



Ministry of
JUSTICE

NOMS National Offender
Management Service

Working together to reduce re-offending

NATIONAL COMMISSIONING AND PARTNERSHIPS FRAMEWORK

08-09

Version 7.0

5 February 2008

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FOREWORD BY MINISTER



I am pleased to introduce the second National Offender Management Service (NOMS) Commissioning and Partnership Framework.

The purpose of this framework is to set out our priorities and resources for the 2008/09 commissioning round. This will allow the offender management system and our partners to plan service delivery for offenders in the coming year.

The context for this year's commissioning round makes it a particularly challenging round.

Firstly, across the whole of the justice system, demand for our services is growing. Despite falling crime rates, more offenders are being sent to prison, and more are receiving community sentences which need probation resources. These challenging demands mean that prisons and probation face rising expectations.

Coupled with changes in demand, we have a challenging spending review settlement that means an increased focus on offending is crucial. Because we face these issues, it is critical that commissioning plans for the next year are able to deliver practical improvements in targeting our resources to the right people, and in delivering efficiency. To this end, this framework sets out some national measures which we are prescribing to ensure that regional and local commissioners are able to live within resources.

Secondly, in addition to this challenging financial context, we also need to plan for the major changes recommended in Lord Carter's report "Securing the Future: Proposals for the efficient and sustainable use of custody in England and Wales", published in December 2007. It is vital that this commissioning round supports the direction of travel set out in our response to Carter.

The detail of how we plan to implement Lord Carter's proposals will be set out in separate statements and guidance. We will need time to put our new arrangements in place and to consult stakeholders on critical issues, so the full impact of the changes will not be known in time for negotiations this year. It is clear, however, that these negotiations must deliver:

- Better efficiency and cost control,
- Better targeting of resources, and,
- Critical developments, including consolidating offender management

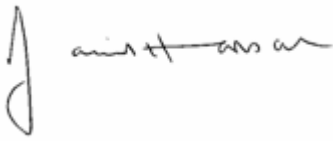
Given that commissioning is still being developed, for this year the key issue will be to establish a clear baseline for services and resources within service level agreements, and to target improvements to priority areas. With the experience of the last two years, commissioners are now better placed to do this.

The offender management system cannot meet its challenging targets alone. Devolved Government in Wales, other Government departments, the public, private and third sectors have to work together within the devolved commissioning and partnership arrangements to enable the appropriate services to be delivered at the right levels to the right people.

The creation of the Ministry of Justice (MoJ) last year offers the opportunity to work more closely with criminal justice partners to ensure that they have all of the information they need to use the best approach for each offender. With pressure on prison places so high, and given the evidence that prison is not always the answer, we are developing intensive community options and using our existing provisions to offer sentencers more alternatives to custody.

The business of tackling offending is not easy, and never will be. To deliver the sentences of the courts, protect the public, and tackle the high level of re-offending in our society we will need a concerted effort from all involved: the offender management system; national, regional and local government; co-commissioners of services; our voluntary and private sector providers; local communities; and, with the guidance of an offender manager and other professionals, the offender themselves.

Getting the system to work together in this way is a challenge in itself; to do so in these constrained circumstances adds an additional dimension of challenge. We believe that commissioning and partnership has a key role to play in delivering a joined up, efficient and effective system, and the document here describes in more detail how we expect regional and local systems to achieve this.

A handwritten signature in black ink, appearing to read 'David Hanson', written in a cursive style.

DAVID HANSON

EXECUTIVE SUMMARY

The *Make Communities Safer* Public Service Agreement, published as part of the recent Comprehensive Spending Review, sets out the need for a cross-Government approach to reducing re-offending and protecting the public. The message is clear; the offender management system cannot deliver its objectives on its own. Our partners' expertise and resources are vital to achieving our shared objectives.

We need to manage offenders better across the whole of their journey, with a clear plan for each offender, delivered by our system and our partners.

To achieve this, the government is implementing a package of reforms: improving cross-government working, enshrining partnership commitments in Public Service Agreements and Local Area Agreements; providing a focus for managing the offender's journey, with clear roles for offender managers and supervisors; and improving planning and delivery through a commissioning approach.

Within our system, therefore, offender managers will ensure that offenders access the most appropriate services to address their individual needs (within the sentence set by the courts), drawing on services which have been planned and procured by local, regional and national commissioners on their behalf.

The Carter Review of Prison Capacity, published in December 2007, supports this approach as a means of providing effective alternative sentences to prison where that is appropriate, as well as supporting stronger commissioning and contract management in order to drive efficiencies through the system.

