance specifically, as you have mentioned it?

Damian Hinds: I imagine that is possible to calculate.

Michelle Dyson: For ex-offenders I do not know, but we will see what we can do.

Q199 **Chair:** Before I bring Heidi back in again might I ask, Damian: if I were on Universal Credit and then sent to prison is my claim kept active so that when I come out I do not have a huge delay? I can pick up immediately on that claim?

Damian Hinds: I might defer to Michelle for an expert answer, but I think it will depend to some extent on the length of your sentence and whether you are single or you are partnered.

Michelle Dyson: My understanding, but we might need to check this, is it will stay open and the housing element of it can continue to be paid up to 26 weeks. That is a new thing in Universal Credit, so that enables for 26 weeks you can keep your accommodation so that when you can come out you would still have it.

Damian Hinds: We will check on the detail and get back to you.

Chair: Karen, you wanted to come in, then Heidi.

Q200 **Ms Buck:** On the housing point—the DWP and DCLG services both have responsibility for this—but is anybody looking at what happens, monitoring the statistics about what happens to offenders coming out of prison who need somewhere to live and particularly the impact now of the reduction of the shared-room rate and how that is leading to people being able to find appropriate accommodation? My experience is that it is getting more and more difficult now for young people, the under-35s to find anywhere that they can live. Who is monitoring that?

Gita Sisupalan: That is something we accept does need to be monitored and we are expecting—

Ms Buck: You accept it needs to be monitored but there is no monitoring done?

Gita Sisupalan: We are expecting to do that in the future. The responsibility—

Q201 **Ms Buck:** I am pleased that you have reached that conclusion but what is it that has prompted you?



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Gita Sisupalan: We recognise that accommodation is a key element in reducing reoffending, along with things like employment. It is one of the things that you need to tackle if you want to reduce reoffending.

Q202 **Ms Buck:** Do you have reason to feel that changes, for example in housing support, have made it more difficult for offenders to access accommodation?

Gita Sisupalan: This is certainly something that providers have been raising with us as a concern, about changes to housing support. We are working very closely with the DCLG to manage those changes so that there is a sustainable solution to that. The DCLG recently announced that the housing allowance would not be applied or would be deferred until 2019.

Obviously the responsibility is with DCLG and local authorities to provide housing but we work very closely with them to continue to make the case for offenders because we accept that this is something that offenders struggle with, finding suitable accommodation.

CRCs have a role in helping offenders to do this. We accept that that is not being done as well as we would like and so that is part of what we are looking at in the comprehensive review of probation.

We are aware of a good example from the Midlands where the CRCs and many councils have got together and set up an accommodation fund because they have recognised that in their area there is an issue here and it is something they want to tackle because it is part of their responsibility. That was the idea behind CRCs, that they are given the freedom to innovate in this way. This is what we would like to see, we would like to see more of it, which is why we are reviewing the way that the CRCs are operating.

Q203 **Ms Buck:** How do you pick that information up? You have an anecdotal sample of one piece of good practice. How do you know what other CRCs are doing and how do you know how effective CRCs are being in securing accommodation?

Gita Sisupalan: There is a whole programme of contract management within the National Offender Management Service to manage the contracts with CRCs. We work very closely on the contract management side of things so we do know what is happening and that sort of information is feeding into what we are looking at in this review and taking into account what the inspectorates have told us, what the NAO have said about some of the problems with CRCs.

Q204 **Ms Buck:** Does that mean you would be able to brief the Committee on what the CRC performance has been in the accommodation of ex-offenders?



Gita Sisupalan: I would need to check. I do not think we would be able to tell you what numbers of people are getting into accommodation. We expect to be able to do so in the future but I would—

Q205 **Ms Buck:** So CRCs are not required to provide any of this information?

Gita Sisupalan: Not at the moment.

Ms Buck: I wonder what they are required to provide.

Mr Gyimah: We can supply the Committee with the service level agreement headlines. That is something we can provide.

