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| <b>REPORT TO:</b>       | Council   |
| <b>REPORT NO:</b>       | LR/06/13  |
| <b>DATE:</b>            | 18 March 2013   |
| <b>LEAD MEMBER:</b>     | Councillor Neil Rogers<br>(Lead for Economic Development and<br>Regeneration)<br>Councillor Hugh Jones<br>(Lead for Communities, Collaboration and<br>Partnerships) |
| <b>LEAD OFFICER:</b>    | Lee Robinson, Strategic & Performance Director  |
| <b>CONTACT OFFICER:</b> | Lee Robinson (Tel: 292400)  |
| <b>SUBJECT:</b>         | North Wales Prison  |
| <b>WARD:</b>            | N/A   |

## **1. PURPOSE OF THE REPORT**

To inform Members of the recent announcement of the Ministry of Justice (MoJ) with regard to prison policy and, specifically, to inform Members of the actions agreed by the North Wales Regional Leadership Board to enable North Wales to compete against the other regions to secure the location of a prison in North Wales; to remind Members of the strategic need for a prison facility to be built in North Wales and the economic benefits that could ensue; and to confirm the Council's commitment to a prison in North Wales and to submitting sites in Wrexham as a potential location for the prison.

## **2. EXECUTIVE SUMMARY**

- 2.1 On 10 January 2013, the Justice Secretary made a ministerial statement regarding Prison Capacity Management (see Appendix 1). The Minister stated that modern prisons could deliver better custody and rehabilitation services more efficiently than older prison accommodation. He cited savings from HMP Oakwood, a new prison in the West Midlands that provides prison places and services at less than half the average cost (and to a higher standard) of

existing prison places. The Minister therefore announced plans to close six prisons, including Shrewsbury, and partially close a further three prisons.

- 2.2 The significant reduction in costs that the new prison places have, and will produce, in comparison to older parts of the prison estate, has led to the Secretary of State for Justice making a commitment to examine the feasibility of building a new prison, with a capacity of 2000 places, or more in the North West, London or North Wales.
- 2.3 Local authorities and other agencies in the criminal justice field have been lobbying for a prison in North Wales since 2007, as North Wales is the only region in the UK not to have a prison. In the last two calls for new prisons, sites have been put forward in North Wales including sites in Wrexham.
- 2.4 The North Wales Regional Leadership Board has now asked local authorities and other agencies in the criminal justice field to assist with:
  - i) the renewal of lobbying for a North Wales prison; and
  - ii) the production of a business case to support a North Wales location led by the Strategic and Performance Director, Lee Robinson.
- 2.5 The current site criteria and the timescale for site selection have not yet been advertised by the MoJ, but it is understood that the release is imminent. Sites can then be identified for consideration.
- 2.6 There is clearly a strategic need for a prison in North Wales relating to the effective operation of the criminal justice system including issues of rehabilitation and the human rights of prisoners and, specifically, Welsh Language issues.
- 2.7 Research indicates that prisons have an overriding positive economic impact on an area, as set out in Executive Board report LR/14/09. These are substantial, creating stable employment and having supply chain benefits covering a wide range of services. Research undertaken in 2009 (Roger Tym & Partners) to assess the economic impact of a 1,500-place prison, estimated that the revenue impact on the local economy would be in the region of £17.7m, creating circa 926 jobs in the area.
- 2.8 The Secretary of State for Wales regards the prison as an opportunity and has advertised it to all the local authorities in the region, offering to help Councils in North Wales work with the Ministry of Justice. The Welsh Government has also expressed an interest in supporting North Wales' Councils to lobby for a prison in North Wales.
- 2.9 Members are asked to consider this report due to the strategic and significant nature of the proposed project and investment.

### **3. RECOMMENDATIONS**

#### **3.1 That Members:**

- i) **confirm support for a prison facility to be sited in the North Wales region; and**

- ii) **confirm support for the submission of suitable sites in Wrexham County Borough for such a facility.**

## **REASON FOR RECOMMENDATIONS**

To ensure that the views of Wrexham County Borough Council and North Wales are fully taken into account by the Minister in reaching his decision on the implementation of new prison proposals and to support the development of the justice infrastructure in North Wales and the principle of collaborative working.