The Offender Management (OM) Act 2007 assists the commissioning process, enabling the creation of probation trusts as the local commissioners of services. Trusts will work together with regional commissioners to deliver the most appropriate services to meet the requirements of Offender Managers and the offending-related needs of offenders. Probation trusts will also work with commissioners from other organisations, especially through the Local Strategic Partnerships and their parallel organisations in Wales, to commission services jointly and to take forward partnership arrangements at a local level.

This second annual Framework sets out:

- high level intentions and priorities and how provider performance will be assessed;
- new arrangements for allocating resources in 2008/09;
- the business and relationship environment within which regional and local commissioning decisions and negotiations will take place, including roles and responsibilities at the various levels;
- the need for provision of a diversity of services to meet the needs of offenders from every background – the right service for the right offender at the right time; and,
- relevant links to wider policy areas.

The process of producing the framework incorporates actions set out in, and is written in the context of, the published Equality Impact Assessment (see Annex D for a web-link).

The framework provides a wider context for regional, Wales and local discussions and provides the basis for:

- SLA and contract negotiations with providers and local commissioners;
- Regional Offender Manager (ROM) negotiations with providers, local commissioners and other key partners on joint commissioning and partnership working;
- informing partnership working between the Director of Offender Management for Wales and the Welsh Assembly Government; and,
- the finalisation of commissioning plans by each of the Regional Offender Managers, the Director of Offender Management for Wales and the head of the national commissioning team.

High level priorities

The key objectives of the offender management system remain unchanged. Our focus must be on reducing re-offending and protecting the public. However, we need to deliver this in a much more joined-up and coherent way to deliver a service which supports offender management. We must build on previous successes and prioritise resources more effectively to ensure that we can deliver the cost savings and efficiencies required by the current financial settlement.

It is also important to consider how we deliver greater equality of access to services provided for offenders in prisons or supervised in the community, and greater equality of outcomes - irrespective of race, gender, disability or other characteristics. Through our negotiations we must strive to achieve greater parity of outcomes and promote greater confidence in the Criminal Justice System among those groups where this is lacking or weak.

Our key priorities for 2008/09 are to:

1. Ensure end-to-end offender management services are in place for qualifying offenders, and meet required standards.
2. Improve the targeting of interventions, with increasing emphasis on joining up prison and probation efforts.
3. Implement the priorities of regional reducing re-offending boards and the Welsh Reducing Re-offending Board.
4. Plan for the delivery of additional custodial places.
5. Implement National Service Frameworks for women and for prisoners with indeterminate sentences for public protection.
6. Ensure courts receive the quality and timely sentencing advice they need.

Our key enabling priorities to support commissioning delivery are to:

7. Use the new local re-offending metrics to build up a picture of re-offending.
8. Develop commissioning skills and capability across all NOMS commissioners.
9. Continue developing partnership and joint commissioning arrangements.
10. Maintain effective engagement with sentencers.

At the time of writing consultation is ongoing about offender management metrics. Key proposals for 2008/09 include:

- removing some process based metrics, to focus where possible on outcomes;
- replacing some volume metrics (for example, numbers attending accredited programmes, unpaid work etc.) with successful completion rates; and
- a focus on priority pathways in the development of sentence plan outcomes measures.

Resources and funding flows

Over the Comprehensive Spending Review period, April 2008-March 2011, the Ministry of Justice will need to implement major efficiency programmes to meet the constraints of a demanding public spending settlement. The National Offender Management Service funding for this period is subject to further review but is expected to be broadly in line with the overall settlement for the Department, requiring us to deliver services within tight financial constraints.

We are moving from a system where budgets are delegated direct to existing providers (for the most part) to one of 'commissioner budgets' and 'provider payments'. In 2008/09 funds will flow through Regional Commissioners with the flexibility to make service changes and re-allocate resources. This will allow a greater focus on driving the outcomes that we need and provide the flexibility to target resources on those offenders who pose the greatest risk.

For the coming year, commissioners will finalise provider payments through service level agreement (SLA) negotiations, as they already do with existing contracts.

The business and relationship environment

'Best value' mechanisms will guide decisions concerning who is best placed to deliver, and when and where to compete services. We are currently working with commissioners and providers to develop the framework for best value, and we will be consulting with our system on a proposed approach shortly, so that a transparent and workable policy is in place from April 2008.

The Offender Management Act creates probation trusts not only as providers of court services and offender management but also as local commissioners. This will encourage innovation and strengthen local commissioning and delivery.

