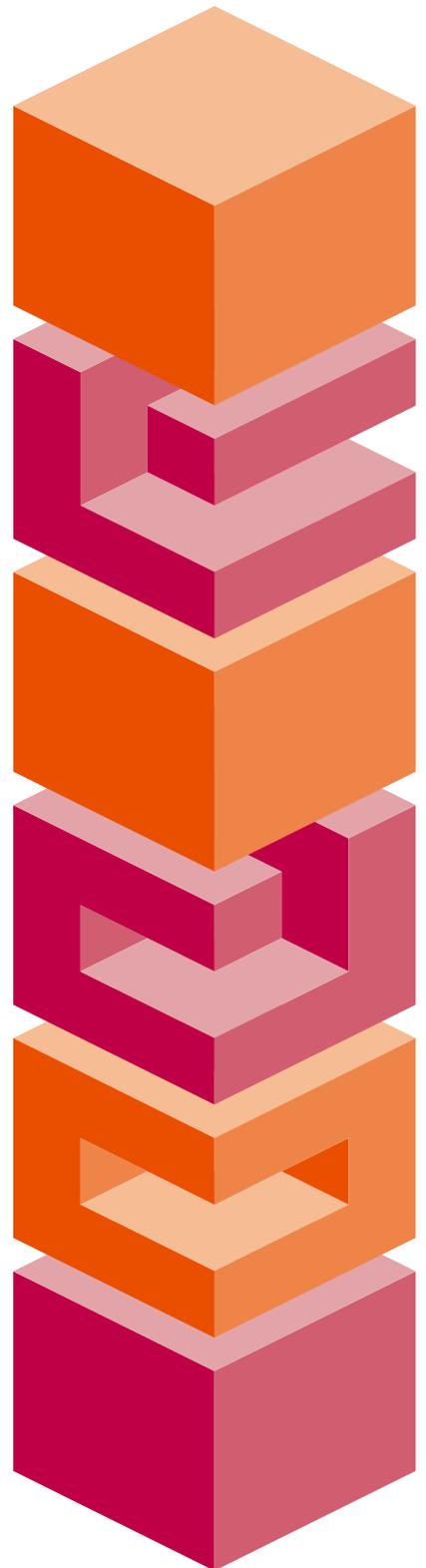
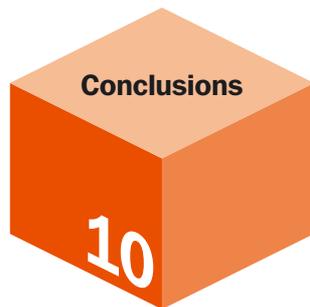
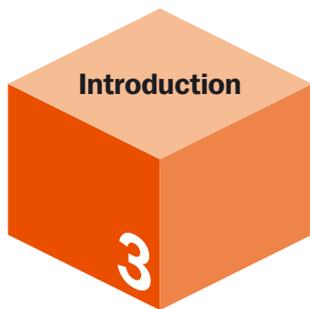


The impact of policy change  
and recession on voluntary  
organisations working in  
the criminal justice sector



# Changing Challenging times



## About this report

### Contact

Kate Aldous  
Programme Director  
Clinks  
59 Carter Lane  
London EC4V 5AQ

by Gary Ward  
[www.garyward.biz](http://www.garyward.biz)

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## Introduction

With a new government and policy agenda in place since May 2010 and the economic situation hitting hard, Clinks wanted to discover the impact these two factors were having on the Voluntary and Community Sector (VCS) working with offenders. To do so, it ran two surveys and the findings are revealed in this report.

The first survey looked at the impact of the recession and Comprehensive Spending Review on the Sector, highlighting budget and staffing cuts, how these were affecting users of services and what kind of support the Sector wants and needs to manage the effects of the economic downturn. This online survey was conducted in the winter of 2010 and attracted 99 responses.

The second survey was carried out as part of a Home Office funded project to identify the impact of the coalition's changing policy agenda on the Criminal Justice System (CJS) and the Comprehensive Spending Review. It sought to understand how changes are affecting the Sector's ability to carry out work that helps to prevent crime, support victims and reduce re-offending and to what extent they understand the new government agenda. This online survey was conducted in January 2011 and attracted responses from 196 organisations.

