



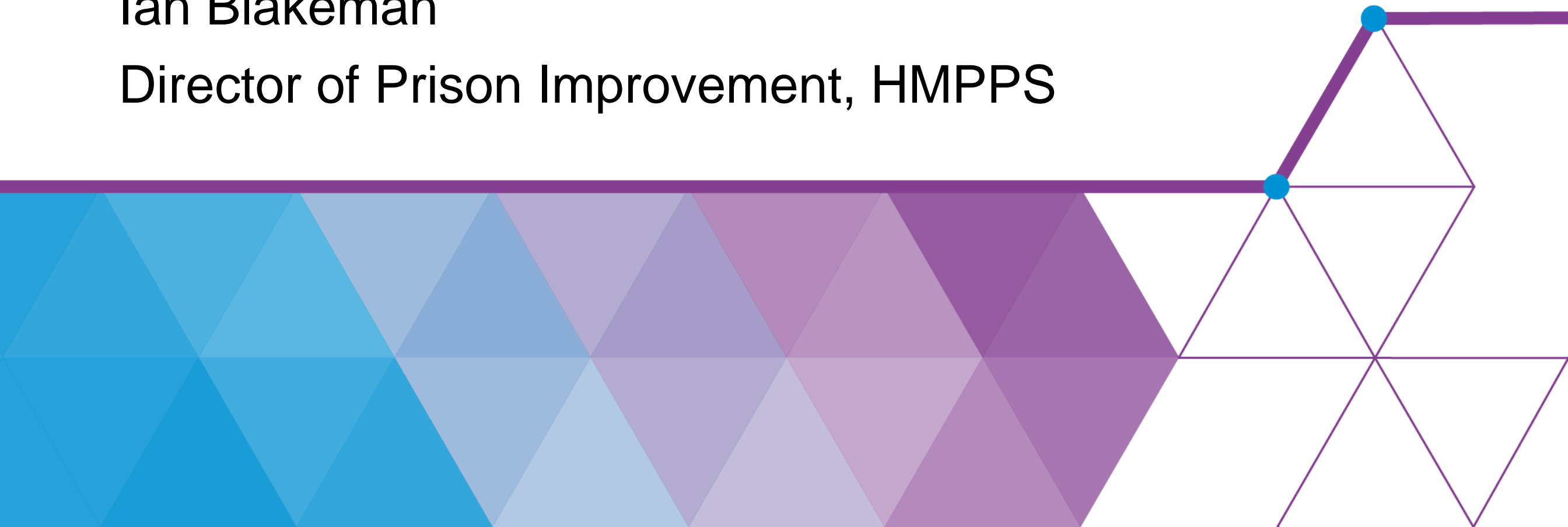
HM Prison &
Probation Service

Prison and Probation privatisation – lessons from England and Wales

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Prison and Probation privatisation in England and Wales

Probation

- Transforming Rehabilitation
- Creation of National Probation Service and Community Rehabilitation Companies
- Some of the challenges and solutions

Prison

- History of prison privatisation
- Some comparisons
- Some reflections

Whole system leadership

- A closing thought

Transforming Rehabilitation 2015

Rehabilitation, a Strategy for Reform, introduced new ways of managing offenders in the community across England and Wales.

The reforms included:

- Opening the market to 21 privately owned Community Rehabilitation Companies (CRCs) to low and medium risk offenders. CRCs to be incentivised by payment by results (PbR)
- CRCs provide a new 'Through the Gate' service. Planning 12 weeks before release and helping with accommodation, employment and health
- A new public National Probation Service (NPS) to manage high risk offenders and provide advice to court
- New legislation, the Offender Rehabilitation Act to extend to support to prisoners serving under twelve months and a new sentencing option, the Rehabilitation Activity Requirement

