

UNLOCKING POTENTIAL
TRANSFORMING LIVES



PUBLIC VS PRIVATE SERVICES

A SCOTTISH PERSPECTIVE

NATIONAL CONTEXT

- Scotland has the second highest rate of imprisonment in Western Europe, although the Scottish Government are committed to reducing the prison population.
 - Current numbers 7503 (14.6% lower than at the peak of 2012).
 - Reduction in some key population groups, such as young people and women, have been experienced.
 - At 16% of the total, Scotland holds a significant proportion of its prison population within privately operated prisons.
-
-

NATIONAL CONTEXT

- Scotland has 13 Public prisons and 2 prisons operated by Private Sector companies
 - Scotland's 2 Private Sector prisons are:
 - **HMP Kilmarnock** (Currently in year 20 of 25) is a Serco operated prison offering 500 available places. The prison population is made up of male adults serving all sentence lengths and those on remand.
 - **HMP Addiewell** (Currently in year 9 of 25) is a Sodexo Justice Services operated prison offering 700 available places. The population is made up of male adults serving all sentence lengths and those on remand.
 - Both are based on the PFI model (charge for building and operation).
 - In other jurisdictions private prison contracts are managed over shorter periods, presenting greater scope for retender.
 - The current Scottish Government, (in power since 2007) are opposed to prison privatization Existing contracts were implemented under alternative administrations with favorable attitudes towards private prisons.
-
-

COMPARISONS

- Measurement and comparison of prison performance is problematic, given heterogeneity within the prison estate.
- It is further difficult to compare costs between the public and private sector due to the differences in funding arrangements. The price for a private prison includes the building and maintenance costs amortised over the contract length in addition to operating costs and what SPS would consider “overhead” costs.

Prisons	Proportion of Prison Population	Proportion of Total Budget Allocated
HMP Edinburgh & Grampian	18%	11.4%*
HMP Addiewell & Kilmarnock	16%	19.2%**

*Minus private prison budget

**Minus non prison overheads

UNLOCKING POTENTIAL TRANSFORMING LIVES

GOOD PERFORMANCE



SATISFACTORY PERFORMANCE



GENERALLY ACCEPTABLE PERFORMANCE



POOR PERFORMANCE



UNACCEPTABLE PERFORMANCE



HMIPS Standard	Addiewell	Kilmarnock	Edinburgh	Grampian
1. Lawful and transparent custody				
2. Decency				
3. Personal safety				
4. Health and wellbeing				
5. Effective, courteous and humane exercise of authority				
6. Respect, autonomy and protection against mistreatment				
7. Purposeful activity				
8. Transitions from custody to life in the community				
9. Equality, dignity and respect				
10. Organisational effectiveness				

PRISON CULTURE

Prisoner Survey Question	Public Prison Average (%)	HMP Addiewell (%)	HMP Kilmarnock (%)
Atmosphere in your hall positive?	89	83	91
Relationship with Officers in your hall positive?	94	93	97
Bullied in the last month?	15	31	13
Feared for safety in the last month?	14	32	20
Have staff in the SPS been helpful in supporting you to address your offending behaviour?	48	36	33
I am treated with respect by staff in this prison.	87	82	91
Staff in this prison are positive role models.	71	56	68
When I raise an issue with staff it is dealt with fairly.	78	65	85
Staff offer support to help me deal with my problems.	74	69	75
I believe I am viewed by staff as a valued individual in the prison.	62	47	67
I believe that staff care about my well-being.	68	63	78

STAFF

- Shefer and Liebling (2008) argued that the picture of staff-prisoner relationships is not straightforward and that even when private prison staff attitudes are positive, the nature of their staffing means that the prisoner experience is not necessarily any better.
 - Liebling assisted by Arnold, (2004) found that in some private prisons, staff-prisoner relationships were ‘good’ (rather than ‘right’) because staff felt overwhelmed and intimidated by prisoners.
 - Crewe (2011) argued that what appeared to be a positive staff ethos in privately run institutions, may result in negative prisoner experiences and that there is a degree of trade-off between positive staff-prisoner relationships and prison safety.
-
-

STAFF

- Shefer and Liebling (2008) argue that relationships appear to be better in some private prisons due to the recruitment of staff with no prior experience of prison work.
 - In Scotland, pay for private prison staff is below that of those in the public sector, with lesser terms & conditions.
 - Difficulty in retaining staff.
 - Scotland's private prisons operate with 27% fewer staff per prisoner than Scotland's public prisons and on average earn around 32% less than SPS officers at the top of the pay scale.
-
-

OUTCOMES FOR PEOPLE IN OUR CARE

Scotland private prisons hold 16% of the prison population and this corresponds with 16% of incidents of ‘minor injury’ or ‘no injury’ assaults which occur in the private estate.