Partnership and joint working will become even more important to ensure success. The new cross-government PSA targets encourage joined-up working across departments. The availability of local re-offending data and inclusion of the re-offending indicator in the Local Area Agreement (LAA) indicator provides opportunities to strengthen closer partnership relationships. To deliver the efficiencies required to operate within our financial settlement, we need to drive greater value from our partnership arrangements.

CHAPTER 1: HIGH LEVEL PRIORITIES

The Ministry of Justice has five Departmental Strategic Objectives (DSOs) as set out in the recent Comprehensive Spending Review (CSR). NOMS' focus is on the DSO to:

“help protect the public and reduce re-offending”

NOMS exists to improve public protection and to reduce re-offending. NOMS has a target to reduce the volume and seriousness of re-offending between 2004 and 2011, as set out in CSR07. The final level of ambition for this target will be established through the LAA consultation process, which is currently under way. Associated requirements and targets will be negotiated largely at regional and more local levels, framed in the regional commissioning and partnership plans. A new suite of metrics will be defined to support public protection and reducing re-offending, to underpin this process.

Many of NOMS' existing services will need to be continued – delivering the requirements of the court, meeting statutory obligations, delivering the prison capacity programme, holding prisoners safely and legally and protecting the public. But we need to focus more on getting the right service for the individual offender more than we currently do, and delivering greater equality of access to those services.

Our high level priorities as set out below reflect NOMS priorities for service change. In the current context of tight financial constraints, investment in high priority areas will need to be achieved through efficiency savings and reallocation of resources from other services.

This chapter sets out:

- Commissioning Priorities
- Efficiency and Disinvestment measures
- Assessing Performance
- Issues and Disputes Resolution

When implementing the priorities set out in this framework, it is important to consider how we deliver greater equality of access to services provided for offenders in prisons or supervised in the community - irrespective of race, gender or other characteristics. We must strive to achieve greater parity of outcomes and promote greater confidence in the Criminal Justice System among those groups where this is lacking or weak.

We are committed to implementing the recommendations made in the equality impact assessment of last years' framework. In particular we must commission culturally competent mainstream services, including training and support in developing cultural awareness and competence for front line staff in statutory agencies.

Commissioning priorities

Our commissioning priorities, revised to take account of Lord Carter's Review for 2008/09, are split into two distinct areas. They will either:

- directly impact on the way we deliver services to offenders; or
- act as enablers by improving relationships, building capacity, and improving capability.

Focusing on how we will deliver services to offenders, our priorities for 2008/09 are to:

- 1. *Ensure end-to-end offender management services are in place for those qualifying offenders, and that providers meet required standards. Offender management is key to bringing closer together the efforts of prison and probation providers. We must also explore affordable options to target present supervision arrangements more effectively with appropriate focus on those offenders who pose the greatest risks.***

Meeting this priority means following through and implementing the new responsibilities/accountabilities in line with the outcomes of the strategic review of offender management. In addition to consolidating implementation, this will involve piloting key elements of the review, including a pilot to assess the feasibility of improving allocation of prisoners to prisons so that more offenders complete their sentence in a prison close to the point of resettlement.

- 2. *Streamline, modernise and improve the targeting of interventions, and aggregate local and regional/Welsh targets into a national set, with increasing emphasis on joining up prison and probation efforts.***

This means targeting cost-effective interventions on those offenders where the impact is likely to be greatest, with a stronger focus on higher risk offenders. Our increasing knowledge and evidence base must inform such decision-making, coupled with robust regional and local discussions through the regional commissioning and partnership plans.

Commissioners recognise that the assessed needs of offenders will almost always outstrip the interventions that are available. This underlines the need to better target and sequence interventions to improve their effectiveness. Where possible, opportunities should be taken to provide a joined-up approach that can take interventions through the prison gate and into the community.

- 3. *Implement the priorities of regional Reducing Re-offending Boards to ensure effective local delivery and work with the Welsh Assembly Government on implementing the agreed aims of the Welsh Reducing Re-offending Board.***

This means effective partnership working and joint ownership of work to reduce re-offending across agencies and organisations in the public, private and third sectors. The new cross-government PSA set, the development of local re-offending metrics and the LAA negotiation process all provide opportunities to strengthen partnership arrangements and align the delivery of services to offenders.

- 4. *Plan for the delivery of additional custodial places.***

The existing capacity programme, in which we planned to build 9,500 new prison places, will now be expanded to meet the recommendations of the Carter report. The impact of this programme will need to be factored into commissioning negotiations, not only for prison service level agreements but also in terms of the impact on community services and our partners.