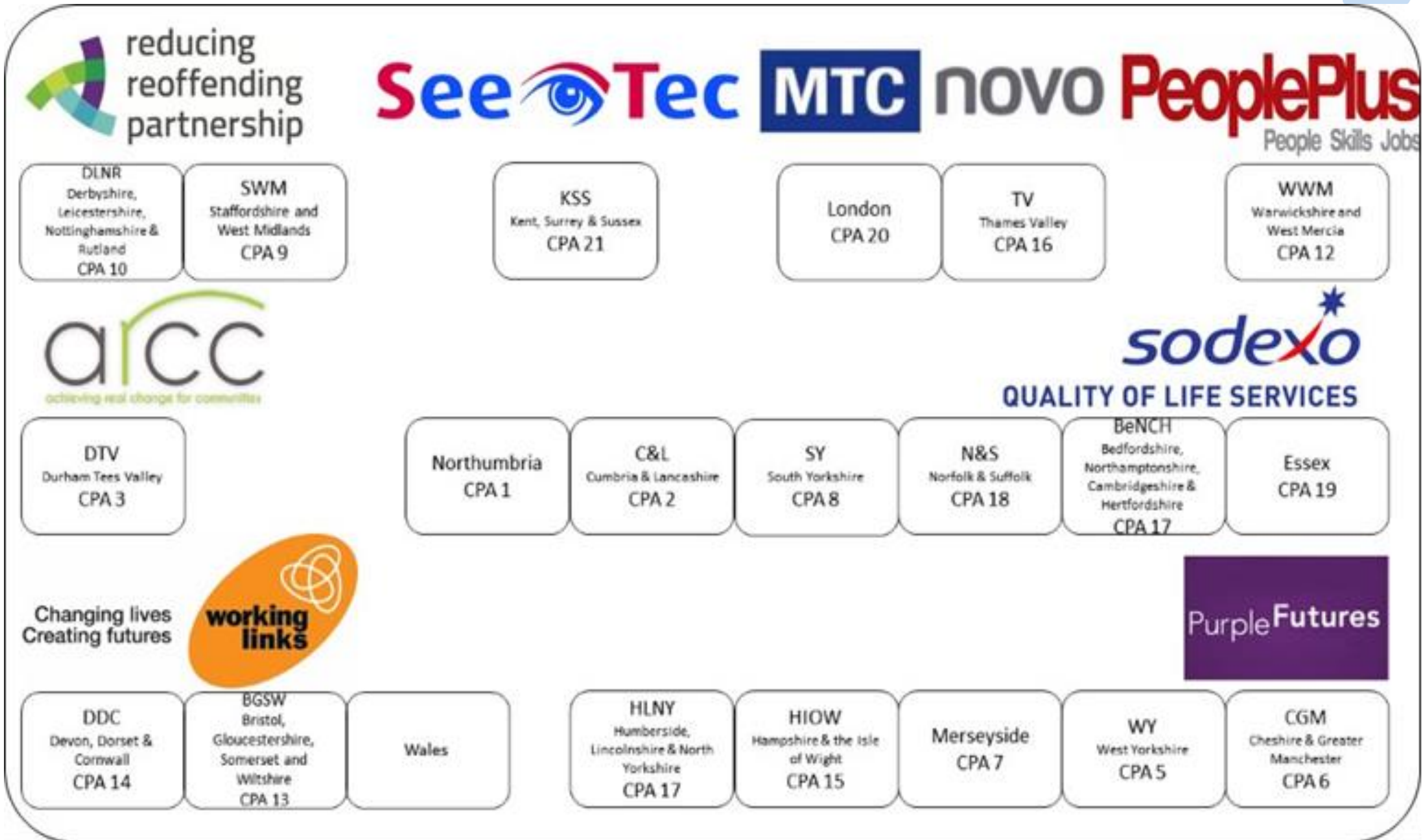
National Probation Service: Geographic Areas of the New Divisions



Geographic Areas of the 21 Community Rehabilitation Companies (CRCs)



Current CRC Providers



Three years on – Lessons Learned 2018

We have learned from experience:

- First generation outsourcing is very disruptive (significant changes to culture, processes, people, ICT and property infrastructure – especially if done at pace and at unprecedented scale)
- The National Probation Service have succeeded in establishing a new national service with a consistent operating model and is performing to expectations
- Evidence of system improvements are emerging such as better premises, improved technology, efficient corporate services and innovation in service delivery (but still early days)
- Some services have needed to be strengthened and improved. Through the Gate Services and Rehabilitation Activity Requirements are still immature and yet to be fully established
- Unforeseen changes to volumes of offenders and mix of work (20-30% less funding than anticipated) and unforeseen trends in reoffending have resulted in significant financial instability i.e. MoJ paying around £1.2bn less than anticipated)
- New interfaces between NPS and CRCs has led to fragmentation and in some places an “us and them” culture.
- Learning about the importance of maintain key stakeholder confidence, such as the Courts and the Police.