In both surveys, participants were asked to state their level of agreement or disagreement with different statements, and were also given the chance to write about their own experiences and views. The quotations used throughout this report have been taken directly from these responses.

Looked at together, the surveys indicate a Sector that is struggling to get to grips with the impact of budget cuts and uncertainty over future funding. It shows a Sector that was largely prepared for a squeeze on funding – and is expecting more – but is overwhelmingly determined to continue making a difference to the lives of those it works with.

Seventy percent of respondents receive funding from the statutory sector, but almost all are now devoting more time to fundraising than they were this time last year. And while the government's new agenda – localism, the Big Society and a renewed focus on rehabilitation – is affecting most organisations, the evolutionary state of these policy changes means their full implications are still to be seen.

The VCS is willing and able to work with the Government to meet our shared ambitions to reduce re-offending and build safer communities. But the Sector is simultaneously facing cuts and severe challenges, and expects this to get worse. The new agenda presents opportunities, but it is not yet clear what funding will be available and from where. The danger is that by the time the dust settles, we will have lost many valuable services.

## VCS in the downturn

In the winter of 2010, Clinks conducted a survey to capture the experience of the VCS in the economic downturn and monitor the impact on organisations and the services they deliver. Of those who responded (99 organisations):

- ✦ Just over a quarter had less than five staff
- ✦ Almost 28% had 5-20 staff
- ✦ Over 46% had more than 20 staff.

Many VCS organisations working in the CJS depend almost entirely on volunteers and have few or no staff. Such organisations have little capacity to respond to surveys like this and so the results are biased towards larger organisations in the Sector who do employ staff.

The vast majority (95%) of those that took part said that the downturn had affected them – or would do after

March 2011 when funding for some projects was due to come to an end. More than two thirds said they had made, or would imminently have to make, staff redundant.

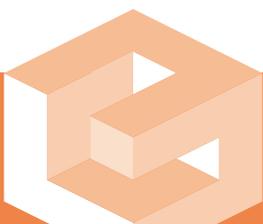
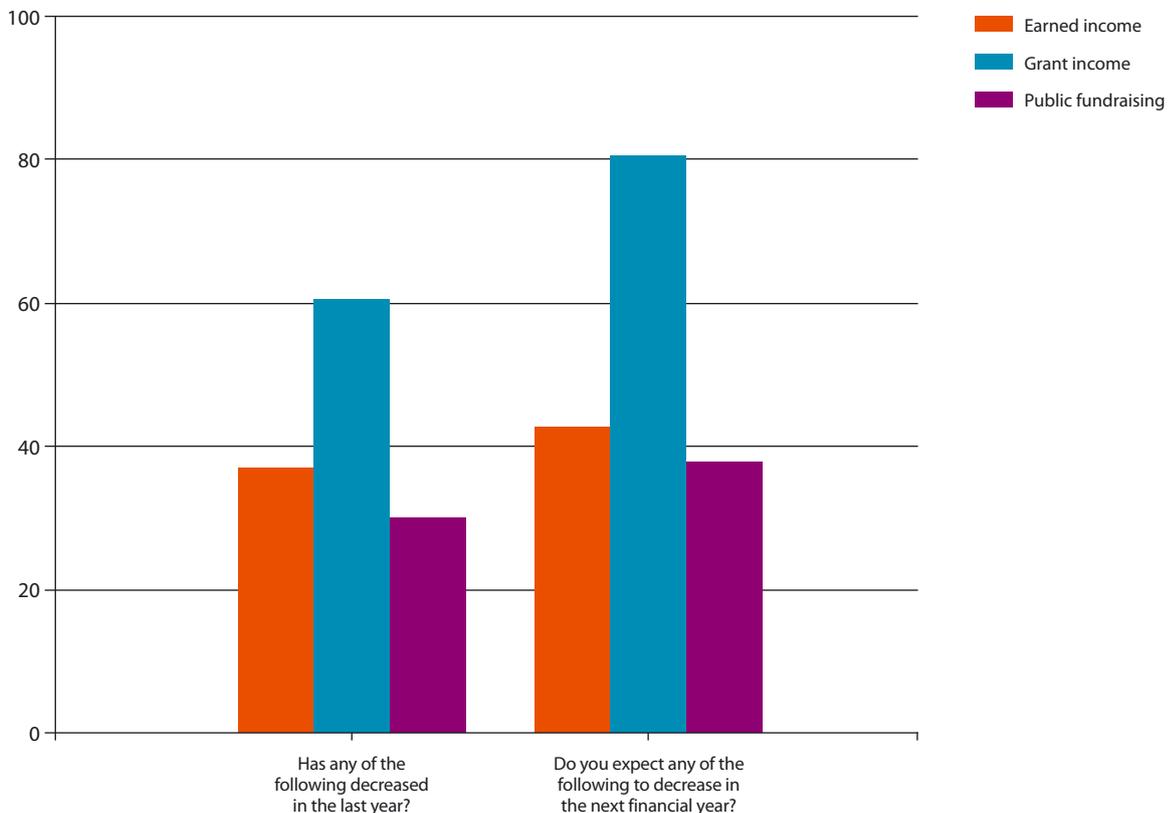
- ✦ 68% said they had made, or would make, staff redundant – with four respondents losing all of their staff
- ✦ 25% said they had made no staff redundant
- ✦ Only 5.4% said they didn't yet know whether redundancies would be required; the rest didn't answer the question or didn't want to say.

