Meg Hillier MP
Chair of the Public Accounts Committee
House of Commons
London
SW1A 0AA
By email only

29 March 2019

Dear Chair,

Transforming Rehabilitation: progress review

I agreed to provide further information following the Public Account Committee’s session on 13 March 2019. This information is set out in Annex A.

I would also like to put right a couple of our responses during the hearing where we provided incorrect information. Question 47 asked what targets Community Rehabilitation Companies have for ensuring offenders have settled accommodation on release. During the hearing we said that we believed the target to be below 90%. However, I can confirm that the current target is indeed 90% of offenders on release from custody under CRC supervision to have settled accommodation on release. Our current performance stands at 66%.

In our response to Question 75 about whether CRCs are charged a fee to access national systems, we had said that we did not believe a fee was payable. However, I can confirm that those CRCs that are not developing their own systems and not using the Strategic Partner Gateway are currently being charged to access our systems.

Richard Heaton
Annex A

Q4-5 Courts Transformation Programme

HMCTS regularly reviews the reform programme and its business case is subject to cross-government approval. The most recent business case is in the process of going through the formal approvals process.

We have examined the services we have delivered so far, as well as the feedback received from external scrutiny and assurance. Through this process we have decided to re-order aspects of the programme and to allow more time to further develop the underlying shared technology components that sit behind our online services. This has moved our proposed end date from 2022 to 2023. We have been given approval to continue the programme, according to this preferred option, while the business case proceeds through the formal approvals process.

This new proposed end date has not increased the overall budget of reform and the programme’s existing cost envelope of £1,169m remains unchanged. The additional cost of running the programme over a slightly longer period is afforded by drawing down on the funding for optimism bias and contingency budgets that HMCTS set aside in the programme funding for situations such as this. Setting aside budget for optimism bias and contingency is standard practice to mitigate against the tendency of project appraisers to provide overly optimistic estimates of programme costs.

This forms part of overall cost envelope and the funds are not provided in addition. We expect the extension to require £64m of the optimism bias and contingency allocation which leaves £97m remaining, an appropriate level of optimism bias for this stage of the programme.

The impact primarily affects users by further staggering the delivery of new services over the years of the programme. For instance, in the Civil, Family and Tribunal Jurisdictions Adoption, Immigration and Asylum, and Public Family Law projects are now expected to finish on average 9 months later than previously planned. However, we have not changed the ambition of providing fully digital services through each of these projects and their scope remains unchanged. This means users will not see the introduction of digital services until slightly later in the programme, but will receive the same experience in the end.

As for the development of the Common Platform in the criminal jurisdiction, we have also made changes to sequencing based on the lessons learnt from our progress so far. We will now concentrate on rolling out an initial version of the platform for litigants, defence, the judiciary and HMCTS nationally in both the Magistrates’ courts and the Crown Court in 2019 and deliver the functionality required for the Crown Prosecution Service later than previously planned. By reducing the amount that we are doing in parallel we will make it easier to deploy an early version of the software in the short term which can then be used to
build and deploy the Crown Prosecution Service integration and interfaces more effectively towards the end of the project.

The impact on financial benefits of the programme is minor in terms of the overall level of savings, although they are delivered in whole a year later than originally planned. The programme is still expected to pay back its investment by the end of financial year 2024/25, as was the case in the previous business case.

**Q77-78 Gateway**

The impact of the delayed implementation of the Strategic Partner Gateway on core operational probation delivery was minimal as CRCs were able to continue to use HMPPS probation systems. However, the delay in the SPG did have some consequential impact on CRCs, and where this may have been the case we have been in discussions with the affected CRCs.

I can confirm that claims to date have been resolved with seventeen of the CRCs totalling £40.13m. There is still a further claim outstanding for two of the above CRCs. Full and final settlement was only reached following a thorough review process that identified those areas deemed appropriate under the contractual agreements with CRCs. The claims were a consequence of the impact on affected CRCs' systems and operations directly associated with the delayed implementation and updates made to the SPG.