However, in the private estate:

- 21% of all incidents of concerted indiscipline occur;
- 22% of Breaches of Prison Discipline are awarded; and
- 18.5% of all Assaults on Staff take place.

Conversely, also in the private estate:

- Only 13% of serious prisoner assaults occur;
- 24.5% of vocational and employment related qualifications are achieved; and
- 20% of Purposeful Activity hours are delivered.

Alonso and Andrews (2016) found that privately-managed prisons do perform better on dimensions of quality, such as confinement conditions and prisoner activity, that are more easily measured, whereas public prisons perform better on dimensions of quality, such as levels of order and prisoner safety, that are less easily measured and managed.

PRIVATE PRISON MANAGEMENT CHALLENGES

- The development of services tends to be by step change due to the need for contractual compliance; changes often require a contract amendment.
 - Changes to the contract requirements bring a consideration of commercial change, which can reduce the incentive for one of the parties to seek change.
 - When new risk is introduced, it can be difficult to find a fair balance when adjusting the price.
 - The contract's value for money is dependent on market conditions at the time of tender, and economic changes throughout the life of the contract.
 - Indexation is set at the time of contract signature (before the financial crisis when inflation and wage growth had a very different relationship). The price / indexation mix provided value on one contract but does not on the other.
-
-

PRISON MONITORING CHALLENGES

- SPS Controllers have a statutory duty to review service delivery and other tasks. The Contract is also monitored and managed remotely by a central team.
 - SPS staff often automatically look to make direct comparisons which can mean that the nuanced requirements of the contract may not be monitored.
 - Performance measures and financial deductions may result from self-reporting, often ensuring a perverse incentive for the contractor to minimise, fail to fully investigate or not report incidents.
-
-

PRISON MONITORING CHALLENGES

- Self-reporting appears to have been used by SPS to minimise the monitoring resource thus making thorough self-examination and reporting less likely. Controllers are often preoccupied with state delegated tasks, thus limiting the time available for directly monitoring the delivery of the contract.
 - Self-reporting ensures that much more, lower level, information is reported than in public sector. This is useful in providing greater transparency, although it can make comparison with public sector more difficult.
 - The Controller can become isolated, introducing a risk to them remaining sufficiently challenging of the contractor. Private recruitment of senior SPS figures introduces an additional complex dimension.
-
-

CHALLENGES FOR PRIVATE PRISON OPERATORS

- The contractor is required to deliver everything in the contract, across the whole operation, even when the requirements of the contract and the usual operational response to a situation might be in conflict.
 - Contracts are very large documents and the Authority's focus can quickly shift to an area of the contract that has previously been paid little attention, ensuring non-compliance is always a risk.
 - Input into Authority policy development is limited.
-
-

FOCUS ON OPERATIONS VS. THE ASSET

- The focus of the authority is inevitably often on the operation of the prison, at the expense of the maintenance of the asset. This is common across many sectors utilising PFI type deals.
 - There is little internal expertise or focus on building standards, cell conditions, etc., which are primarily monitored by the contractor and by surveys commissioned by the contractor.
 - Our contracts specify very high maintenance standards. However, it is difficult to ensure that these are being adhered to without resource and expertise.
 - Areas of dubiety can mean lengthy discussion: e.g. uncertainty over who is responsible for funding changes to the Health Centre, which can fall between 3 organisations – NHS, Contractor and SPS.
-
-

CONCLUSION

- Scotland holds 16% of its population and operates 13% of its prisons in the private sector.
 - Political Administrations can have different views.
 - The two Prison contracts we have are for 25 years.
 - Price comparison is difficult and complicated. Price is dependant on market conditions.
 - External scrutiny (HMIP) suggests similar performance.
 - Internal (those in our care) feedback is variable (same for public).
 - Staff in private prisons are paid less and the turnover is higher than public service.
 - Staffing levels are also lower and there is less experienced staff.
 - The contractual relationship increases formal scrutiny but slows change.
 - Identifying appropriate success criteria can be difficult in a contractual relationship.
 - The contractual relationship can lead to a focus on bureaucracy and process rather than service and impact.
-
-