### **4. BACKGROUND INFORMATION**

#### **A PREVIOUS CALLS FOR A PRISON**

- 4.1 The recent announcement by the MoJ on the intention to construct a prison for male offenders triggers the third phase of activity to secure a prison in North Wales and in Wrexham County Borough.
- 4.2 In 2008, the MoJ announced that a medium-sized prison would be built in Wales to address the 1,800 estimated shortfall of prison places. The type of prison being considered then for Wales was a Category B/C prison which would include males, females, young offenders and remand facilities in the order of 800 places.
- 4.3 Two sites were identified for such a prison in North Wales: at Wrexham and Caernarfon. The proposal was considered by the Council's Executive Board on the 2 December 2008 (PSR/15/08) and Members resolved to fully support the need for a prison facility in North Wales in order to serve the needs of prisoners and their families and the requirements for an improved criminal justice system.
- 4.4 In a letter to the MoJ, the Council recognised that "a prison with its significant capital investment and long-term high quality sustainable job creation is an important economic driver". Site specific issues were not addressed at the time although the letter did recognise that two locations in North Wales had been identified as having potential.
- 4.5 The case for a North Wales prison had been well articulated by the Welsh Affairs Select Committee (WASC) and senior Welsh judges following the publication of the 2007 WASC report into 'Welsh Prisoners in the Prison Estate'. Lobbying for a North Wales prison by all local authorities and agencies engaged in the criminal justice field in North Wales was therefore strong and, in February 2009, the Dynamex site at Caernarfon was selected.
- 4.6 In October 2009, the search re-commenced for a 1,500-place prison when the Caernarfon site proved unsuitable and the MoJ withdrew its interest.
- 4.7 At the North Wales level, there was commitment to sharing a prison with neighbouring English regions to meet the capacity criteria of 1,500 beds. It

was considered then that local needs could be accommodated within a specific block in a larger prison and that the benefits could be spread across the region.

- 4.8 The Council's support for one of these new facilities to be based in North Wales was expressed by means of a letter from Lee Robinson, Strategic and Performance Director, to the Welsh Affairs Select Committee on 10 November 2009.
- 4.9 Further to Executive Board approval (Minute Ref: 197, LR/14/09) and on release of the site criteria (which included the need for a development area of 35 acres), two sites within the County Borough were formally submitted for consideration, both on Wrexham Industrial Estate.
- 4.10 The exercise to select new prison sites was halted in 2010, however, after the general election and the public expenditure reductions announced shortly thereafter.
- 4.11 Since that time, lobbying of the MOJ by key agencies in North Wales has continued and, at the end of 2012, a delegation of representatives from the North Wales Regional Leadership Board – consisting of Council Leaders, the North Wales Fire and Rescue Authority and the Betsi Cadwaladr University Health Board - met with the Prisons Minister, facilitated by the Wales Office. The key features of the offer from the North Wales delegation were:
- North Wales possesses suitable sites for a 1,500 bed prison with good communications to the criminal justice system in the North West of England;
  - its local authorities are willing to work positively with the MOJ with regard to identifying sites suitable for a prison;
  - there is a willingness to meet the criteria set by the MOJ; and
  - there is a willingness to share a prison with the North West and/or the West Midlands.

## **B THE CURRENT MOJ REQUIREMENT FOR A PRISON**

- 4.12 The current requirement for a prison in either England or Wales derives from a statement made by the Justice Secretary, Chris Grayling in January 2013. Some new capacity (1,260 places) was also identified at existing prisons. The Minister stated that modern prisons can deliver better custody and rehabilitation services more efficiently than older prison accommodation as well as delivering savings. He cited the example of HMP Oakwood in the West Midlands, a new 1,600-place prison that provides prison places and better services at less than half the average cost of existing prison places.
- 4.13 The Minister therefore announced plans to close six prisons – Shrewsbury, Canterbury, Gloucester, Kingston, Shepton Mallet and Bullwood Hall - and partially close a further three prisons at Chelmsford, Hull and on the Isle of Wight, meaning the end of 2,600 old and uneconomic places.

- 4.14 It is understood that the site criteria for the prison will be similar to that required in 2009/10 - albeit it should be expected that a larger prison will require a larger development area. The original criteria specified the following:
- 35 acres available for development;
  - level and able to take a development of up to four storeys;
  - not overlooked;
  - not contain any features which would cause unreasonable development difficulties or compromise security;
  - meet sustainability objectives;
  - reduce the need to travel;
  - not located too far from the centres of population that it serves;
  - have good accessibility through public transport services;
  - have good access to the motorway or main arterial trunk road system; and
  - be within one hour's travel time of key courts.
- 4.15 There was also a preference for brownfield sites and a presumption against development in the green belt.
- 4.16 The current site criteria and the timescale for site selection have not yet been advertised.
- 4.17 The experience gained through previous calls for sites and the approaches considered can be built upon for the new process. The North Wales Regional Leadership Board has advised that success for North Wales can be obtained by enabling the MoJ to develop a prison which will:
- radically reduce costs compared to the current estate - land values and the quality and competitiveness of the local workforce will play a part in this;
  - modernise internal services to reduce re-offending;
  - have good links to the transport system of the North West and West Midlands;
  - have excellent links to the criminal justice system in the North West and West Midlands;
  - take capacity from Shrewsbury which includes Welsh prisoners from Mid-Wales (in April 2012, Shrewsbury was ranked first in England and Wales for overcrowding (197%)); and
  - enable the release of capacity from other prisons like Altcourse which is where the majority of male prisoners from North Wales are held in custody.
- 4.18 In considering the current requirement, it is worth reviewing a few official MOJ statistics regarding the prison population as set out below.
- The prison population in England and Wales is 84,424 (22 February 2013).
  - Between 2001 and 2011, the prison population in England and Wales grew by 30%.