**Q95-97 Working Links – TUPE and Pension Liabilities**

The transfer of staff from the three Working Links-owned CRCs to Kent, Surrey and Sussex CRC was achieved through a Transfer Scheme using powers under the Offender Management Act 2007. This was the approach adopted in the 2014 transfer scheme which successfully transferred nearly 20,000 staff to either the civil service (i.e. the NPS) or the companies that became the CRCs.

The Transfer Scheme operated in a similar manner to TUPE in that staff transferred to KSS CRC on their existing terms and conditions and preserved their continuity of service. With regards to pensions, the Staff Transfer Scheme provides that all former public-sector workers who remain eligible to participate in either the Local Government Pension Scheme or the Civil Service Pension Schemes are admitted to the scheme. In respect of all other employees (this covers (i) former public sector employees who have waived their public sector pension entitlements, (ii) employees recruited into Working Links since 2014, and (iii) other Working Links employees working on transferring services to KSS/Seetec) the pension protection under the Scheme requires that the level of contractual pension contributions matches that provided pre transfer and that contractual entitlements to occupational pension schemes provide substantially the same pension terms.
Q113 – Market Engagement

Market engagement events were attended by 5 incumbent primes, 3 consortium members of incumbent primes and representatives from 2 CRCs. 13 incumbent members of the supply chain attended market engagement events, 12 of which are VCSEs and 1 is a mutual. 22 organisations who are not currently involved in TR contracts also attended market engagement events. Of those not currently involved in TR contracts, 16 are private and 6 are VCSEs. These organisations hold a range of experience in related services but we are not able to categorise which have been directly involved in probation services.

Regional voluntary sector events hosted by Clinks received registrations from 148 organisations, the majority of these are VCSEs. It is worth noting that 15 of these organisations registered for both the Clinks hosted and Authority events. 31 organisations who registered for Clinks events are members of the current probation services supply chain.

Q127-129 – Reducing Reoffending Board and cross-government activity

Reducing Reoffending Board
Reoffending is costing society approximately £15bn per year. It is only through a concerted effort across Government that we will be able to reduce reoffending. That is why the Cabinet Office has established a cross-government Reducing Reoffending Board to tackle some of the main drivers of reoffending including issues around employment, health and accommodation.

The MoJ works closely with all departments on the Reducing Reoffending Board and with its official advisory body, RR3 (the Reducing Reoffending Third Sector Group). The purpose of the RR8 is to identify how departments can work more collaboratively in addressing the drivers of reoffending, and to consider innovative ways of addressing these drivers.

The Board meets quarterly and is chaired by the Chancellor of the Duchy of Lancaster, David Lidington. It is attended by the Ministry of Justice, Home Office, Cabinet Office, HM Treasury, Department for Work and Pensions, Ministry of Housing, Communities and Local Government, Department for Education, Department of Health and Social Care and the Wales Office.

The Board is committed to developing deliverable and measurable proposals that will result in public announcements, though no details of the discussions will be made public in order to ensure the frankness and candour of internal discussion.

Offender Personality Disorder Pathway Programme
The Offender Personality Disorder pathway programme is jointly delivered by NHS England and HMPPS. The programme provides a community to prison to community pathway of care for offenders who are deemed to be high risk or high likelihood of harmful offending, have significant psychological and social problems (a likely personality disorder), and a link between these two issues.
The original scope of the programme was to deliver:
- 400 new treatment places in prisons.
- 820 new PIPE places in prisons and in Approved Premises.
- Models for community management and treatment, in all NHS regions.
- Supported housing.
- £1.4m per annum on workforce development.

NHS England and HMPPS have recently agreed an uplift in funding, staged over 3 years leading to a total resource envelope of just under £82m by 2022-23; £70m from NHS England and £12m from HMPPS. Commitment to matching and aligning service resource in the form of personnel has also been achieved for various schemes including with New Care Models, Health and Justice and the National Probation Service; this further contributes to service delivery, but at no extra cost to the programme.

