



# **ST GILES TRUST & THE CHANGING LANDSCAPE**

How a VCS agency is adapting to  
new funding streams

# St Giles Trust: Who are we?



- Medium sized voluntary organisation with a turnover of approx £5 million in 2010/11.
- Currently employing approx 130 paid staff of which 34% are ex-offenders.
- Main office is in Camberwell, South London where we have been located since the 1960's. However we have offices in Kent and East of England.
- Deliver a wide range of services for offenders, ex-offenders and other disadvantaged groups in London, South East, South West & East of England.
- Currently working or about to begin work in 17 prisons across the above regions.

# St Giles Trust: Our aims



- To radically reduce re-offending through providing jobs and homes
- To enable offenders to maximise their potential
- To make offenders a part of the solution
- To foster social inclusion and well-being

St GILES TRUST'S

# THROUGH THE GATES

An analysis of economic impact

10th December 2009



# Through the Gates provides outstanding value for money to society

1

## Benefits due to Through the Gates

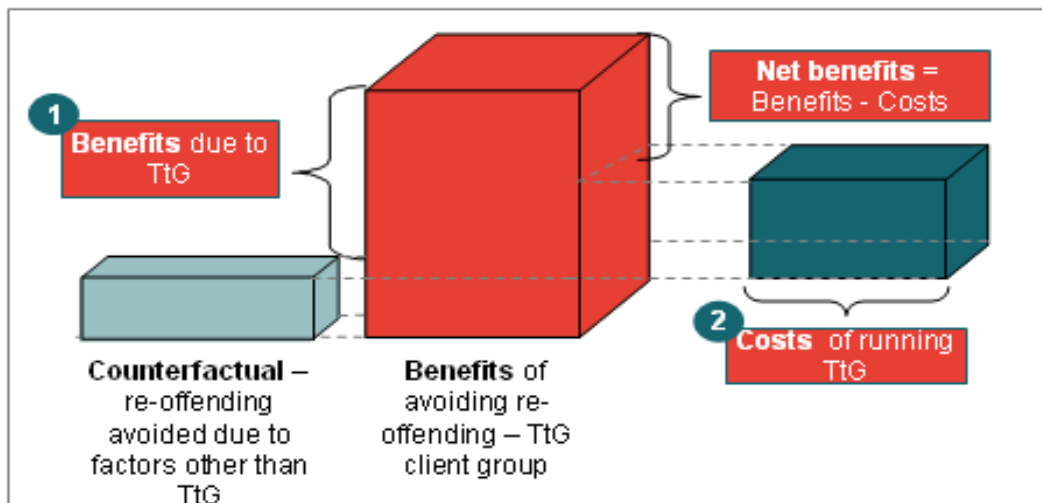
**£10.4 million**

2

## Costs of running Through the Gates

For the 12 month period from July 2008-July 2009 the operating costs of Through the Gates were:

**£1.05 million**



3

## Cost benefit ratio of Through the Gates

£ 10.4million ÷ £1.05 million

**10**

- \*A cost benefit ratio >1 indicates the project is viable
- "Counterfactual" may encompass other measures that stop individuals from re-offending other than Through the Gates. However these are inevitably added in our programmes' benefit.
- Crime prevention methods (which stop individuals from offending in the first place) may have higher benefits for society, our research focused on re-offending statistics

# The Proof

$$SE(\hat{P}) = \sqrt{\frac{\hat{p}(1 - \hat{p})}{n}} = 0.014$$

# Payment by Results – Not good!

**LDA YOUTH  
ESF  
PROGRAMME**

Proportional  
Clawback



# Payment by Results – Good!



## SOCIAL IMPACT BOND ( Peterborough )

- Upfront and Longer term Funding
- A flexible “what works” approach
- The chance to influence the spec and the metric
- The chance to deliver the services you think matter and work





For More details:

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- The Investors have to be convinced by the script
- The investors pay for the show
- The actors/writers/producers get paid
- If the show is good the actors get more work and the investors get their money back with interest
- If it's a flop the investors lose their money and the actors struggle to find more work!

# What is a Social Impact Bond?

- Social Impact bonds are a financial product just like a mortgage or a pension, and you can't sell them unless you are FSA registered
- The MOJ and the Big Lottery are underwriting the bonds
- They will pay out to the investors if the offending of the cohort is reduced by an agreed amount.
- The aim is for there to be a justice reinvestment kickback that will reduce the need for firefighting resources and instead invest in preventative measures