Diagram A illustrates the total number of responses to a question about how these organisations' incomes have been affected over the past year.

This shows that out of 96 respondents, 76% had seen a decrease in grant income over the past year, with 87% expecting decreases, or further cuts, in grant

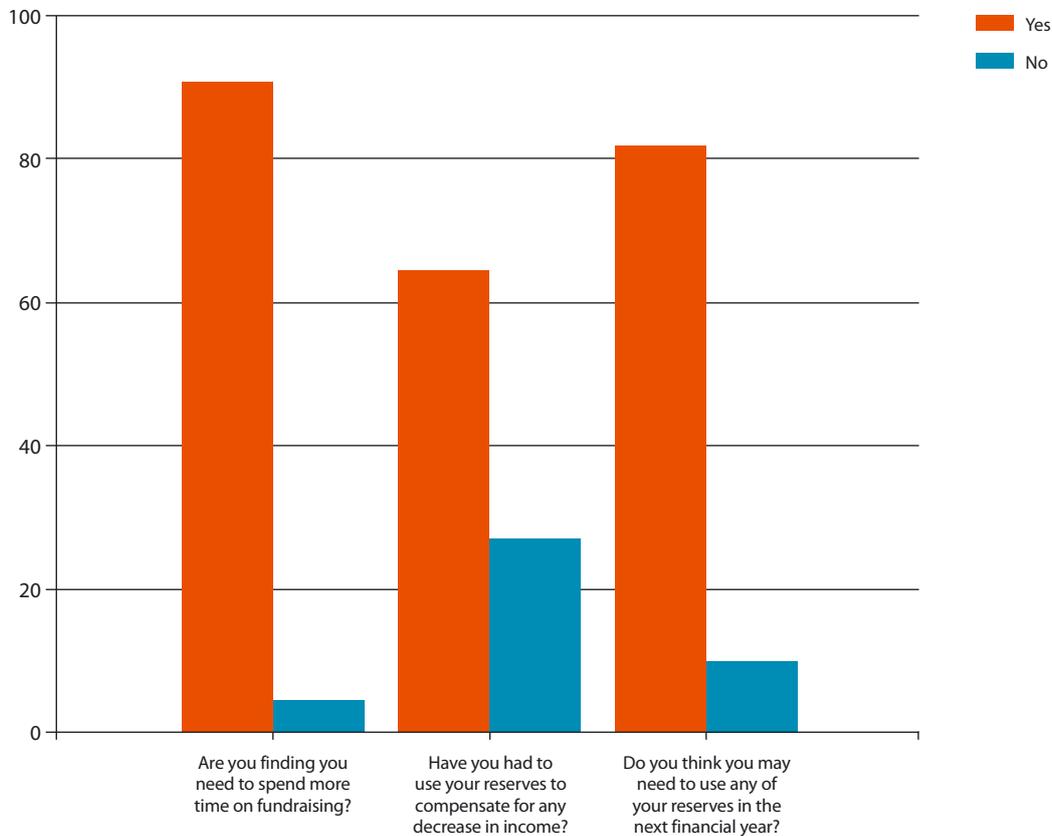
### Diagram A: Income

*"Let us know how your income has been affected. Tick all that apply."*



## Diagram B: Fundraising and reserves

"Please answer 'yes' or 'no' to the following?"



funding for the coming financial year. VCS groups also report diminishing income from their own fundraising efforts and earnings – and they expect to lose more income from these sources over the next year.

Diagram B (above) shows that almost 96% of respondents said they were now spending more time on fundraising, and just over 70% had used reserves to compensate for a fall in income, with 89% anticipating using reserves in the coming financial year.

The survey also found that as these financial pressures have intensified, more than eight out of ten respondents (83%) reported an increase in the number of people seeking their help.

However, there were clear signs that these agencies had seen the difficulties coming, with 72% saying they had planned

to help address the impact of the recession, and 19% saying they intended to do so over the next six months. This indicates a tension between needing to fundraise, reducing services due to cuts and a growing demand for frontline support.

### Client need

Sixty three per cent of respondents reported that the needs of those seeking their services had not changed, while 37% said they had. Those who did report a change in client needs highlighted, in particular, more referrals owing to financial hardship and rising unemployment, making it harder for ex-offenders to find work, with demand for voluntary or other placements outstripping the number of work placements available.

## Client needs

*"Day Centres for the homeless have shut, leading to more socially isolated adults coming to our door for help and support."*

*"As we support individuals in need, many are experiencing increased hardship and so require additional support. We're seeing an increasing number of individuals wanting to volunteer to support their job chances and increase their experience."*

*"Higher level of requests for employment support, particularly from those who had been supported into employment but have been made redundant."*

## The impact on services

*"It is worrying that I'm being asked to provide advice to services about changes in attitude toward addiction (i.e. moving towards a more recovery focused system) but without any finances to support this."*