A high-level summary of the original outputs of the programme, the existing provision, and the proposed increased provision is as follows:

<table>
<thead>
<tr>
<th>Type of service (numbers)</th>
<th>Original assumption</th>
<th>Existing provision</th>
<th>New provision</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prison Treatment</td>
<td>400</td>
<td>350</td>
<td>153</td>
<td>503</td>
</tr>
<tr>
<td>PIPE places</td>
<td>820</td>
<td>700</td>
<td>164</td>
<td>864</td>
</tr>
<tr>
<td>Models for community management and treatment (IIRMS)</td>
<td>Not stated</td>
<td>255</td>
<td>785</td>
<td>1040</td>
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<tr>
<td>Supported housing</td>
<td>Not stated</td>
<td>40</td>
<td>Approx. 12</td>
<td>52</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce development (£)</th>
<th>£1.4m per year</th>
<th>£520k</th>
<th>£140k</th>
<th>£660k</th>
</tr>
</thead>
</table>

**Community Sentence Treatment**

The Ministry of Justice has worked with the Department of Health and Social Care (DHSC), NHS England (NHS E) and Public Health England to develop a Community Sentence Treatment Requirement (CSTR) ‘Protocol’. This aims to increase the use of community sentences with mental health, drug and alcohol treatment requirements. It sets out what is expected from all relevant agencies to ensure improved access to treatment for offenders who need it. Key elements
of the protocol include a new minimum standard of service and a new maximum waiting time for court ordered treatment which is in line with waiting times for the general population.

NHSE’s Liaison and Diversion service places clinical staff at police stations and courts to provide assessments and referrals to treatment and support. This means that, where appropriate, an offender may be diverted away from the criminal justice system altogether, away from charge, or from a custodial sentence to a CSTR. The L&D service is currently operating across 90% of England with full roll-out expected by 2020/21.

The CSTR protocol is currently being tested in five test bed sites within England (as health is devolved in Wales). These sites are Milton Keynes, Northampton, Birmingham, Sefton and Plymouth. A process evaluation, led by DHSC looked at aspects of CSTRs that are working well and changes in the use of these treatment requirements over the evaluation period. MoJ and DHSC ministers are currently reviewing the evaluation of this programme. Decisions on how the use of the protocol could be extended will be made in due course, based on the results of the test bed sites.

The recent NHS Long Term Plan includes a commitment to expand provision for the CSTR programme for more women offenders, short-term offenders, offenders with a learning disability, and those with mental health and additional requirements. The LTP also identifies improving continuity of care for offenders leaving prison as a priority for the coming years. The care after custody service, RECONNECT, is committed in the plan to engaging and providing support to more people after custody per year.

**DWP Universal Credit Pilot**

For prisoners without family support, it is crucial that they receive financial support through Universal Credit as soon as possible on release to prevent homelessness and reduce reoffending. UC marks a complete shift in the whole nature of welfare by providing incentive and support to people to secure a better future for themselves and their families however it is not well understood by prisoners.

At present, DWP Prison Work Coaches provide support to prisoners prior to their release to make their claim to benefits. This includes support in gathering all the details and documentation needed to make their Universal Credit claim and booking an appointment at the local jobcentre on the day of release so they can complete their claim and access financial support immediately through advance payments. To improve the support provided by Prison Work Coaches, we are working with the Department for Work and Pensions to agree a National Partnership Agreement which sets out clear roles and responsibilities for the various bodies involved in getting more ex-prisoners into employment in the future across England and Wales.

In addition, the Digital by Default nature of UC means that you need to claim online. This is challenging in a prison environment because there are a number
of risks involved with allowing prisoners access to the internet, including the possibility that they may engage in further illegal activity, or in a serious case, contact the victim. Given these risks, it is illegal to bring mobile phones or other unapproved IT devices into prison, including for staff and visitors. Due to these issues, it is currently not possible to make either the UC website or standard user journey available to people in custody. To address this, we are working collaboratively with DWP to run pilots across 3 sites to look at ways of enabling prisoners to complete an online claim in a secure environment. The pilots have been running since August 2018 and are now informing potential solutions that we would look to implement.