- From June 2009 to June 2012, the prison population rose at a rate of less than 1 per cent per year.
- At the end of April 2012, 83 of the 134 prisons in England and Wales were overcrowded; Shrewsbury was identified as being the most overcrowded at 197%.
- In 2010-11, an average of 24% of the total prison population was held in overcrowded accommodation.
- In 2007-2008, re-offending by all recent ex-prisoners cost the economy between £9.5 billion and £13 billion (Bromley Briefings Prison Factfile, June 2012).

## **C THE STRATEGIC NEED FOR A PRISON IN NORTH WALES**

4.19 The evidence of need for a prison in North Wales is substantial. There are no prisons in North Wales. All offenders from North Wales are therefore sent outside of Wales. On average, 95% of male offenders are sent to HMP Altcourse on Merseyside. According to the most recent statistics from HMP Altcourse, 1,172 prisoners from North Wales were sent to this prison between October 2012 and February 2013. The majority (82%) have come from either the Mold, Caernarfon or Wrexham courts (Crown, Magistrates and County).

4.20 The North Wales Regional Leadership Board has indicated that a prison is required for the following key reasons.

- Fundamental Need - North Wales is the only area in the UK not to have a prison in the region.
- Culture - to secure a prison subject to the provision of the Welsh Language Act, where prisoners from North Wales are held in facilities where they can use their first language; this will also have the benefit of reducing re-offending.
- Efficiency - for public services: to reduce prisoner transport and transport costs/travelling time to court/prison for legal/offender management services.
- Improving rehabilitation and reducing re-offending rates - through enabling closer contact between families and support professions by improving access to the prison. According to a 2012 study for PACT (Economic Study of Integrated Family Support Programme), the odds of re-offending within one year of release from prison are 39% higher for prisoners who had not received visits from a partner or family member while in prison compared to those who had. There is a direct correlation between reduced visits and distance from home. Keeping families together also avoids cost to public services and is correlated with prisons that are accessible to families.

4.21 The above grounds are set out in further detail in Appendix 2.

## D POTENTIAL ECONOMIC BENEFITS OF A PRISON

4.22 A prison is also sought regionally because of the significant economic benefits that have been identified.

4.23 To support the search for new prisons in 2009/10, research was undertaken by Roger Tym and Partners to understand the economic impact of a 1,500-place prison following construction. This work still provides the most pertinent and up-to-date research in this area. Its key findings were as follows (set out further in Appendix 3 as per Executive Board Report LR/14/09):

- £17.7 million in annual revenue to the local economy;
- 926 jobs split between 819 directly at the prison and the balance in ancillary activities - of these jobs it is anticipated that 537 would be filled by local residents;
- a regional impact of £46.8 million per annum and 1,165 jobs;
- job stability, security and diversity; and
- opportunities for up-skilling of local labour supply particularly in relation to NVQ levels.

4.24 The effects are undeniably positive and are set out in more detail in table one below for both a region and a district area within that region.

4.25 The building of the prison would generate additional spending and employment. The MoJ estimates for construction spend for a new prison – according to the report - is circa £229 million, supporting some 117 permanent jobs. With the combination of off-site construction techniques and the amount of specialist skills that would be required to build a prison, it is assumed however that a small fraction (10%) of these construction jobs would be filled by the local district's residents.

|   | Region            | District          |
|---|-------------------|-------------------|
| <b>Total Spend (£)</b>                  |                   |                   |
| Direct staff Salaries                   | 15,106,600        | 8,157,600         |
| Indirect purchasing                     | 9,900,000         | 1,867,800         |
| Induced staff spending                  | 11,213,700        | 6,810,500         |
| Second round multipliers                | 10,556,900        | 867,800           |
| <b>Total Spend</b>                      | <b>46,777,200</b> | <b>17,703,700</b> |
| <b>Total jobs supported (no.)</b>       |                   |                   |
| Direct staff                            | 819               | 819               |
| Indirect purchasing                     | 170               | 40                |
| Induced staff/visitor spending          | 60                | 57                |
| Second round multipliers                | 116               | 10                |
| <b>Total Jobs</b>                       | <b>1,165</b>      | <b>926</b>        |
| Total jobs filled by district residents | 537               | 537               |

Table 1: Economic Impact (following construction) of a 1,500-Place Prison on a District Area and its Region per annum  
(based on 2009 MOJ Report on the 'Economic Impact of a 1,500 place-Prison')