*"Learning Review may impact on prison education to the detriment of family relationship programmes. The intensive and high input value of our courses makes them less attractive to 'buyers' than shorter, cheaper programmes where previously the differences in qualitative and sustainable outcomes were more pertinent."*

*"We're having to offer short term contracts because of uncertainty about future funding means that it is harder to retain staff."*

*"It's more difficult to win tenders for quality work. Commissioners seem to want quick wins and lack investment."*

*"We are finding that many of those smaller agencies who have provided specialised services for us over the last years are starting to run out of resources or funding."*

*"Crisis loans have been changed overnight. We require this for our clients, to give them the month's rent in advance that is required. The only other alternative would be for them to re-offend or a loan shark, both of which are unacceptable."*

## Ongoing support needs

When asked what support could help them to manage the impact of the recession better, respondents gave a variety of responses. In summary, the key points were:

1. Provide help in navigating the changes to commissioning in social care and the broader Criminal Justice System
2. Highlight funding opportunities and information on where bids and tenders may be found
3. Lobby government to demonstrate the importance and effectiveness of the VCS in the criminal justice field
4. Provide guidance on how to build partnerships to maximise effectiveness and 'match' organisations when bidding for contracts and developing staff
5. Continue to share and disseminate information to help others learn from best practice
6. Help to co-ordinate training opportunities to enable VCS staff to develop skills and capacity
7. Make smaller contracts available for smaller organisations or consortia.

## Voluntary sector support needs

*"Partnerships and help accessing funding, which can be located in obscure pots."*

*"To prompt MoJ to provide, without delay, specifics on the services they seek and how they will be structured and compensated for."*

*"Information and Guidance on building effective partnerships and managing income generating services."*

*"Lobbying. What we and others do reduces the risk of re-offending and therefore reduces costs measured over a two year period. Current short term cost cutting actually raises the costs of re-offending in the long term."*



# Home Office consultation

Clinks invited its members to complete an online survey in January 2011 to discover the impact government policy was having on their work and operation, and how they could be supported. This was part of a Home Office funded project that attracted 196 responses.