Ms Buck: That would be helpful.

Mr Gyimah: Further to that, 10% of the CRCs' payment is by result and the result in which they are judged are the reoffending statistics. We all know that employment and accommodation are two key things that if you get right reduce reoffending. So they are, in terms of how they are paid, incentivised financially to get this right. However, when it comes to housing and accommodation the pressures here are pressures that we know widely are in society around housing and accommodation. It is even more challenging for single young men under the age of 25 and specifically ex-offenders.

This is where the CRCs can have some real innovation. This is what Gita was pointing to, that the interesting activity that is going here is where CRC is organising their own accommodation to help offenders because they know that makes it more likely they will get the extra 10% of their payment by results activity. That is what we need to work with them to see—

Q206 **Ms Buck:** Okay—and I see Michelle wants to come in—that is all absolutely fine. What I am trying to get at here, and it would be ideal if we had the DCLG Minister alongside us at the same time, is that—

Mr Gyimah: I would love to hear their evidence too.

Ms Buck: We cannot talk about all of these things as if they are acts of God, because what has happened here is that deliberate decisions were taken by the DWP—for example, to restrict housing support for young people and moving along to restrict that housing support in the social rental sector, and to cut housing support for supported housing—have a clear outcome in terms of people's capacity to find accommodation for these, among other groups. What I am interested in knowing is whether anybody looks at that so that rather than just saying, "Isn't accommodation a difficult problem?" which it is, they are saying to DWP that measures taken by the DWP are quite deliberately making it more difficult and is that going to be reviewed?

Michelle Dyson: Can I come in briefly on that point? The shared accommodation rate will not apply to supported housing. I know that does not always work—



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Ms Buck: No, I know it is a separate point.

Michelle Dyson: But supported housing is an important part, you do get lots of ex-offenders in supported housing, so that is important. Also, the local housing allowance, which is the cap that is moving that is currently applied for the private sector housing benefit and is moving on to the public sector side too, will not apply to supported housing until 2019, and then will be subject to a top up.

We have made some changes to reflect the most vulnerable in society and where they live but I know it does not answer what—

Q207 **Ms Buck:** Up to a point. I have been dealing with a young person who came out of prison and housing associations are making it increasingly clear, for example, and local authorities, that they will not house young people in the social rental sector because of the coming rent restrictions. So we are not just talking about people who are going through supported accommodation. We are talking about either at a later stage or people who do not meet the threshold for supported housing who will no longer be accommodated because it is just not financially feasible for a housing provider to take somebody on knowing that they will at some stage not be able to afford their rent. Is that policy being reviewed?

Damian Hinds: What we need is more houses. There is no—

Ms Buck: No, we need people to be able to afford the houses we have.

Damian Hinds: There is no answer to this housing problem that does not involve there being more housing. That is a whole—

Ms Buck: Well, there is.

Damian Hinds: If I may suggest, that is a whole other set of challenges and issues, which we are probably not the most appropriate—

Ms Buck: No, I am sorry, that is a different point.

Damian Hinds—people to answer.

Q208 **Ms Buck:** It is also about people being able to sustain the rent in the properties that already exist and the decision of Government to change the rules to make it impossible for certain categories of people to afford that accommodation. That is quite a different point to housing supply.

Damian Hinds: Nobody is trying to make it impossible for people to be able to live.

Ms Buck: More difficult.

Damian Hinds: The fundamental issue around housing is about the matter of supply and demand, the fact there is a shortage of housing. All of us as constituency MPs will come up against this. When local authorities and housing associations make prioritisations it is because of the capacity constraint that there is that this exists.



Q209 **Ms Buck:** That is a totally different point. I agree with it, but it is a totally different point. Your Department, with respect, are making decisions that will restrict the capacity of single people to be able to afford accommodation to which a local authority would entitle them, to which the rules would allow them to have access were it not for the restrictions the DWP are placing on their ability to afford the rent. This will impact on ex-offenders, among many other people.