4.26 The North Wales Regional Leadership Board is therefore seeking a prison on economic grounds as well as cultural grounds. With a heavy reliance on manufacturing employment, North Wales (and North East Wales, in particular)

| Economic Measure                         | Statistic                                | Average for North Wales | Rank in North Wales<br>(highest = 1, lowest = 6) | Great Britain |
|--|--|-------------------------|--|---------------|
| Job Seekers Allowance Claimant Count     | 4.1%                                     | 4.1%                    | 3  | 3.8%          |
| ILO Unemployment (yr to end Sep 2012) *  | 7.8%                                     | 6.35%                   | 1  | 7.9           |
| Employee Jobs in Manufacturing (2011) *  | 19.3%<br><i>7.8% above Welsh average</i> | 12.6%                   | 2  | 8.7%          |
| Employee Jobs in Service Sector (2011) * | 75.4%<br><i>5.4% below Welsh average</i> | 80.2%                   | 5  | 84.6%         |

Sourced: Stats Wales\*, NomisWeb\*\*. 27<sup>th</sup> February 2013

would benefit through the diversification of the economy towards more service employment. Recent statistics on the key economic indicators for North Wales and Wrexham are set out above.

## **E NEXT STEPS FOR NORTH WALES**

- 4.27 Securing a prison is a competitive process where both politics and a strong business case, judged by the MoJ's site criteria, play a part in the decision. The success of the region will depend on securing strong political support from across the region and making an attractive "business proposition" that meets the economic and policy goals of the MoJ. There will need to be a willingness to work constructively with the department to meet the needs of offenders from North Wales in a larger institution.
- 4.28 As to the forward process, the North Wales Regional Leadership Board has identified the following short-term priorities:
- demonstrate the political commitment to pursue a prison for North Wales;
  - show sensitivity to meeting the policy objectives of the MoJ (largely cost reduction and the modernisation of facilities which enable better services to reduce re-offending);
  - secure the details of the information required by the MoJ to conduct a feasibility study and assess potential sites including timelines;
  - construct a business case (North Wales Police to action) that identifies the benefits to the communities of North Wales of being able to accommodate offenders from North Wales in a prison located in North Wales;
  - procure information from the MoJ on prison populations and the categories that they are planning to accommodate in a potential North Wales site; and
  - identify potential sites based on the criteria provided by MoJ officials.

- 4.29 As stated previously, the site criteria is not expected to be too dissimilar for those released in 2009/10 although it should be assumed that a development site larger than 35 acres will be required given that an additional 500 prison places are proposed.
- 4.30 The size of the site is therefore key in determining whether any sites can be identified for consideration. Feasibility work will then be needed to understand whether the sites fit the remaining criteria.
- 4.31 The North West and London regions have delivered positive responses to the announcement which provides some indication of the competition for the investment and the likely benefits it will bring.
- 4.32 North Wales, as the only region without a prison, has a strong case.

## **5 CONCLUSIONS**

- 5.1 There is a strong case for supporting the location of a prison in both North Wales and the Wrexham area on a number of grounds including the positive effects on the operation of the criminal justice system, Welsh Language issues, the well-being of prisoners and their families and in terms of the economy of North Wales.
- 5.2 The Secretary of State for the Wales Office regards the prison as an opportunity and has advertised it to all the local authorities in the region, offering to help Councils in North Wales work with the Ministry of Justice. The Welsh Government has also expressed an interest in supporting North Wales' Councils to lobby for a prison in North Wales.
- 5.3 Members are asked to consider this report due to the strategic and significant nature of the proposed project and investment; reports of this nature are not normally submitted to Council for consideration.

## **6 IMPLICATIONS**

- 6.1 **Policy Framework** - Such a facility would support the economic development of Wrexham through industrial diversification and the creation of jobs therein supporting the Council's approved Economic Prosperity Strategy 2012-16. The issue of site location would need to be considered in the context of the local plan.
- 6.2 **Budget** - At this stage no financial implications for this Council are anticipated.
- 6.3 **Legal** - None.
- 6.4 **Staffing** - None.
- 6.5 **Equality/Human Rights** – A prison in North Wales will ensure that prisoners receive a better and more relevant cultural provision from a facility in their own country. There is a significant body of evidence that prisoners kept in

conditions where they do not understand the primary culture, dialect or languages can face higher levels of stress than normal.

6.6 An Equality Risk Assessment has been undertaken on this project and given the stage that the project is at, the risk has been deemed to be low impact. An Equality Impact Assessment using the EASI system has therefore not been undertaken.

6.7 **Risks** - Failure to support the case for a prison in North Wales and to opt out of nominating (a) site(s) may compromise the North Wales case impacting negatively on the development of justice infrastructure in North Wales and the human rights of prisoners from North Wales thereby damaging the principle of collaborative working.

## 7 CONSULTATION

7.1 The Lead Member has been consulted and supports the proposed way forward.

7.2 As yet there has been no public consultation on this matter, but significant consultation will be required as the project progresses, not least through the planning process once a site is identified.