**Going Forward into Employment**

In collaboration with the Cabinet Office, we launched a project called Going Forward Into Employment to recruit ex-offenders into a variety of Civil Service roles in order to lead by example in the employment of ex-offenders. The project launched as a pilot in the North West early last year with twelve departments engaged. There are now 22 candidates either in post or matched to roles awaiting release in this region.

At the end of last year, we launched the project in the South East and East of England, where we expect candidates to start taking post in the coming months (in line with timescales of the North West pilot). Following a Cabinet Office-led evaluation of this project, we may look to roll this project out nationally.

**Rough Sleeping Strategy**

Everyone leaving custody should have a safe and suitable home to go to on release; having somewhere to live gives people a stable platform from which to access health services, hold down a job and reduces the likelihood of them reoffending. However, we know that offenders face significant barriers to securing suitable accommodation, often linked to their lack of access to necessary funds, availability of local authority housing supply, intentionality and affordability/access to private rented sector.

On 13 August 2018, the Government published its Rough Sleeping strategy. It set out an ambitious £100m package to help people who sleep rough now as well as putting in place the structures that will end rough sleeping completely. It is the first step towards achieving the Governments vision of a country where no one needs to sleep rough by 2027. The strategy is built around three core pillars: preventing rough sleeping before it happens, intervening at crisis points, and helping people to recover with flexible support that meets their needs.

As part of the strategy, Government committed to invest £6.4m in delivering an accommodation pilot to support prison leavers released from three prison establishments (Bristol, Leeds and Pentonville). The pilots will support low risk male prisoners who are serving under 12 months and who've been identified as being at risk of homelessness on release from custody to secure and sustain accommodation. Individuals will additionally receive wrap around support, providing necessary interventions during this critical period of rehabilitation. The
pilots will test a new partnership approach with prisons, Probation Providers and LAs working together, to plan, secure and sustain accommodation for offenders on their release.

Officials from both MoJ and MHCLG have been engaging with stakeholder representatives from each of the three local areas (HMPPS, Voluntary Sector and LAs) to assist in the design of the service specifications. The Invitation to Tender was launched on the 1 March and the deadline for responses from potential providers is 29 March. The aim is to award three supplier contracts, with each pilot area being a separate contract. We aim to award contracts in late April, with the first released prisoner being supported from late June, early July, following a period of mobilisation.

It is proposed that every prisoner supported through the pilot over the following 12 months, will receive up to two years wrap around support, meaning that the pilot will conclude in June 2022. Following evaluation of the effectiveness of the pilot, we will look to use the lessons from the pilots to inform future provision of accommodation for ex-offenders.

Q135-138 – Approved Premises

Approved Premises, previously known as a Probation and Bail Hostels, are facilities which provide residential accommodation for certain offenders who are classified as posing a significant risk of harm to the public. These facilities offer an enhanced level of public protection where offenders are housed in the community. APs are staffed 24 hours a day, have an overnight curfew, and are monitored inside and out with CCTV.

Following initial needs analysis and subsequent business case development, a range of options were identified in relation to expanding the existing AP estate. Within this there was a recognition that (i) there is a general need requirement across the country and (ii) the greatest opportunity for expansion rests with the creation of additional rooms within the additional estate. Across 101 APs nationally, there are a total of 2,231 bed spaces. Within this estate, work has been undertaken with local operational staff from the NPS and via physical feasibility assessments (commissioned by MoJ Estates) to identify a range of opportunities to expand existing premises to achieve a total of 230 beds across the country (at a cost of approximately £20m). Work is currently in process to identify – against a range of criteria – the most appropriate targeting of potential expansion, in the event that investment is available.