Damian Hinds: We are doing a number of things to get the welfare spend bill down, to try to be fair to different groups in society, and to try to have some comparability—not everybody can leave home—if they are in employment and so on. None of these decisions is easy but I would turn to the point that the unavailability of places to live is about the unavailability of places to live. It is about the need to have more homes. There is a whole programme of initiatives going on to promote that further.

Q210 **Chair:** Damian, we are looking forward to the autumn statement and we hope your view is going to prevail there. Might you reflect on this and give us a note on this very point? We seem to be going round and round.

Damian Hinds: Yes.

Chair: Thank you very much.

Mr Gyimah: A small addendum: I will add to that in terms of accommodation and people coming out of prison. We are looking at what more we can do to sustain family ties for offenders while they are serving time but also when they come out. Some offenders find it difficult to reconnect with their family. Some families do not want to reconnect with members of their family who have been inside. In terms of helping the resettlement process, to cut reoffending and get jobs, sustaining family ties has a critical role to play, so it is not just what this state and the agencies of this state can do that I believe can make a difference. Trying to get families involved is absolutely critical to make resettlement work effectively.

Q211 **Chair:** That means as many prisoners as possible being imprisoned as near to their homes as possible, doesn't it?

Mr Gyimah: We can discuss our estate strategy.

Q212 **Heidi Allen:** I do not know which bit to comment on first. I will just go on to something completely different, it is probably going to be safer if we all want to go home today.

Two questions if I may. First, we touched on it earlier, the debate about how we get more employers keen to take on ex-offenders. Any ideas about how we might do that? It is always a bit of a touchy subject. Financial incentives? Or could it just be advice and guidance? Just if anybody has any views on how we can improve that?



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Mr Gyimah: The first thing is dealing with the stigma around recruiting ex-offenders. One of the things we found very effective in our employers' forum is getting employers who have had a very good experience in terms of trust, in terms of retention rates, mentoring and speaking to other potential employers about this. You have Timpson, Greggs and Halfords doing that. That is the first. We are dealing with the stigma.

Secondly, is on the part of the offender. Some offenders just feel they are not employable so their confidence that they are employable and they can be helped to go out there and find work is important.

You mentioned what kind of incentives. Recognition: I would like to see better recognition for the employers that are making a real difference in this area in terms of helping people build a better life for themselves. We should recognise them, we should champion them. We have some employers—Timpson keeps coming up all the time because they are doing a great job and 10% of their workforce are ex-offenders. They should be recognised.

There are some other employers that talk about it and only employ one or two, and that is it, and they like to wear the CSR badge rather than doing a lot. So real recognition for employers makes a difference.

Q213 **Chair:** How many of those employers have honours, Sam?

Mr Gyimah: I cannot give you that stat.

Heidi Allen: I was just about to ask that. All of those are great ideas.

Mr Gyimah: I would say recognition for companies rather than the—

Q214 **Chair:** But we do not want it to become the Honours Committee as well as recommending which—it is a nicer one to recommend rather than take away.

Mr Gyimah: But in terms of the way prisons operate, we need to also look at the way prisons operate to make it a welcoming place for employers. The Governor of HMP Wymott, for example, had a laundry contract. He changed the time gates are opened and locked to allow the laundry to work through the night so they could deliver on a contract. This is to do with employment within prison. One of the things we are looking at in our rebuilding of prisons programme is to have—obviously prisons are there to keep people locked in but to have a layer where employers can interact much better with prisoners and employees. So we need to rethink the way prisons are and prisons operate and we need to put rehabilitation at the heart of how our prisons operate because that is the only way that we can also cut reoffending.

Chair: Richard wants to come in before we get back to Heidi.