## 8 SCRUTINY COMMITTEE COMMENTS

8.1 This matter has not recently been considered by Scrutiny Committee.

8.2 A report was supported at the Environment and Regeneration Scrutiny Committee of 2 December 2009, further to the 2009 call for potential prison sites. The following particular areas were discussed during the debate:

- the size of the prison (1,500 prisoners);
- the potentially low number of construction jobs which it was assumed would be filled by local residents;
- concern regarding property values, although there was no evidence to support the assertions that these would reduce;
- confirmation that there would be Welsh language provision in a prison situated in North Wales;
- clarification that there would be no specific extra costs for policing, unless major incidents occurred whereby the prison would cover additional policing costs;
- the importance of ensuring that a prison building would be environmentally amenable and one which would blend in with the local area; and
- acknowledgement that good transport links would need to be in existence, which would form part of the site selection and planning considerations.

| BACKGROUND PAPERS | LOCATION | WEBSITE INFO. |
|-------------------|----------|---------------|
| N/A               |          |               |

Thursday 10 January 2013  
**MINISTRY OF JUSTICE**

***Prison Capacity Management***

**The Lord Chancellor and Secretary of State for Justice (Chris Grayling):**

Our strategy for the custodial estate is to ensure that we have sufficient places to meet the demand of the courts whilst securing best value for money for the taxpayer. My intention is to have more adult male prison capacity available than we had in 2010 but at a much lower unit and overall cost. Our strategy for achieving this is to replace accommodation which is old, inefficient or has limited long-term strategic value with cheaper modern capacity which is designed to better meet the demand for prison places and supports our aim to drive down stubbornly high reoffending rates. I am also announcing today that the Government is to start feasibility work on a new prison that could hold more than 2,000 prisoners – around a quarter more than the largest current facility.

At present, we have buildings within the prison estate which date back to the 18<sup>th</sup> Century. Prisons are not all located where we would want them to be to best meet the needs of the courts or support resettlement and there is an annual maintenance cost of approximately £184m. There is clear evidence that by replacing old uneconomic places with modern prison capacity we can drive substantial savings for the taxpayer and I am determined to do just that.

Last year we opened a significant amount of new accommodation including 1,600 places at HMP Oakwood in the West Midlands. The average cost at Oakwood is £13,200 per place. This is less than half the average cost of existing prison places, and sets the benchmark for future costs. In order to further drive down unit costs in prisons, I can today announce that we plan to significantly increase capacity at four existing prisons by building additional houseblocks to provide up to 1,260 new modern and cost effective places. Our current intention is that new accommodation will be built at HMP Parc in Bridgend, HMP Peterborough in Cambridgeshire, HMP The Mount in Hertfordshire and HMP Thameside in London. These houseblocks, along with Oakwood, which is now reaching capacity, represent over 2,800 new places. This provides the opportunity to close excess capacity elsewhere in the estate.

I am therefore announcing that we will close around 2,600 old and uneconomic places through the closure of six prisons and the partial closure of accommodation in three other sites. The affected establishments are:

Closures & Partial Closures

Bullwood Hall Kingston Chelmsford  
Canterbury Shepton Mallet Hull  
Gloucester Shrewsbury Isle of Wight

The decision to close, or partially close places in these establishments is based on the suitability, sustainability and the cost of this accommodation. Closures form just one part of our strategy to improve the operation of our prison estate and drive down

the costs to the public. We will also decommission 200 contractually crowded places at private prisons, which are not currently needed.

We will continue to ensure that our estate reflects prison population demands, and in line with the falling population in the youth estate, I can also announce that we intend to negotiate a change to the function of HMYOI Ashfield and re-role it to a prison to hold adult male prisoners. I intend to work with the Youth Justice Board to review the operation of the youth estate to ensure that it provides effective education and training for young people whilst delivering value for money to the taxpayer.

Furthermore, I am conscious that women offenders have particular needs and that the custodial female estate should be organised as effectively as possible to meet gender specific requirements whilst also delivering best value for the public. I have therefore asked officials to undertake a review of custodial arrangements for women. I expect this review to be completed by the summer.

As part of our strategy to modernise the estate and significantly reduce unit and overall costs, I have asked officials to explore options for building a new prison to enable us to accelerate the closure of uneconomic capacity across the rest of the estate. We will consider the feasibility of sites in the North West, North Wales and in London in line with demand for places in these regions and I will provide further details to the House as this work progresses.

Overall, this capacity reduction will save £63 million per year from the cost of running our prisons. These savings are in addition to the plans we have already set out to the House for how we propose to make significant cost reductions over the next few years through the application of an efficient benchmark for all public sector prisons, and through further competition of services.

This Government is determined to ensure that we have a resilient custodial estate with sufficient capacity available to meet the demands to imprison those committed by the courts. We also intend to ensure that the cost of a prison place is dramatically reduced. The strategy I am outlining today will help achieve both these aims.