## New agenda for criminal justice

Participants were asked how much they understood the implications of the Big Society, the focus on rehabilitation and emphasis on localism – and the impact, if any, these ideas and developing policies were having on their organisations.

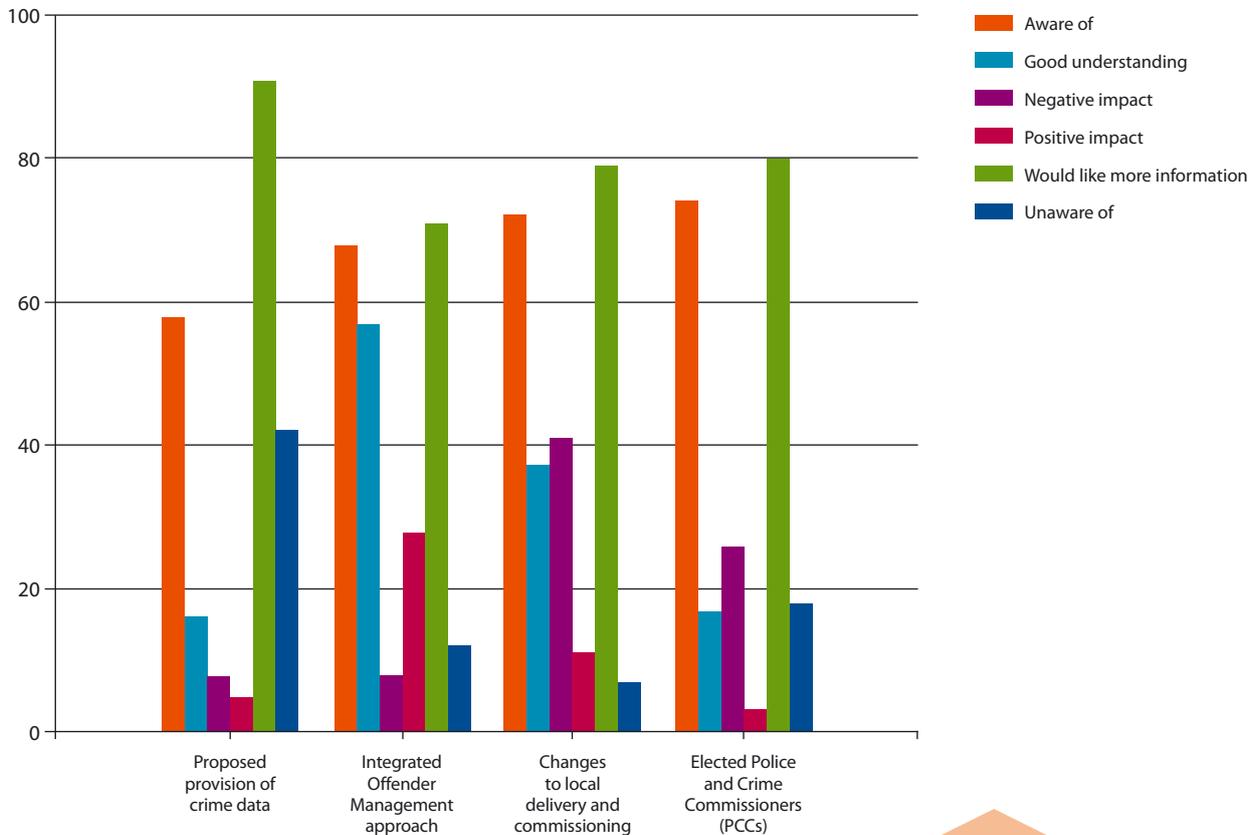
Eight out of ten respondents reported that the new agenda had brought change to their work. Given

the evolutionary state of this agenda, the fact that 47% say they do not, or only partly understand the implications for their work comes as no surprise, as does the high numbers seeking further information on specific issues. The surprise is that 53% say they do understand the implication for their work.