Q215 **Richard Graham:** What is interesting, if we look back over the last six years where there has been what the Archbishop of Canterbury once referred to as the "jobs miracle", huge numbers of people have got into



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jobs who were out of employment for a long time and the marketing project, for example, of apprenticeships was a huge success of the last Government. It seems to me that where we are getting to people who are harder to find jobs for—so people with disabilities, people who have offended—my feeling is that we do not have a very coherent strategy. You both have the opportunity now, as new Ministers with these portfolios, in a way to work with civil servants and design a complete strategy that involves social media, that uses the quotes from Virgin Trains and Timpson and other good employers. However, also underpinning the apprenticeships programme were the National Insurance incentives. Without those, many small and medium sized employers would not have taken on apprentices.

We as MPs were able to help lead on that by taking on apprentices ourselves. We have Damian Green as the DWP Secretary of State who is employing an ex-offender. There are opportunities for us all to take on people with disabilities. There is a chance for everybody in Parliament to join in this but I do think that unless you have a clear financial incentive, that there will be a National Insurance benefit for employers doing the right thing, you will never get the momentum and speed of this moving. Then all of a sudden we have new Ministers with new initiatives and the whole thing becomes another circle of new programmes, acronyms, and civil servants once again raising their eyebrows to the skies at yet another new initiative. What can you both do to try to pull together various strands with a coherent strategy that does include financial incentives and make as big a splash on getting ex-offenders into work as we did with apprentices?

Mr Gyimah: Those are all excellent points and, as I said right at the start, we have an employment strategy for prisoners that will be coming out early in the new year, and will be looking at all the barriers to employment for ex-offenders. It is important to recognise those barriers. In the barriers at several stages we are dealing with a court of people where only half of prisoners report having any qualification compared to 85% of the general population. Assessments of prisoners showed that 51% have basic skills in English at or below entry level 3 and 58% are at similarly low levels for maths. So there is a lot of work to do to solve the employment challenge, starting with education, making sure that while prisoners are in prison that they are productively occupied and that the courses that happen in prison are aligned to work outside. We have discussed construction so far today, but I would like now to see modern jobs. At HMP Bronzefield, for example, it was great to see they are getting rid of their textiles unit and they are putting in place a call centre. We are a service economy after all in the main. It will be good to see prisoners coming out and being able to perform in some of those roles. We need to engage employers more, which Heidi has challenged us on. Then we need to look at whether there are financial barriers that stop people.



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The strategy we are looking to roll out or do will be to look at every step in the chain to employment and come up with practical recommendations to do so. This sits, as I said, within the overall context of prison reform, where the governor is unshackled to really make a change to rehabilitation. I have here a headline from Holme House, one of our reform prisons, where they are hosting a job fair to improve employment hopes for prisoners.

When you speak to these reform governors and you ask them, “Why were you not doing it before? Why are you doing it now?” it makes a great difference, they say, when they engage with employers, when they engage with the third sector, or anyone in the community, that they understand that they are the decision maker, they are the boss, and they have a budget to spend to drive this forward. Within the context of prison reform and our specific strategy working with DWP—and I am sure Damian can talk about some of the DWP elements of the strategy—we will be able to tackle this challenge effectively.

Q216 Neil Coyle: Sorry, Chair. There were not a lot of specifics in there. Can I just say there is a slightly sniffy tone about construction not being a modern industry? It very much is, and the site that you mentioned is fundamentally a modern training place.

As an example of a concrete recommendation, will ex-offenders be prioritised for apprenticeships, for example?

Mr Gyimah: I am not going to reveal the employment strategy here today. It has not been cleared by the Government, so for that simple reason, but I think apprenticeships do have a role. There are challenges around having apprenticeships for people in prison, because if prisoners can be employees with holiday pay, and sick pay, and those rights, when prisoners are paid, for example, they will receive employment pay. I think there is scope to make sure that the courses that prisoners do are the kind of vocational courses that lead to work. A lot of work has been done across Government in identifying what these courses are, and in our employment strategy, we will be championing those ones but I cannot reveal something to you here that has not been cleared across Government.