Lessons Learned - Emerging Future Thinking

We are building on experience to:

- Develop better integration across all providers of services for offenders, aligning ourselves to a coherent strategy and vision
- Taking a 'whole system' approach to future service design and delivery
- Working with other government departments to create an improved external environment for community services
- Review our payment and performance mechanisms for future contracts to ensure that they measure and incentivise quality services
- Rebuilding the confidence of our major stakeholders through a range of proactive improvement projects relating to the main concerns. Examples include improving enforcement and compliance, 'Through the Gate'.
- Recognise the importance of a well trained and professional workforce. Taking forward the professionalisation agenda and viewing the workforce as an important asset for quality services
- Continue to celebrate and value the enduring vocation of all probation staff and their commitment to changing lives and protecting the public

Prison Competition Timeline

1987	Select Committee on Home Affairs report recommends that the Home Office should enable private sector companies to tender for the management of prisons.
1991	Criminal Justice Act introduces competition into offender management services.
1992	HMP Wolds, the UK's first privately run prison, opens.
1992	Conservative government announces its private finance initiative (PFI).
1994	HMP Blakenhurst, Doncaster and Buckley Hall open under short-term private management contracts.
1997	New Labour government comes to power and adopts the PFI approach. HMP Parc opens in South Wales, Altcourse in Merseyside.
1999	Two privately run prisons are returned to the public sector - Buckley Hall and Blakenhurst - after HM Prison Service submitted bids considered to offer better VFM. An important factor in public sector bids was the active participation of the POA in the bidding process.
2003	Carter Review recommends greater use of competition in the prisons sector.
2004	National Offender Management Service (NOMS) is established.
2005	Electronic Monitoring contracts awarded to G4S and Serco
2010	Coalition Government comes to power and publicly supports policy of privatisation.
2011	HMP Doncaster becomes the first prison to be run on a 'payment by results' (PBR) basis. Serco, Turning Point and Catch 22 were the winning consortium.
2011	HMP Birmingham becomes the first public sector prison to be privatised.

Prison Competition Timeline (II)

2011	Ken Clarke announces competition for nine prisons. G4S take on management of HMP Birmingham. HMP Oakwood (G4S) and Thameside (Serco) open.
2012	Chris Grayling announces a new approach to drive efficiency and cost reduction in public sector prisons. This ended individual prison-by-prison competitions, improving performance and reducing costs across the prison estate through reforms such as Fair and Sustainable and the Specification, Benchmarking and Costing programme. It was an expansion of the competition model which the public sector bid team had developed when bidding for contracts. Core custodial functions were retained in the public sector, with private and third sector partners delivering ancillary and resettlement services. Even though bids had been unsuccessful, the principle of their approach was seen to be something that could be applied at pace to reduce costs across the whole estate.
2012	Competitions in Coldingley, Durham and Onley and S. Yorkshire are cancelled.
2013	HMP Wolds returns to public sector from G4S, to be merged with Everthorpe to become HMP Humber.
2013	HMP Northumberland becomes the second public sector prison to be transferred to a private sector operator (Sodexo).
2013	The first new-build since the new approach in 2012 is announced – eventually named HMP Berwyn and opened in 2017 under public sector management.
2014	G4S agreed to repay over £100m after over-charging NOMS for electronic monitoring contracts.

Current Private Prisons

G4S

- [HMP Altcourse](#)
- [HMP Birmingham](#)
- [HMP Oakwood](#)
- [HMP/YOI Parc](#)
- [HMP Rye Hill](#)

Serco

- [HMP Ashfield](#)
- [HMP Doncaster](#)
- [HMP Dovegate](#)
- [HMP Lowdham Grange](#)
- [HMP Thameside](#)

Sodexo

- [HMP Bronzefield](#)
- [HMP/YOI Forest Bank](#)
- [HMP Northumberland](#)
- [HMP Peterborough](#)