- 5. *Underpin better commissioning through the development and implementation of National Service Frameworks for women and for prisoners with indeterminate sentences for public protection.***

National service frameworks will become the specification vehicle setting out the requirements around which service level agreements and contracts for the delivery of services to offenders will be negotiated. During 2008/09 we anticipate two such frameworks coming on stream. These will be developed in consultation, addressing women offenders and offenders receiving indeterminate sentences of Imprisonment for Public Protection (IPP). The latter will be finalised following parliamentary consideration of the measures set out for IPP in the Criminal Justice and Immigration Bill.

6. Ensure courts receive the quality and timely sentencing advice they need.

Sentencers are key recipients of NOMS services, particularly advice services. Pre-sentence reports are subject to a number of standards and metrics, especially in terms of timeliness, and they must:

- a) Properly reflect priorities and knowledge about effectiveness and service capacity, and,
- b) Be delivered in the most cost-effective format.

Our key enabling priorities for 2008/09 are to:

7. Use our new probation area and local authority level metrics to build up a more informative picture of re-offending. This can then be used to drive work to reduce both volume and serious re-offending more effectively.

The local (probation area level) re-offending measure will help us to identify good practice and tackle poor performance. It will also enable us to hold probation areas and other agencies to account for this key outcome.

The local metric will also provide more timely data than the national public service agreement (PSA) metric, and it should therefore offer more support for operational decision-making. It will compare actual with predicted rates in order to control for characteristics which are known to affect the likelihood of re-offending. Information on the frequency of re-offending is also provided, bringing the local measure more closely into line with the new adult PSA re-offending indicator.

8. Develop commissioning and joint commissioning skills and capability across commissioners at national, regional and local (probation boards/ trusts) level, and support commissioning with the 'best value' mechanism currently being developed.

Commissioning is still being developed within the offender management system. We have recently launched a commissioning academy to increase the skills and capability of commissioners in our system, and we will link with other commissioner development opportunities, for example through the Office of the Third Sector (OTS). We will be developing local commissioning policy in collaboration with the first wave probation trusts in the coming year.

Making sound choices between providers requires a transparent 'best value' mechanism, which we are currently developing and will be discussing with key partners in our system in February. This framework will establish a responsibility for commissioners to regularly review whether services represent the best value against key criteria for quality, timeliness, appropriateness, availability and price.

9. Continue to develop robust partnership and joint commissioning arrangements and plans to support public protection and to reduce re-offending objectives at national, regional and more local level.

Although all re-offending pathways are important, in 2008/09 we will focus particularly on offender health, including provision for drugs and alcohol, and skills and employment. We will do this through effective regional and local implementation of the offender health strategy and the Next Steps Action Plan in England and *Joining Together in Wales* – the reducing re-offending strategy in Wales.

10. Maintain effective engagement with sentencers, at national, regional and more local levels.

In order to ensure that sentencers have all of the information they need to pass appropriate and effective sentences, it is critical that we have regular dialogue about:

- sentencers' perceptions of resource needs and quality of delivery;
- evidence of effectiveness and cost-effectiveness of interventions and sentencing options; and
- offender management priorities at local, regional and national levels. Determining 'who does what' regionally and locally must be part of the discussions between commissioners and providers to ensure proper 'coverage', coherence of messages, and avoidance of costly and unhelpful duplication.

Efficiency and Disinvestment measures

Given the very tight financial constraints this year, the National Offender Management Service has agreed measures which should allow commissioners and providers to agree service level agreements/ contracts which deliver critical services within available resources and maintain the drive to reduce re-offending.

Efficiency Requirements

Regional Commissioners need to ensure that they live within the budgets allocated to them, and that providers deliver value for money services for the money available while still meeting targets. The increasing volumes facing both prison and probation services will require process improvements driven by robust negotiations. Regional commissioners will need to take a strong lead on the incentives for adherence to policy, and develop a means of tracking and managing performance.

In order to live within budgets, providers will need to deliver efficiency savings, and, in some cases, may need to disinvest from services, which are providing less value for money than others.

Within the **Prison Service**, subject to final adjustments, a financial settlement has been reached. This settlement will require HMPS to deliver an aggregate level of efficiencies through actions across the following areas:

- Clustering establishments
- Prison retail – re-contracting
- Reduction in area office staffing
- Reduction in Quantum contract costs
- Residual Phoenix savings

Where necessary to meet the settlement HMPS will achieve additional savings through:

- The introduction of a standard core day for prisons
- Rationalising the process for internal security checks, in line with risk.