Chair: Damian, do you want to add anything, or not?

Damian Hinds: Only very briefly. I think the points that Mr Gyimah makes are all very strong, and we are always open-minded to all of these things but I think the See Potential campaign is what it says on the tin. It is about trying to get people to not just think of this as a social responsibility. It is partly that as well, but also just the opportunities that are there, the talents that are there in people from disadvantaged groups, including ex-offenders. Certain types of criminal activity obviously are very bad, but they do prepare you for some other things. You may be very good at maths, you may be very good at sales, you may be very good at customer management, or you may be very good at



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working under pressure. It almost sounds flippant, but these things are true. Of course, what one wants to do is to channel these into legitimate roles. That can certainly be done.

We definitely have a role as DWP. We have a lot of contact with employers, we have our national accounts relationships, but also at a local level we have lots of relationships with smaller companies. Some of the work that the MoJ have done with their employer forum, employers learning from each other on the challenges, the opportunities, and the lessons from taking on ex-offenders, we are then taking some of that learning from MoJ to make sure we disseminate it through our Jobcentre Plus network, so that our employment and partnership managers at local level have that information so they can spread these messages further.

Q217 Heidi Allen: Sorry, I should not have laughed. When you said "customer management" I was transformed in my head to Sicily, and I was just picturing these mafia bosses. It is customer management, honestly.

A final question: I think we probably all agree it should be the freedom of the governor. These people are under his or her care while they are going through the prison system, so why shouldn't they have the ownership for how successful they are in the future? My query is: how is that going to happen? We all know things are getting harder in prisons. Money, of course, is a constraint; the workforce ratios to prisoners is low; new threats are coming from drones and some of these new drugs that prisoners are getting hold of. We are saying that until Universal Credit comes they are not going to have the data to follow up and work out whether they have been successful or not. How on earth do we put that on to our governors and make a success?

Mr Gyimah: The first thing we need to do is empower the governor, give them the levers to be able to deliver this. I was struck when I looked at this that there are thousands of prison service instructions out there, but very few relating to employment, and education, and work. What one wants to do, in addition to empowering them, is have a clear expectation that they will be held accountable for outcomes in this area, and then they will be given the resources to do so. That is the system reform. But you are absolutely right that we have a huge challenge in our prisons in terms of prison safety and violence, and that is why the Secretary of State has said getting prison safety right is the absolute prerequisite for reform because if prisons are not safe places, or there are prisons where this is challenging, you have people locked in their cells for long times of the day, and you do not get people learning and earning if they are locked up in their cell. We need to get prison safety right.

There are reasons for that, like it there is a combination of new psychoactive substances, mobile phones in our prisons, and of course staffing, which you touched on. The White Paper that we will be publishing will look at dealing with safety and reform. Safety, but not just safety on its own; we will also have a clear route map to how we can deliver reforms in our prisons. Just to let the Committee know why this is



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an absolute priority for us, we recognise that in order to cut reoffending it makes sense to get people into work because if you do not and they reoffend, it costs us something like £15 billion, but also you have the benefits bill. In GSA alone, for each prisoner that reoffends it costs us £3,800 a year. This is an absolute priority for us.

I said in my response to Karen that the reason why we are having this discussion today—I believe this is the first inquiry this Committee has had on this area—is reform of prisoners in employment has not been up there in terms of a political priority for a very long time. That is why we are where we are, but we are determined to fix that.

Q218 Heidi Allen: Yes. I do not understand fully about prisons at all. All I know is empowering people is great, but they need the tools and the resources to do it as well, so there has to be a budget there to help to do that.

Mr Gyimah: The £130 million education budget is a start. We had an independent review from Dame Sally Coates. She recommended that every prisoner has an individual learning plan. What we had before was a budget that sat in a different Department. How can the governor have an individual learning plan when the budget is with someone else who commissions the courses? By giving the governor that budget, he or she can set the individual learning plan, but can also now go to the market to procure the courses. System reform of this nature it is absolutely vital to—

Q219 Heidi Allen: It is moving money, rather than new money, though?