Diagram C highlights the levels of awareness of four policy areas and whether or not this had led to any impact (positive or negative) on respondents' own organisations. These were: the proposed provision of crime data, the Integrated Offender Management approach, changes to local delivery and commissioning and elected Police And Crime Commissioners.

### Diagram C: Policy

*"Please tick as appropriate for the following initiatives. Tick all that apply."*



The least well understood policy area was around how crime data would be provided to members of the public, while the area with the biggest negative impact was changes to local delivery and commissioning arrangements. The Integrated Offender Management approach was the area where respondents reported the most positive impact.

## The impact of change

*"They used to trust us to get on and do a good job, which we have been doing for the last 15 years. Suddenly, they want committees to report to other committees, who report to a board – its time wasting and expensive and stops us doing what we're good at."*

*"We have increased partnership working with criminal justice agencies and are developing stronger links between the two sectors."*

*"Now almost everything is being commissioned via countless different websites and e-tendering processes; we need full time professional tender writers and consortia in order to be able to compete effectively with even the larger Third Sector providers, let alone the private sector. This puts us at a disadvantage."*

*"We are looking at reforming our strategy to take into account the possible impact and benefits of payment by results and also to review how we integrate our services more effectively."*

*"Scrapping the Future Jobs Fund has had a negative impact. Move to social enterprise very positive."*

*"Potentially it could represent a big opportunity for us, as the ethos of our programmes is in line with the principles of Big Society."*

*"The localism agenda and cuts have affected funding of projects. The proposed changes to the NHS and Welfare Reform could work in our favour if we are commissioned as a specialist provider."*

## Partnerships

The second part of the survey focused on the experience of working in partnership with statutory and other bodies, locally or nationally. The key findings were:

- ✦ 85% of respondents work with the statutory sector locally, including local authorities, youth offending teams Drug and Alcohol Teams, Probation Trusts, mental health services and the police
- ✦ 42% work with the statutory sector nationally, including the Ministry of Justice, Probation Service, Home Office and Prison Service
- ✦ 72% of respondents receive funding from the statutory sector, with the majority of these stating that this funding was not secure. Locally, this tended to be from local government; nationally, funders included the National Offender Management Service, MoJ, Cabinet Office and Department of Work and Pensions.

When asked about their experiences – good and bad – of working with the statutory sector, 59% reported these to be "variable". Only 12% described working with the statutory sector as "easy" and almost one in five labelled it as "hard".

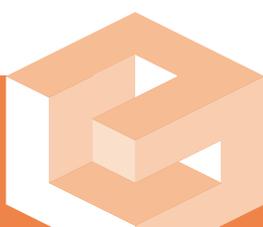
Respondents gave a variety of reasons for their mixed experiences. A repeated piece of feedback was the importance of individual staff. From the survey, it appears that the commitment and attitude of individuals to working with the voluntary sector makes a big difference, regardless of the organisation.

## Experience of working with the statutory sector

*"There's no cohesive approach locally so I end up having to go to a large number of different meetings about the same thing. Police, probation and prison don't seem to work together."*

*"I have worked in the Sector for 30 years with big national third sector providers and nearly two years as a local London provider. As a big national I received easy access to national agencies but they do not seem to want to know small providers, with the exception of the Ministry of Justice."*

*"We find working with the local authority increasingly difficult. They are micromanaging tiny budgets of under £10,000. They are taking up time and energy that we would prefer to spend helping our clients ... They are destroying the goodwill, dedication and creativity that we bring to our work."*



*"Statutory sector are less flexible and don't move as fast as the VCS and this can be frustrating when the pace of change is not as fast as we would like."*

*"...despite pronouncements about 'Big Society' and voluntary sector involvement the burden of financial cuts are being disproportionately placed upon our sector while 'they' fight to preserve their staff's employment."*

*"The way local authorities are implementing their funding cuts is not 'fair and progressive', rather, they are having a massive impact on the poorest and most vulnerable in society."*

## Improving relationships

When asked 'what do you think might help to make your relationship with the statutory sector easier?' respondents gave a wide range of answers, but two of the most frequent focused on the view that the statutory sector needed to be:

- ✦ More consistent in its dealing with voluntary agencies, particularly in having regular points of contact
- ✦ More knowledgeable, understanding and with more respect for the voluntary sector – what it does and what it is able to contribute to the government's agenda.