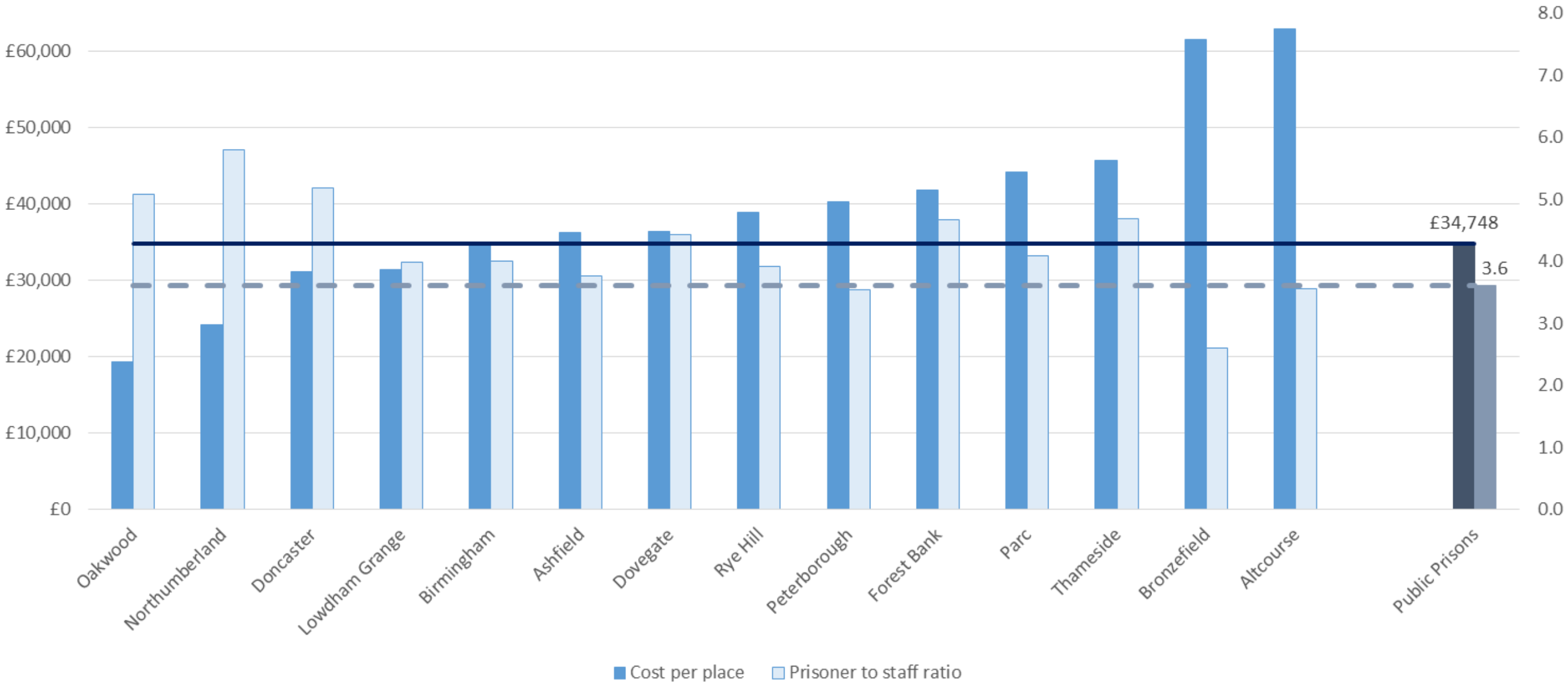


International Comparison: Percentage of prisoners in a private prison (Sept 2016)



Costs and staffing ratios

Cost per prison place and prisoner to staff ratio



c.10% of HMPPS budget is spent on private prison provision

Drivers of competition

Aims	Achieved?
Reduce Costs	Yes – but the costs of private prison places varies considerably. There is also some evidence to suggest a relationship between staffing levels and performance that may affect the prominence of this aim in future competitions.
Improve Performance	Mixed – evidence from research in the 2000s reports that some public sector employees felt competition had improved performance across the public sector.
Introduce Innovation	Mixed – there are examples of prisons across the private and public sector introducing new ways of working to deliver differently.
Workforce Reform	Yes – led to Fair & Sustainable workforce reforms and benchmarking.
Diversity of provision	Mixed – while there is more than one provider of prisons post competition the number of providers is limited. There are 14 private prisons run by Sodexo Justice Services, Serco and G4S Justice Services

Some reflections

- You need to get the service specification right
- It takes time to get to steady state delivery
- And it isn't always that steady
- You need to invest in contract management and scrutiny
- You need openness and public accountability
- You get what you pay for
- You need to decide what is most important – cost or quality
- We are moving from quality threshold decide on price, to fix price and decide on highest quality
- You need to understand whole system impact...

Statement of Intent

Our job is to ensure that people who have been in prison or on probation don't commit any more crimes.

We are working together to deliver the best possible outcomes for the public in the North East. We will work across our organisational boundaries and provide joined up services. We won't hide behind our contracts or delivery agreements or use the excuse that it is someone else's job to sort out a problem.

We know that helping people change their lives is challenging and we will support our brilliant staff to be resilient and relentless. We will seek out anyone who can help us deliver our outcomes and be open to feedback wherever it comes from so that we can continuously improve our services.



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HMP Low Newton



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