Commissioners will have the flexibility to negotiate the mix of services provided by HMPS at establishment level within the agreed settlement and subject to achieving national and regional service performance targets.

For the **Probation Service**, a financial settlement has been reached for each region. Regional commissioners will need to agree a settlement with each provider within their region resulting in an overall balanced budget for their region. They will also need to ensure that the settlement also meets national and regional performance targets. In reaching a settlement with the commissioner, each provider will be expected to deliver a level of efficiency improvements. Areas in which efficiencies will be sought may include, though will not be limited to:

- SLA contract volume negotiations driving process improvement to absorb higher volumes
- Best value reviews
- Better management of programmes
- Court reports FDR/SRD split
- Publication of enforcement of national tiering rules.

If the regional commissioner is unable to deliver a balanced budget through efficiency gains alone, they will negotiate appropriate service disinvestments with providers to achieve this.

Other service changes will need to comply with national and regional service performance targets.

Commissioners will negotiate the mix of services to probation area/trust level, within the agreed settlement and subject to achieving national and regional service performance targets.

Assessing performance

Performance frameworks and scorecards are being developed and enhanced to ascertain performance levels across the range of metrics at provider level, commissioner/regional level and the National level.

The NOMS suite of metrics for 2008/09 was published in December 2007, and is designed to reflect national priorities and specify delivery requirements on providers.

Increasingly target levels are being set locally as part of the negotiation between commissioners and providers. The exceptions to this include where there are cross-government commitments or specific national priorities to attain. The target setting types are in the table below:

No Flexibility	Flexibility		
1 No flexibility	2 Local minimum / maximum	3 Regional minimum / maximum	4 Local flexibility No minimum / maximum
Targets are set centrally for each prison establishment or probation area.	Minimum / maximum applies at establishment or area level and this is set by the centre.	Minimum / maximum applies at regional level and this is set by the centre.	No minimum / maximum. Policy guidelines may apply to specific metrics.

The NOMS business plan for 2008/09 will contain national target levels resulting from the aggregate of local negotiations.

Issues and dispute resolution

This Framework encourages devolved sensible regional and more local discussions and negotiations. It is expected that commissioners and providers will have strong, positive relationships with one another, based around shared goals of improving services whilst maintaining financial balance. However, sometimes negotiations can be unsuccessful, and we have a dispute resolution process to be used as a last resort. Commissioners and providers are expected to do all they can to avoid disputes and, when they occur, to resolve them quickly and completely.

For 2008/09, an Issues and Disputes Resolution Process will be overseen by the Commissioning & Commercial Steering Group, co-ordinated by Commercial and Competitions Unit (CCU) who will administer and support the process.

A two-tier process is planned. The first tier involves assistance aimed at avoiding the need for formal dispute resolution and will include advice to help clarify the issues, interpret guidance, share knowledge of how other parties have resolved similar disputes and make suggestions about the management of the negotiation process. The second tier, formal dispute resolution, will follow a predetermined timetable to ensure resolution by the end of March. Details of the process will be sent out separately.

CHAPTER 2: RESOURCES AND FUNDING FLOWS

After funding the planned prison capacity programme, NOMS needs to fund its other priorities within the context of budgets that are expected to fall in real terms within the CSR period. The funding flows for 2008-09 are necessarily an adaptation of existing processes with the key change being that the majority of NOMS funding for adult offender services will flow through national and regional commissioners.

This chapter sets out:

- Resource Levels 2008/09 to 2010/11
- Resource Allocation Process
- Efficiency Requirements
- Carter Review and Probation Change
- Commissioner Budgets

Resource levels 2008/9 to 2010/11

Overview

NOMS funding for the 2008-2011 period is subject to further review within the Ministry of Justice. Subject to finalisation, NOMS is planning within an indicative total resource budget for 2008-09 of £4,852 million (compared with £4,646 million for 2007-08). The uplift comprises £69m for planned prison capacity programmes, £20m for unavoidable non-cash charges, with the remaining £117m funding existing services and the reform programme.