## **Appendix 2 - THE REQUIREMENT FOR A NORTH WALES PRISON**

1. All the prisons in Wales are located in South Wales. All offenders from North Wales are sent outside Wales. 95% of North Wales' male offenders are sent to Altcourse on Merseyside. Female prisoners are sent to Styal in Cheshire and Young Offenders are sent mainly to Stoke Heath, Shropshire. This causes many issues for not only the criminal justice system itself but also for prisoners and their families as outlined below.

### **The Strategic Need for a Prison in North Wales**

#### Custody Numbers

2. Recently, North Wales has seen a steady increase in cases brought to court, and this is matched with a steady increase of convictions, and this will be matched with a rise in custody cases, increasing the number of North Wales prisoners who have to travel to England to serve their sentences.

#### Local Authority Access

3. The issues faced by released prisoners are aggravated by an increased distance from home. For example, prisoners released from Altcourse in Merseyside – if travelling by train - have to undertake several train changes and therefore arrive in many towns in North Wales too late to register for housing. They can commonly become homeless on their first night back home. Due to the difference in the Local Government systems between England and Wales this is a regular problem caused by incompatible systems. Failing to provide optimum support from release leads to a higher probability of re-offending

#### Prison Transport

4. This presents a major issue for the Court Service in North Wales. On a regular basis, prisoners arrive late to court and offenders have to spend large amounts of time in the small cells within the vehicles, often leaving prisons early, and travelling for four plus hours prior to appearing in Court.

#### Welsh Language

5. It would enable use of the Welsh language for all categories of first-language Welsh prisoners. In its 2007 report, the WASC expressed "...serious concerns around Welsh language provision for Welsh prisoners, in particular for young offenders, which could be addressed most effectively by the provision of prison places in North Wales". The Committee also suggested that Welsh speakers might be being prevented from speaking Welsh in English prisons on the grounds that it represented a security issue. This is particularly disconcerting in view of the fact that there is a significant body of evidence that indicates that prisoners kept in conditions where they do not understand the primary culture, dialect or languages being used can face higher levels of stress than normal and face problems in terms of sustaining a positive sense of identity.

6. This evidence has since been re-iterated and has featured heavily in recent media coverage. Despite the MOJ's publication of a Welsh Language Scheme in 2010 (currently under review), serious issues still exist.

## **The Social and Welfare Benefits of a North Wales Prison**

### Family and travel distance

7. The distance at which North Wales' prisoners are placed from their home affects the delivery of health, education and rehabilitation services to prisoners and reduces the likelihood of successful resettlement on release.
8. In 2009, male prisoners in the UK were held, on average, 50 miles away from their home. The average for adult male prisoners from North Wales was significantly higher.
9. This distance also places a significant cost burden on families who wish to visit relatives in prison.

### Family and health

10. A North Wales prison would increase family and professional support to prisoners, thereby reducing the likelihood of mental health problems, self-harm and suicide.
11. It is well evidenced that the further away a prisoner is kept from their home area, the fewer visits they receive. They are, therefore, less able to maintain family, social and economic ties to the communities to which they will return.
12. Research widely shows that active family support can help to ameliorate the pain of imprisonment thereby potentially reducing the risk of suicide and self harm by prisoners. This is because receiving visits from family and friends can serve to remind prisoners that there is a life for them after the prison sentence. In this regard, female prisoners are particularly vulnerable.

### Family, re-settlement & re-offending

13. Research has found that maintaining family contact is associated with successful resettlement. It is found that prisoners who had at least one visit from family or partners were twice as likely to have an employment, education or training place arranged on release and three times more likely to have accommodation arranged as those that did not receive any visits.
14. Significantly, research undertaken in 2008 indicates that the odds of re-offending are 39% higher for prisoners who had not received visits whilst in prison compared to those who had. 40% of prisoners interviewed for the Surveying Prisoner Crime Reduction Study (2012) stated that support from their family, and 36% that seeing their children, would help them stop re-offending in the future.

## **The Efficiency Benefits of a North Wales Prison**

### Impact on Criminal Justice System

15. One of the key arguments for locating prisons closer to prisoners' homes is that it would lead to a more efficient operation of the Criminal Justice System.
16. There would be considerable efficiency gains for the court service and public services - the probation and prison services and social services - in reducing journey times and costs from travel between North Wales' prisons and English prisons and from prisoners' home towns to English prisons.
17. Work with remand prisoners held long distances from home is particularly resource-intensive for the Probation Service. The North Wales Probation Service has indicated that this impacts right across the Criminal Justice System and the achievement of a speedy and timely service. This affects not only the Probation Service but also defence solicitors and the police and their ability to interview remand prisoners and the production of prisoners to court.