## Relationships with the statutory sector

*"I think they need to have some consistency in terms of staff and need to have a better understanding of what it is like to be working at the grassroots."*

*"More of a willingness to involve the 3rd sector on policy and strategy development."*

*"To maintain a relationship as opposed to solely sub-contracting."*

*"Less micro-management. More trust and willingness to let us use our skills to get on with helping people. They simply don't understand the voluntary sector - we are organisations made up of dedicated individuals who believe in what we do - we will stop believing and walk away if we lose too much freedom."*

*"Public sector willingness (and therefore authority) to take risks, to be allowed to test ideas and fail but to learn and improve from these."*

*"[we need] long-term partnership funding agreements to help facilitate our working with our statutory 'partners.'"*

Participants were also asked for their main source of 'infrastructure' support. The most frequent responses were Clinks and Councils for Voluntary Service, with others including NCVO, ACEVO, and other local/regional organisations.

## Community Safety Partnerships

In this survey:

- ✦ 48% reported that they work with a Community Safety Partnership (CSP)
- ✦ 52% said that they don't work with a CSP.

When asked to give an account of their experiences with CSPs, the 79 responses to this question were generally, but not universally, positive.

## Relationships with Community Safety Partnerships

*"[They] can be narrow in thinking and very police driven. DAAT partnership is much more flexible and responsive."*

*"Positive and supportive. Good vehicle to exchange information."*

*"Very good, concerned that they may close down in April."*

*"Difficult to make your views heard, too many professionals at the higher end who have already set the agenda for reducing crime."*

## Transition Fund

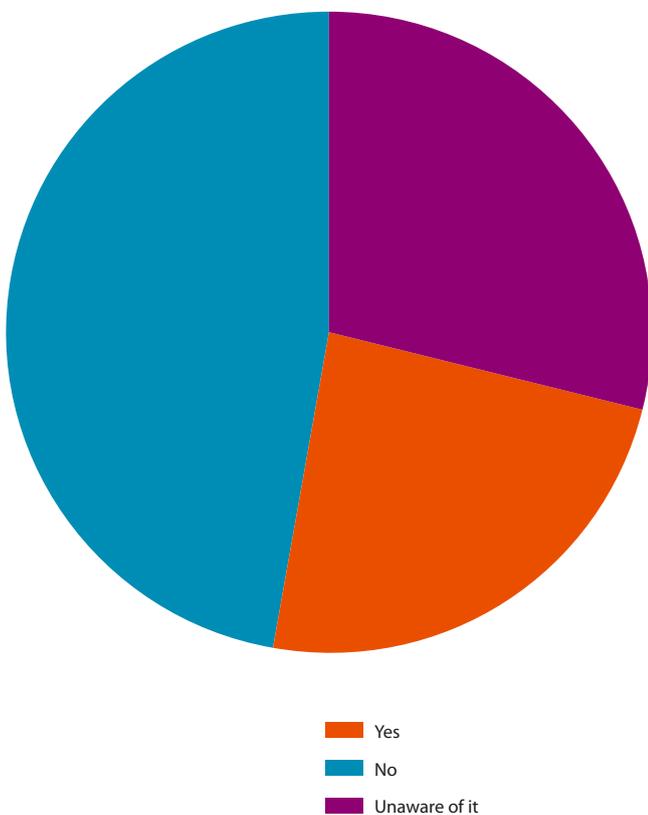
The survey also asked about respondents' knowledge of the Transition Fund, set up by government to provide £100m to voluntary sector organisations at risk from a reduction in taxpayer income.

Diagram D shows responses to the question 'Were you eligible to apply for the Transition Fund', and indicates that 28.5% were unaware of it. Almost 24% said that they were eligible and 47.4% said that they weren't. A total of 23% of respondents actually made an application to the Transition Fund; those who didn't largely cited a lack of awareness or eligibility.

The survey's final question – 'Will your organisation continue to work on the community safety reducing re-offending agenda?' – resulted in 94.5% saying 'yes'.