The NOMS Board has arrived at these high-level indicative allocations to enable the issue of initial indicative budgets for commissioners accompanied by planning figures for providers. These are based on the best available information, to enable the SLA negotiations, which will finalise provider funding for 2008-09, to proceed. There are substantial risks around the planning assumptions on which these figures are based and commissioners and providers must recognise that they are likely to be subject to change before the SLA negotiation process is completed. In particular, the figures do not at this stage take any account of possible recommendations from the latest Carter report. We expect to deliver further savings by streamlining HQ functions in NOMS and HMPS, and if possible to return some funding to front line services, but there are a number of risks which may create financial demands.

Public Prisons

The overall indicative planning figure for public prisons is £2,050 million compared with £1,985 million in 2007-08 (delegated budget from NOMS at the start of period). The 2008-09 figure is based on HMPS planning assumptions. It includes the achievement of internal efficiencies and economies, which have been agreed by the NOMS Board.

Probation

The overall indicative planning figure for probation main resource grant is £759 million compared with £727 million in 2007-08. The uplift includes £17 million offender management development funding which will be used for the consolidation of offender management going forward. The £6 million pathfinder funding ends as a separate stream and half of this is routed through main resource grant. Half of the £22.5 million previously retained for the performance bonus is now routed through the main resource grant, with the balance to be allocated during 2008-09 based on 2007-08 performance.

Resource Allocation Process 2008-09

The funding arrangements for 2008-09, developed through extensive engagement within NOMS and public sector providers, are necessarily an adaptation of existing processes. The key change from 2007-08 is that the majority of NOMS funding for adult offender services will flow through national and regional commissioners. This represents a real step towards a model based on the concept of “commissioner budgets” and “provider payments” – with commissioners finalising public sector provider incomes through SLA negotiations – but subject to clear checks and balances to manage this change. The arrangements are consistent with the NOMS Corporate Planning and Commissioning Cycle. Key steps are set out below.

Stage 1 – Set National Financial Strategy

This stage culminates in agreement to national priorities for resource allocation by the NOMS Board on behalf of the Ministry. It includes the approach to be adopted on efficiencies/economies for the coming year.

Stage 2 – Set Indicative Budgets for Commissioners

For probation, the funding formula will be run to probation area level and the results aggregated to give indicative budgets for regional commissioners. For public prisons, indicative budgets for national and regional/Welsh commissioners will be based on figures agreed with HMPS. Funding for the high security estate and HMPS HQ will flow through the national commissioner. Funding for private prisons already flows through national and regional commissioners.

The figures for probation and public prisons that are used to build indicative budgets for national and regional commissioners will be carried into the SLA stage as planning figures and will also set the starting position for the SLA negotiations.

It is likely that there will be a need to revise indicative budgets during the process – for example as a result of nationally agreed changes - and commissioners and providers will need to take these changes into account in SLA negotiations.

Stage 3 – SLA Negotiation Process

The approach to 2008-09 SLA negotiations with public sector providers can be summarised as:

Commissioners are permitted to make any service changes and associated resource re-allocations they wish with the agreement of all affected providers

Where there is a compelling case for change, the Ministry expects that public sector providers will not withhold agreement. This could include reallocations between (say) probation areas in the same region, or between custody and community, subject to provider agreement. The requirement for provider agreement means that it is not necessary to set a specific percentage limit on resource reallocations.

It is not in anyone’s interests to pursue service changes and associated resource reallocations that are greater than the system can support. Resource reallocations have consequences for individuals within the system and therefore must be based on a compelling case and be defensible on value-for-money grounds.

Commissioners and providers are expected to do all they can to avoid disputes and, when they occur, to resolve them quickly and completely. An Issues and Disputes Resolution Process will operate for 2008/09, with a strong expectation that agreement is normally reached without recourse to the process.

The information on activity costs that will be available for the 2008/09 process falls short of what is needed to support “cost and volume” commissioning. Therefore the aim is to ensure that information sharing and accessibility is maximised and that lessons from the process are fed into the development of information for 2009/10 and beyond. To support an improvement in the quality of the dialogue during the SLA negotiation process, it is important that information, including “work-in-progress”, is available to both commissioners and providers at national, regional and local levels and is shared transparently.

Stage 4 – Finalisation of Funding

For this stage, the central finance team take the results of the SLA negotiations, confirm that they reconcile to the national total, and then start the process of setting up these budgets. Cash management arrangements remain as per 2007/08.

Stage 5 – In-Year Management & Reporting

Reporting flows for 2008/09 are based on the principle of “parallel reporting” using a single set of information from public sector providers to both the commissioners and NOMS centre. These are transitional arrangements to manage the changes.

Given the information and capacity and capability available in the system during 2008/09, a “block contract” approach is most appropriate. In the event of over- or underperformance due to activity variations, there is no automatic additional or reduced financial payment in-year. The in-year change process can be instigated by NOMS, the commissioners, or providers.