Mr Gyimah: He is making the money more effective. At the moment it is not effective in terms of how the money flows into the courses to deliver any meaningful outcome for prisoners.

Q220 Steve McCabe: I just wanted to ask Sam about exactly that point, the idea of an individual learning plan—I think it should be an individual education and employment plan—but if that is going to be set by the governor at the point when someone comes into prison, is it something that is going to follow that person through? What we have heard in the past is the problem is you start on course A, you move to another prison, it does not offer the same course, and that time is then wasted. I am trying to figure out how the individual autonomy of the governor in setting the plan will definitely carry through, because it should be individual to the prisoner and it should follow them through the time they are in a custodial setting, so that we guarantee it is a customised plan that you can check your progress on.

Mr Gyimah: Steve, you make a very good point in that there is a lot of movement in prisons. Even during the course of a sentence, a prisoner might serve their sentence in more than one prison. There are a number of things we need to have in place. We need to have a proper assessment of their level when prisoners first go into custody, and then develop the



plan. We also need to know where they are at the end of that sentence, and we need to be able to track that process. One of the things that we are looking at is how we can track it through so that at any point in time we know where the prisoner is on their individual learning plan, but also be able to identify the progress that has been made. Where a prisoner spends half of their sentence in a given prison and then the other half somewhere else, we should be able to commend the governor for the distance travelled in terms of that learning plan in that particular prison. These are raw elements that we are reflecting on and will be reflected in our safety and reform White Paper.

Damian Hinds: Chair, may I just add on the related subject of that individual's record of what they have learned and so on coming through the gates with them as they come into the Jobcentre system? Between us, we have just completed a proof of concept in Liverpool and Peterborough about tracking individuals' education and employment records so you avoid duplications of skills assessments and you do not have people being asked the same questions time after time, after time. I think it is a relatively small part of the jigsaw, but still an important one. Following that proof of concept, we are going to set up a national framework. In all walks of life people can be nervous about sharing data because of data protection and so on. We are going to be communicating not only what you can, but what you should communicate about an individual to help them to continue their journey.

Q221 **Richard Graham:** This has been an interesting session, and we can see the beginnings of a strategy emerging. It looks as if the Sally Coates review is giving input to your safety and reform White Paper, which in turn is looking at how you move training into the prisons. You enfranchise the governors, give them the budgets for it, and you measure them on the outcomes. That is all encouraging. However, it seems to me that at the moment there is a big gap about how you bring employers into this and make sure there are jobs available for the sorts of numbers that you really want to be able to deliver for this strategy to work. I sense that it also does need a major marketing push, with some form of catchy title to it. I offer "Second Chance" as a name, if you are looking around for bids.

Chair: For some prisoners it could be "First Chance".

Richard Graham: Some, yes. I think that the starting point for both of you must be difficult, because I notice in the response to the Chairman's PQ recently, Minister Sam, you replied that employment statistics beyond release were not available, and only obtained at a disproportionate cost. You need that data yourself to be able to work out what your targets are, because without that you cannot judge the success of any of these programs. How would you respond, both of you, to that sort of overall summary of where we are, that this is still in the foothills of quite a long and difficult journey? How would you feel about tackling the Treasury to try to give this the sort of rocket-fuel boost it really needs to give people the incentives to take on people to work who ultimately, as Virgin Trains and Timpson have both said, are good for the business? People will not



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believe that until they have done it, so to get them to do it in the first place, like apprentices, surely we need some financial incentives, as well as all the other good things?

Chair: Could I just add to that that if you are lobbying for those National Insurance incentives that Richard has been talking about, and the policy is successful, then the gains from employment that you get are huge in revenue. Who would like to begin, Sam or Damian?

