The Right Honourable
David Gauke MP
Lord Chancellor & Secretary
of State for Justice

Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London
SW1A 0AA

June 2019

TRANSFORMING REHABILITATION: PROGRESS REVIEW

As you are aware, on 16 May the Government published our response to the public consultation Strengthening Probation, Building Confidence, setting out our plans for the future of probation services in England and Wales.

I am therefore now in a position to respond to recommendations 4, 5 and 6 of the Public Accounts Committee’s report Transforming Rehabilitation: Progress Review. We will respond to recommendations 1, 2 and 3 in July via the usual Treasury Minute process.

I am confident that the model for probation we have set out – based on the arrangements we consulted on in Wales – offers the most sustainable approach for probation and is the best option to build on the positive changes made under Transforming Rehabilitation. Our plans take account of many of the Committee’s recommendations and I look forward to working closely with the Committee as our plans move forward.

I want to reiterate that I am grateful for your patience in bearing with us during this time, as well as for the Committee’s continuing interest in and scrutiny of the delivery of probation services. Our priority in shaping future arrangements is to adopt the best model for probation in the long term. We have listened closely to feedback from the consultation, reflected on reports from your Committee and others, and tested the options with our partners and stakeholders to make sure we got this important decision right.

The fourth recommendation made by the Committee was “When it announces its new approach, the Ministry should write to the Committee to clearly explain what role it expects VSOs to play in the probation system, and what it will do to ensure this role is being fulfilled successfully. The Ministry should also outline how it intends to improve its provision of specialist services and how it will tailor these services to the specific requirements of those in need of support.”

As our response to the consultation makes clear, I am fully committed to a greater role for the voluntary sector in probation services and aware of the need to address potential barriers to voluntary sector involvement, including the issues around smaller organisations highlighted by the Public Accounts Committee in its report. I have been clear that voluntary organisations play an indispensable role in working with offenders, particularly those with complex needs and those from vulnerable groups, to turn their lives around. This is a role we are determined to strengthen, and market engagement to date has generated positive feedback on our approach from the voluntary sector.

Our intention as part of future contracting arrangements is to introduce a dynamic commercial framework through which HMPPS, working together with local strategic partners, will commission rehabilitation and
resettlement services directly at both a regional and a local level. This more flexible approach to commissioning is specifically intended to facilitate the inclusion of smaller, more specialist and voluntary organisations. The dynamic framework will enable contracting to take place on a scale and time period which reflects the range of locally available services and the evolving needs of different areas.

Commissioning of rehabilitation and resettlement interventions for each probation area will be driven by an NPS Regional Probation Director, who will have a special responsibility to make use of locally available services in adapting provision to match local needs. Regional Probation Directors will also be expected to support provision which falls outside core service delivery but which nevertheless has the potential to reduce reoffending. To enable us to do this we intend to set up a Regional Outcomes Fund with the aim of attracting match funding from other government departments or commissioning bodies including social finance providers and Social Impact Bonds. The funding will be reserved for innovative, cross-cutting approaches and will enable us to test ‘proof of concept’ services before scaling these up.

It is also important to set out how we intend to work with the voluntary sector as our plans move forward. We are now starting a period of further market engagement on the detail of the commercial model for future arrangements. We are working closely with Clinks, the umbrella group for voluntary sector organisations in the criminal justice sector, to ensure we engage with a wide range of voluntary organisations on how best to encourage participation in future probation arrangements. We also intend to form a stakeholder advisory group to provide close scrutiny and challenge of design decisions, which will include voluntary sector representation.

On specialist service provision, as set out in the consultation response we intend to mandate the core areas of need where we will require interventions to be available for offenders with a Rehabilitation Activity Requirement and for those on licence. This approach will ensure that rehabilitation activity can be tailored to the needs of individual offenders. These interventions will address the areas of need we know are either strongly associated with re-offending or which provide the stabilization that an individual needs to focus on other issues. We are not seeking interventions which meet the same needs already addressed through Accredited Programmes or Treatment Requirements.

The following table sets out the areas of need we intend interventions to cover:

<table>
<thead>
<tr>
<th>Need area</th>
<th>Outcomes sought</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>Prevent homelessness, remove barriers to accommodation, increase stability of accommodation</td>
</tr>
<tr>
<td>Education, training and employment</td>
<td>Enhance employability, secure employment</td>
</tr>
<tr>
<td>Finance/benefit/debt</td>
<td>Support effective financial management, reduce debt</td>
</tr>
<tr>
<td>Family and significant others</td>
<td>Improve relationship skills and ability to build and maintain positive family relationships or healthier intimate relationships</td>
</tr>
<tr>
<td>Attitudes/thinking/behaviour</td>
<td>Improve cognitive skills and problem-solving</td>
</tr>
<tr>
<td>Non-dependent alcohol</td>
<td>Build coping strategies, reduce anxiety about change, increase self-awareness and build self-efficacy</td>
</tr>
<tr>
<td>Lifestyle and associates</td>
<td>Build pro-social support network, social capital and pro-social recreation, develop future orientation and try new identities</td>
</tr>
<tr>
<td>Emotional management</td>
<td>Improve emotional well-being and resilience, build skills in emotional management e.g. impulsivity, temper control, destructive thoughts and self-regulation</td>
</tr>
</tbody>
</table>
The Committee's fifth recommendation was: "If it persists with this flawed structure, the Ministry should urgently spell out how such a separation of probation service can work effectively and what it will do to address the failings with the current system."

We are not retaining the current split in responsibility for offender management. In future, the National Probation Service will have responsibility for managing all offenders on a community order or licence following release from prison. We will continue to bring in the expertise and innovation of the voluntary and private sector, through the delivery of interventions – such as Unpaid Work, Accredited Programmes and wider resettlement and rehabilitative interventions.

This clearer set of responsibilities will reduce duplication and improve clarity and accountability whilst ensuring that we make the best use of wider provision.

The sixth recommendation of the Committee was: "When it announces its new plans, the Ministry should write to this Committee spelling out exactly how it plans to address the failings set out by this Committee and the NAO, and how it will avoid the same mistakes happening again."

The Department was conscious throughout the development of the new model of the need to learn from the experience of Transforming Rehabilitation. Our sustained commitment to listening to and taking on board the views of probation providers, staff, service users, sentencers and other stakeholders – not only during the consultation period but also subsequently, as we tested and evaluated our plans – reflects our determination to adopt a more consultative approach to policy development. As the response to the consultation makes clear, the model we have adopted received widespread support in the consultation. We are now undertaking further engagement with probation providers and other stakeholders to ensure their views are taken into account as we develop more detailed plans for the transition to the new model and the future commercial framework.

We also recognise the importance of ensuring that we have sufficient time to execute a smooth transition to the new model, with minimal disruption for staff and services. This is why we have put in place arrangements to allow us to extend CRC contracts to the end of June 2021. We intend to use these arrangements to end contracts by spring 2021. In Wales, where our plans are more developed and where probation areas are already coterminous, we aim to complete the reintegrated offender management under the NPS before the end of 2019. We will seek to apply any lessons learnt from transition in Wales when transitioning services in England.

In the design of the future model, we have adopted as a central design principle the need to deliver operational stability. Our model takes account of the Public Accounts Committee's conclusion that CRCs took on excessive volume risk under Transforming Rehabilitation, leading to unsustainable losses when activity volumes were lower than expected. The integration of core offender management functions under the National Probation Service in future will promote a more sustainable commercial model for providers, as well as minimising the risk of disruption to critical offender supervision and public protection tasks.

[Signature]

RT HON. DAVID GAUKE MP