CHAPTER 3: THE COMMISSIONING ENVIRONMENT

To deliver national commissioning priorities, regional commissioners will need to work closely with regional and local partners to drive delivery of reducing re-offending and public protection outcomes.

The Offender Management Act received Royal Assent in July 2007, and put in place a new landscape for commissioning probation services. The wider NOMS reform programme will also drive significant business changes in 2008/09, which will support and strengthen the new commissioning arrangements.

The Carter Review, published in December 2007, supports the need for effective offender management and the provision of effective non-custodial interventions thus ensuring prison is reserved for those for whom a custodial sentence is essential.

Developing regional and local partnerships to deliver national priorities will be critical to delivery of offender management outcomes. It is essential that commissioners at all levels develop appropriate links with other agencies, partners and stakeholders in order to create integrated packages of services for offenders and avoid duplication. The cross-government PSAs, new performance metrics and the Local Area Agreement process all provide key levers to develop and strengthen current partnership arrangements.

This chapter sets out:

- The Offender Management Act
- National, Regional and Local Commissioning activity
- Developing local partnerships to deliver national priorities
- Related products and links to consider

Context

NOMS spends over £4 billion on adult offender services each year, with the aim of reducing re-offending and protecting the public. As well as ensuring a resilient service that meets the demands of sentencers, we are working towards delivering integrated sentence plans for offenders which address their particular risk of re-offending. Most recent re-offending figures showing a reduction of nearly 6% against predicted rates¹. Nonetheless, re-offending continues to be a significant issue. Over half of all crimes are committed by people who have already been through the criminal justice system, with 55% of offenders re-offending within two years. Rising prison and probation caseloads, coupled with a lack of substantial additional funding, means we need to continue to look at providing innovative services, which will impact on re-offending, and/or provide greater cost-effectiveness.

¹ Re-offending of Adults: Results from the 2004 cohort, Cunliffe and Shepherd 2007

NOMS commissions services for adult offenders in the following areas.

- **Offender Management** services including court work, offender assessment, sentence planning and supervision of offenders.
- **Custodial provision** including prison places, the prison regime and prison interventions, the latter ideally in a context which is coherent with community provision.
- **Interventions** funded by NOMS, covering all other offender services, including accredited and non-accredited programmes and all interventions relating to the seven pathways out of re-offending. Many of the interventions across the seven pathways are inter-related; their delivery being supported by a range of commissioning, joint commissioning and partnerships activities.
- Interventions funded through other government departments jointly commissioned by NOMS; this includes drug and alcohol provision, health services, skills and employment services, and accommodation.
- **Approved Premises** for high risk offenders in the community.

The Offender Management Act (2007)

The Offender Management Act received Royal Assent in July 2007, putting in place a new landscape for commissioning probation services. In particular, the legislation places responsibility for ensuring the provision of probation services on the Secretary of State. The Secretary of State will carry out this role by creating a commissioning system within which he will delegate authority to contract with providers at a national, regional or local level.

The Offender Management Act enables the creation of probation trusts, who will act as local commissioners. The first six probation trusts are planned to come into being on 1 April 2008. At this point the relevant provisions of the Act will be brought into force in those parts of England and Wales covered by a trust. The existing provisions of the Criminal Justice and Court Services Act 2000 will remain in force elsewhere pending the abolition of the existing boards in those areas.

Ministers made clear during the passage of the Act through Parliament that the commissioning system will be built around strong local commissioners. These will be either probation trusts or the existing probation boards. From April 2008 these bodies will now perform the following functions.

- They will have responsibility for being the lead provider of offender management;
- They will commission interventions and other services; and
- They will bring together joint commissioning and develop local partnership arrangements to support public protection and reduce re-offending.

National, Regional and Local Commissioning

We will operate a system based on local commissioning to allow devolved decision-making. Services will be commissioned at a local level to best meet local need and at a regional or national level where this provides best value or the best means to ensure that needs are met. Procurement will occur at whichever level delivers the best value.