Mr Gyimah: I would say, Richard, your assessment is a very fair one. It is a very fair assessment in terms of where we are. What I would add to it is that there is the need to be quite practical here and where there is good practice—I am willing to share, if the Committee does not have it already, the training academies that are working—I want to see a lot more of them. It is absolutely superb when you see what the employers who have managed to crack this are doing in terms of being on the inside, training people for life outside. That is what I want to see more of.

Yes, we need the marketing campaign, and we have seen what the See Potential campaign has done. That would be part of our employment strategy, because outreach and persuading people, even society, that this is in the interest of society, is important.

The financial incentive point for employers—the National Insurance point—I think is a very powerful one. The case I would make to the Treasury is that if the Prime Minister wants our country to be a country that works for everyone, then certainly looking at incentives of this nature can make the difference is something that we should prioritise, and we do have the evidence of what it has done in the apprenticeship space. Let us see what we can do here. That is the pitch I will be making to the Treasury on this.

Damian Hinds: No disagreement at all that there is a lot more to be done. On employment outcomes, we do not know enough. We know a lot more than we knew before 2010, but we need to improve that greatly, obviously. The CRCs are going to be best placed to know about that in detail, and we also need to know about it very much as well.

In terms of working with employers, this is so fundamental. You can make people as work-ready as you like, but there has to be work for them to go to. It is not for me to suggest insertions into your report, Chairman, but I hope one of the things that you will be able to say in your report is to celebrate once again some of the companies that do a great job, and also to encourage more to come forward.

“Second Chance” is a great phrase. We also like See Potential. Both of them do what it says on the tin. One is more about the individual, the potential of the individual, and what it can do for your organisation. I think those two messages really have to go together, and they are both very strong. We are doing more through See Potential and through some of the local work, and all the rest of it, but clearly we need to have more



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opportunities in prison, we need to have more opportunities after prison, and we need to have more of those opportunities that Sam was talking about earlier, that do themselves operate through the gates and can add quite some continuity.

Where I would say we are overall, I think “foothills” is a good word. We do know that the support that you need for prisoners, yes, on finances and housing, but from the point of view of work and, in particular, unemployment, it needs to be very timely. It needs to be immediate. The support that you are getting when you leave prison needs to be continuous, both when you are inside and when you come out. We are striving to improve that process. We have tried, through benefit design—what we have done on Universal Credit with not having waiting days, and with the special provision on housing—to tailor that as much as possible. We have done it through our workforce, through our people, with this reformulated prison work coach role, being in the prison working with the prisoners but also working with the governors and employers is, of course, the other key thing. See Potential is a big part of that, local working is a big part of that, but we have a long way to go.

Q222 Neil Coyle: As part of that work with employers, are you looking at employee loyalty? Obviously, a big cost to employers is recruitment, and if you have information from whomever it might be, Timpson or Virgin, on loyalty that might help. Rather than look at National Insurance changes, there might be a financial incentive that does not cost the Government anything.

Damian Hinds: That is a great point, Mr Coyle, and we will pursue that.

Mr Gyimah: We will do both.

Q223 Neil Coyle: One final, tiny, techy question around ESA: lots of people are saying ESA applications cannot be completed by a prison doctor because of the regulations that specify it has to be a GP. If you are leaving prison you would have to have an address, you would have to register with a GP, and you would have to—is the Department looking at this, because it seems like a very simple regulation change that could be implemented quite quickly?

Damian Hinds: Mr Chairman, I am going to have to get back to the Committee on that.

Q224 Chair: Can I just throw my hat in the ring, given your responsibilities for a name for your programme? Might you not think about Life Chances/Life Changes. I think we put up a whole raft of policies about life chances.

Damian Hinds: As you know, Chairman, the whole life chances agenda is very important to the Government and right across Government, and there is absolutely recognition in that of the role of the criminal justice system. Obviously, outcomes for children are greatly affected by contact with parents, but also a parent being in work, and so on. I absolutely agree with you.



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Chair: Can I thank you all very much for coming. Thank you. We are grateful to you.