### Impact on Courts

18. The Court Service experiences particular problems with the delivery of prisoners which affects their ability to schedule cases and manage court times effectively. There are two Crown Courts in North Wales: Caernarfon and Mold which have a significant drive time to the prisons of Cheshire, Merseyside and Staffordshire.

### Appendix 3 - POTENTIAL ECONOMIC IMPACT OF A PRISON ON AN AREA

- 1 Research indicates that a prison in North Wales is a highly significant and much needed economic development opportunity that would provide a critical counterbalance to the inherent problems of the wider economy.
- 2 Research completed in October 2009 by Roger, Tym & Partners, provides the most pertinent and up-to-date research with regard to estimating the potential local economic impact of a new large prison (1,500). It bases its work on four case study prisons in England. These were used to model and calculate the impact on:
  - the local labour
  - capital and
  - goods and service markets
- 3 The effects are undeniably positive and these are summarised in the table below for both a region and a district area within that region.

|   | Region            | District          |
|---|-------------------|-------------------|
| <b>Total Spend (£)</b>                  |                   |                   |
| Direct NLP staff Salaries               | 15,106,600        | 8,157,600         |
| Indirect NLP purchasing                 | 9,900,000         | 1,867,800         |
| Induced staff spending                  | 11,213,700        | 6,810,500         |
| Second round multipliers                | 10,556,900        | 867,800           |
| <b>Total Spend</b>                      | <b>46,777,200</b> | <b>17,703,700</b> |
| <b>Total jobs supported (no.)</b>       |                   |                   |
| Direct NLP staff                        | 819               | 819               |
| Indirect NLP purchasing                 | 170               | 40                |
| Induced staff/visitor spending          | 60                | 57                |
| Second round multipliers                | 116               | 10                |
| <b>Total Jobs</b>                       | <b>1,165</b>      | <b>926</b>        |
| Total jobs filled by district residents | 537               | 537               |

Table 1: Economic Impact (following construction) of a 1,500-Place Prison on a District Area and its Region per annum  
(based on 2009 MOJ Report on the 'Economic Impact of a 1,500 place-Prison')

- 4 In summary, the report concludes that a 1,500 place prison is expected to generate the following local economic impacts following construction:
  - £17.7 million in annual revenue to the local economy;
  - 926 jobs split between 819 directly at the prison and the balance in ancillary activities. Of these jobs it is anticipated that 537 would be filled by local residents.
  - A regional impact of £46.8 million per annum and 1,165 jobs.
- 5 The report identifies five key mechanisms by which a prison may impact the local economy once it has been constructed:
  - i) the direct impacts resulting from residents gaining employment at the prison and the salaries generated by that employment;
  - ii) the indirect impacts that result from purchases within local goods and service markets;

- iii) induced impacts that arise in the local area by prison employees and visitors spending locally which in turn supports local jobs;
- iv) second round multiplier impacts which are the effects of consequent rounds of spending from the initial injection in the local economy; and
- v) other qualitative employment impacts such as stable, diverse and long-term incomes and jobs.

#### Direct Impacts of a 1,500-place Prison

- 6 According to the report, the degree to which the prison would recruit from the local population (i.e. the containment rate) would depend on its location within the district, local connections and transport links, the supply of labour (the availability and skills of local residents) and the quality of jobs offered.
- 7 It is understood that prison jobs offer high job security. Unlike manufacturing jobs they are far less sensitive to the impact of economic downturn and recession. Employees would expect to be employed at the same location for a relatively long time, and a higher proportion of the employees would therefore attempt to find housing near the prison than in less secure jobs. This would contribute to an increase in the employee containment rate. The report indicates that that 54% of the prison jobs would go to local residents
- 8 The direct employment impact is estimated at approximately 819 jobs in a local district area. 440 of these direct jobs therefore would be expected to be filled by the local district's residents.
- 9 Based on the above, the proposed prison would be expected to directly generate between £15.1 and £16.6 million per annum through net salary payments in the region. The direct salary income captured in the district is between £8.16 and £8.97 million per annum.

#### Indirect Impacts

- 10 Indirect impacts arise from the prison's spending on goods and services in the economy, which for a 1,500 place prison is estimated at £9.9 million, with some £1.9 million of this being captured by the local district economy. This spending would support approximately 170 jobs, including 40 local jobs. The proportion of these jobs that would be expected to be taken by local residents is harder to predict but indications are around 75%, (30).
- 11 The issues surrounding local procurement are a little more blurred with larger scale prisons due to economies of scale - particularly if they are privately-run. This explains the gap between local expenditure and total expenditure. New prisons tend to have national procurement contracts, thereby limiting local supplier engagement on major spending areas. These matters can be handled through local planning and procurement routes. It is also worthwhile noting that there are local suppliers in North Wales who are major contributors to the prison industry.