### Diagram D: Transition Fund

"Were you able eligible for the Transition Fund?"



## Conclusions

With the coalition government's criminal justice policy agenda being rolled out against – and influenced by – a backdrop of the most serious financial crisis in decades, voluntary sector organisations are coming to grips with this new reality.

The two surveys provide a snapshot of views, feelings and experiences across the sector and give indications of the way forward in helping to deliver policy objectives, work effectively in partnership and highlight what support is needed to help the sector make a positive impact.

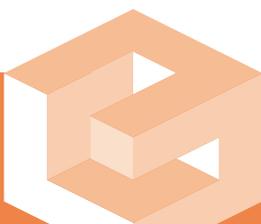
### Policy and business objectives

Taken together, the surveys indicate a willingness and desire among voluntary organisations to work with the Government and other statutory agencies to support the developing Big Society, localism and criminal justice agenda. However, the qualitative feedback indicates a frustration at the uncertainty created by the funding squeeze. Three factors stand out:

- ✦ Not all voluntary organisations working in this sector are fully aware of the meaning or implications of the evolving policy agenda – there is a need for more information
- ✦ While organisations are willing to embrace change, an inability to plan for the future owing to uncertainty over funding seems to be eroding some good will
- ✦ Funding reductions are having an impact on the services the VCS is able to provide, coinciding with a growing demand for these services.

### Partnership working

Working in partnership is well established amongst the VCS working in the CJS; it has become a characteristic of the Sector in recent years. The statutory sector remains a significant source of funding, and effective engagement nationally and locally will be vital to secure positive outcomes for offenders, ex-offenders and their families.



The survey highlighted a number of ways in which respondents felt that partnerships could be enhanced during this time of transition:

- ✦ Ensuring that partnership working is recognised as an essential element of delivery at all levels of statutory organisations – with a recognition that the VCS has a great deal to offer
- ✦ As far as is practicable, simplifying the process of applying for funding and having confidence in the Sector – based on its track record – to deliver
- ✦ Communicating policy objectives and ways of working clearly to help manage expectations and reduce uncertainty.

Almost half of respondents said they worked with a Community Safety Partnership (CSP), with similar needs for trust and recognition of the important role played by the VCS identified in the qualitative feedback. However, we did not ask about the nature of their relationship with the CSP, i.e. whether it was at strategic, service delivery or referral level. More research would be required in order to understand the current level of engagement, and why more than half of the respondents to the survey are not currently working with their CSPs. Clinks considers that VCS representation at a strategic level is necessary for successful engagement.

## Support needs

The economic downturn survey highlighted the need for most of the respondents to step up their fundraising efforts - and also to dip into their reserves. The expectation of further cuts in funding at a time of growing client need intensifies the need to support these organisations if they are to continue to make an effective contribution to crime reduction and rehabilitation.

The report has shown where organisations such as Clinks can help its members, but there are also lessons here for statutory agencies, notably:

- ✦ Ensure that funding/contract opportunities are widely advertised and available to all

- ✦ Ensure that changes to commissioning and other processes are communicated clearly, with a clear rationale and explanation of the implications.

The Sector has a wealth of experience and knowledge to contribute to the rehabilitation revolution and the Big Society. However, there is a real danger that once the evolving agenda becomes clearer, much of this will have been lost due to cuts and closures. It is vital that this message is communicated clearly to local and national Government to ensure whatever possible is done to protect the Sector and its clients.



supporting voluntary organisations that  
work with offenders and their families

**Clinks supports the Voluntary and Community Sector working with offenders in England and Wales. Our aim is to ensure the Sector and all those with whom it works, are informed and engaged in order to transform the lives of offenders and their communities.**

Clinks:

- ✳ Provides representation and voice
- ✳ Promotes the Sector
- ✳ Influences policy and campaigning
- ✳ Provides information and support
- ✳ Undertakes research and development.

**Clinks**

59 Carter Lane

London

EC4V 5AQ

0207 248 3538

[info@clinks.org](mailto:info@clinks.org)

[www.clinks.org](http://www.clinks.org)



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