

# Opening a bank account before release from prison

## Briefing – December 2018

Unlock is an independent charity that provides a voice and support for people with convictions. Although much of our work focuses on issues that people face relating to their criminal record, we take an active interest in the key aspects of resettlement that are crucial in helping people to build and lead a crime-free life after release from prison.

## Why it matters

A bank account is essential for employment, receiving benefits (particularly Universal Credit) and providing the ID that is required for everything from renting accommodation to joining the library. Prison leavers first told Unlock about the difficulty of not having a bank account over a decade ago; the problem persists.

## Progress to date

Unlock led a project for over 9 years to persuade banks to accept applications from people in prison approaching release. Initially supported by charitable trusts and foundations, and then via a grant from the National Offender Management Service (NOMS), much of the success was as a result of a close working relationship between Unlock, NOMS, Ministers and officials in the Ministry of Justice (MoJ).

We worked with prisons and high street banks to implement safe and effective partnerships; by 2014, we had set up 74 prison/bank partnerships and overall 114 prisons had links with high-street banks; Barclays, Co-op, Halifax, HSBC, Santander and RBS (including NatWest) were all actively involved. However, there was more to do and we made several recommendations in our impact report.

The project end coincided with 'Transforming Rehabilitation' and it appears that bank accounts have become de-prioritised. The 2017 joint HMI Prisons and HMI Probation report on Through The Gate services stated:

*"All except one of the prisons we visited were able to set bank accounts up for prisoners, but even where this service was available, some prisoners were still released without bank accounts. Other work on finance, benefits and debt was not being delivered to any great extent...Some prisoners do not have their own bank accounts, and this can cause lengthy delays in claiming benefits. We expected that all the prisons we visited would be able to arrange bank accounts where needed. We saw some cases where this was recognised and assistance was given, but in others this need was recognised too late or overlooked completely."*

Although it is part of the contract of Community Rehabilitation Companies (CRCs) to help people open a bank account before release, the excerpt highlights how, generally, 'Through The Gate' services are not working well enough. The Prison Reform Trust's, *Out for Good* report, found:

*"Prisoners also often left the prison without having a bank account or the necessary identification documents, which meant they were unable to start work.... The CRC staff recently started to provide a basic bank account to prisoners who requested this although a surprisingly low number of prisoners had taken advantage of this facility. One potential issue was that the forms were relatively complicated to complete and CRC workers usually did not have the time to help the prisoners complete them."*

Anecdotal evidence suggests arrangements have lapsed in prisons due to staff changes or focus. That said, HMPPS data shows around 6,500 accounts were opened in 2016/17 – the highest number in a single year to date. This shows that significant numbers of people *are* leaving prison with a bank account in place and it is possible for even more to do so.

## Understanding the problem

### Lack of data

To our knowledge, HMPPS has not published any data on bank account openings in prison since we published data in 2014. This makes it difficult to identify the current trends and problems. Who is the 'banking lead' in each prison? How many bank accounts are each prison opening? Is this meeting the needs of the population? This data would make it easier to identify priority prisons and focus efforts. For the banks, what are their approaches and eligibility criteria, how many accounts are they receiving and/or opening and are there other banks who could offer better arrangements? Before the problem can be improved, the scale needs to be determined.

### Ownership and accountability in prisons

Ownership in prisons has always been a challenge. Unlock believes that prison governors are best placed to understand their prison and ensure that the right person/service provider in their prison delivers the support required. Historically, ownership sat with Heads of Reducing Reoffending (as part of resettlement) or Heads of Education (as part of financial capability). More recently, CRCs have taken responsibility in many prisons, but awareness of this is generally low, and there is little accountability to the prison in terms of what is provided.

### Operational issues in prisons

Anecdotal evidence points to local issues that affect the opening of bank accounts. For example, HMP Kirkham is an open prison where men can go to work on release on temporary licence (ROTL) - yet their banking arrangement limits the use of a bank account until release. We understand that HMPPS believes there is a role for banks not currently involved to help address this issue, and the banking sector has changed since 2014.

### Operational issues with banks

Our 2014 report recommended standardisation of arrangements between banks and prisons. This does not appear to have happened, but is important to achieve consistency across prisons. Current arrangements include banks not activating accounts until the person attends the branch and confirms their address (which excludes anyone without a release address), or limits on the numbers of accounts they will open monthly. However, in the absence of this HMPPS will need to ensure there is more fluidity between which prisons a bank partners with, so that a bank's operations can be best suited to the needs of a particular prison.

### Communications

Despite around 6,500 accounts being opened in 2016-17, people in prison (including staff) are often unaware of the bank account scheme in their prison, or who to ask. There is a role for central communications to both groups. For example, a regular newsletter to prison banking leads, targeted information to governors, and a mailbox for practitioners could ensure better communications with practitioners. Efforts to raise awareness with people serving sentences via resettlement interventions and via *Inside Time* and *National Prison Radio* would help to promote the scheme to individuals.

## Strategic oversight

There has been a lack of strategic oversight by MoJ and HMPPS. The role that Unlock played during our project was as a single point of contact for prisons and banks. This was the equivalent of roughly one full time member of staff for a national project of significant impact. In our 2014 report, we recommended that the MoJ allocate a 0.5 FTE which we believed was needed to oversee this work at a national level. Although there is a single point of contact, it is unclear whether this has been resourced sufficiently.

## Bank accounts in the community

There are good reasons to focus on setting up bank accounts for people prior to release, but HMPPS should not overlook the support needed for those in the community to who were unable to open an account while in prison. This requires clear ownership nationally, addressing issues significant practical issues such as the lack of identification, as well as finding the right mechanism at the local level through the National Probation Service/CRCs.

# What needs to be done

The department is rightly proud of the progress that had been made. It is crucial that steps are taken to ensure the long-term sustainability of this important aspect of resettlement work. Our recommendations are threefold: review, resource, refresh.

### Review

Unlock urges the Ministry of Justice to begin with an immediate review of the bank account opening scheme in prisons, based on the recommendations from our 2014 report, identifying the way forward.

### Resource

The Ministry of Justice should allocate appropriate resources to this (relatively) small but vital work, to ensure success. In practice, we recommend that this work becomes the full-time job of a Senior Civil Servant for 12 months; 3 months to carry out the strategic review and then a maximum of 9 months to implement the findings of this. At that point it should be possible to revert to our original recommendation of being led by a 0.5 FTE official within HMPPS.

### Refresh

There is good work being done, but effort and energy is needed to maintain the integrity of the programme, and to resolve some of the issues highlighted in this briefing. The banking sector is changing and the green shoots of digital prisons may offer opportunities to refresh the way prisons connect to communities and ensure effective resettlement.

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*Unlock is an independent award-winning national charity that provides a voice and support for people with convictions who are facing stigma and obstacles because of their criminal record, often long after they have served their sentence.*