### Induced & Multiplier Impacts

- 12 Induced impacts would be generated by the spending of the prison's employees and visitors. The spending in the local area supports businesses, contributes to local wages and covers material overheads. Total annual spending by a prison's employees would be between £11 and £12 million, which would support some 60 to 66 jobs and raise between £6.4 and £7 million in the local economy. Visitors to the prison would contribute a further £415,800 of additional local spending based on an average prison visit local spend of no more than £7.
- 13 Multiplier impacts are the additional jobs and incomes created because of an initial injection in the economy and are estimated to generate some £10.6 million to £11.1 million in income which locally would be worth circa £0.9 million, supporting 10 local jobs, of which 5 would be filled by district residents.

### Stability & Diversity of Jobs

- 14 A prison provides employment stability. The 2007 prison survey revealed that 76% of jobs were in operational and uniformed occupations, and 8% were in maintenance and kitchens (see table 2). Generally speaking, these positions have low entrance requirements and would be accessible to the high share (some 40%) of the working age population without accredited skills. Moreover, people lacking qualifications are more likely to be unemployed or economically inactive. However, within these low entry jobs, high levels of internal training are found, some of which are accredited up to NVQ Level 3 or equivalent. Furthermore, on appointment, Prison Officers are expected to complete an 8-week training course (Prison Officer Entry Level Training) to equip them with the necessary knowledge, skills and values they need to operate safely and confidently in their first post.
- 15 The large proportion of construction jobs associated with a new build also require minimal qualifications, although these may not be locally sourced. – see later.
- 16 The remaining 15% or so of jobs within prisons are likely to require some form of entrance qualifications, ranging from NVQ2 to NVQ4+ or equivalent. These jobs include healthcare and psychology, finance and other administrative management positions.

| <b>Category</b>          | <b>Share of Jobs</b> | <b>Average Skill Level at Entry</b> |
|--------------------------|----------------------|-------------------------------------|
| Officers & OSGs          | 76%                  | NVQ1                                |
| Senior Managers          | 4%                   | NVQ4 plus                           |
| Instructional            | 2%                   | NVQ4 plus                           |
| Health Care & Psychology | 4%                   | NVQ4 plus                           |
| Works & Kitchen          | 8%                   | NVq1 & less                         |
| Admin.                   | 6%                   | NVQ2 – NVQ4 plus                    |

Source: MoJ Economic Impact of a New Large (1500 place) Prison, Oct 2009

- 17 Where there is a mis-match of existing skills against required skills for a prison, it is understood (from research undertaken by officers in 2009) that the MoJ run an Education Skills Programme to help better skill the workforce. In all cases where the new prisons are located the Ministry of Justice will work to develop skills in the local workforce related to prison employment. In this way skills will be developed to ensure supply meets demand without over-supplying.
- 18 A prison provides employment opportunities to the people on the lower end of the skills base: people who are most vulnerable to business cycles and who face a great deal of difficulty in finding jobs with their existing skill set. The average prison employee earns a net salary of £16,400 a year; this is a good stable income for an individual with little or no skills in what is generally regarded as a low wage economy.
- 19 It would also create a diversity of jobs - ranging from high NVQ 4+ to no or low entrance requirements - across a wide skill base. The largest job category is Prison Officer and Operational Support Grade Officer which offer relatively highly paid employment opportunities for those lacking formal qualifications, especially the unemployed.
- 20 The recession and associated downturn has had its greatest impact on jobs in the manufacturing sector. The diversity of jobs – and the range of them in the service sector - would therefore assist with the reduction of an areas over-reliance on manufacturing. In Wrexham, for example, 19.8% of all jobs are employed in manufacturing which is 7.8% above the Welsh average and the second highest in North Wales. Conversely, Wrexham has a lower than average proportion of jobs in the service sector at 75.4% which is 5.4% below the Welsh average and the second lowest percentage in North Wales.
- 21 North Wales in particular, has been hard hit by the impacts of the recession and the economic downturn so new jobs are much-needed. Unemployment has risen more sharply in North Wales as redundancies have been significant.

### Business Impacts

- 22 Industry surrounding prisons are able to benefit from the provision of skilled and semi-skilled resources and much reduced or no labour cost. This has the dual benefit of assisting local businesses with new areas of work, which they may not have otherwise undertaken for cost reasons, such as landscaping of grounds, painting/decorating and site clearance. It also provides numerous routes to aid offender rehabilitation.
- 23 The economic advantages outlined above would therefore provide a significant re-boost to the economy of an area through the creation of new jobs and ongoing income streams and investment. The long-term nature of the project and the fact that it would not be exposed to typical market conditions and the 'boom and bust' cycles present in the business world would also provide employment stability.

### General areas

- 24 According to data provided by the North Wales Local Criminal Justice Board in 2009, 1000 jobs could be directly created by a prison and related criminal justice facilities, plus an additional 1000 in service and ancillary industries. There would also be an incremental growth in demand for local services such as education, building maintenance, food supply and health services. (There is no research data to support these actual figures).