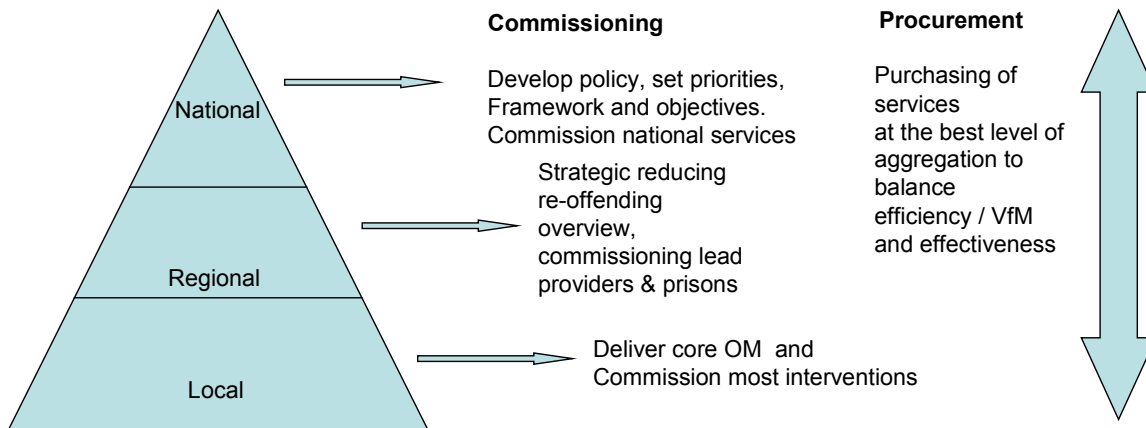


Fig. 1: The three levels of commissioning

NATIONAL COMMISSIONING

A small number of specialist services will be commissioned nationally, where this achieves best value, such as for low-quantity, high-cost services. For 2008-09, the high security custodial estate will be commissioned nationally.

REGIONAL AND WELSH COMMISSIONING

Regional commissioners will:

- provide strategic commissioning leadership in their regions;
- drive the regional/Wales reducing re-offending agenda;
- identify needs and gaps in provision;
- contract with local commissioners to deliver offender management and interventions for offenders; and
- hold local commissioners to account for their delivery responsibilities through negotiated SLAs or contracts.

When negotiating with Probation Trusts, regional commissioners have the freedom to negotiate changes to service specifications as well as volumes and funding. However, changes will require sign-off at national level to ensure high quality services are delivered and innovation does not erode established effective practice.

Each regional commissioner will use negotiated contracts and service level agreements (SLAs) to hold to account their local commissioners and providers in their area, except the nationally commissioned high security estate. In addition to overseeing performance against SLAs and contracts, regional commissioners will also deal with inappropriate variations or failures in service provision and performance.

LOCAL COMMISSIONING

Probation trusts and boards will become local commissioners. Boards will retain this function until 2010 except where they have been superseded by a probation trust.

From the 2009/10 commissioning cycle onwards, local commissioners will be:

- **Realising best value:** delivering or commissioning cost effective services, as measured by the forthcoming 'best value' mechanisms.
- **Promoting innovation:** demonstrating effective and appropriate innovation and producing new opportunities for innovation. Trusts will have the freedom to negotiate innovation derogations in their contract with the regional commissioner to help them better deliver innovative approaches in service delivery. These innovations from the standard template will be assessed by NOMS to ensure maintenance of high standards.
- **Managing contract performance:** delivering effective negotiation, monitoring and management of contracts to ensure provider performance delivery.

From 2009/10 there will need to be local commissioning plans, which are interdependent with regional commissioning plans. These plans should reflect the contribution of the particular local commissioner to the regional objectives and targets, with a particular focus on the diversity agenda and the public service agreements. For more detail on the model of local commissioning probation trusts will test in 2008/9, please see Annex B.

Developing local partnerships to deliver national priorities

A key function for commissioners will be to develop strong partnerships, working together to deliver cross-Government priorities. The reducing re-offending indicator in the Make Communities Safer PSA will maintain cross-government and partnership focus on tackling re-offending in 2008-2011. The process also provides a mechanism for aligning our objectives across a range of other public service agreement areas. These include the PSAs for Alcohol and Drugs, Adult Skills, Socially Excluded Adults, and the Young People on the Path to Success PSA.

National, regional and local commissioners will need to work with partners and other commissioners to develop strong partnership arrangements to reduce re-offending.

At a national level the work is co-ordinated through the cross-government National Reducing Re-offending Inter-Ministerial Group and Programme Board. This is supported by regional reducing re-offending partnership boards in the nine English regions and a national board in Wales. These boards are composed of key representatives from statutory agencies and the private and voluntary sectors. The regional commissioner will need to work closely with Government Offices (GOs) to ensure that reducing re-offending is properly reflected in discussions between GOs and local authorities and their partners over local priorities.

For local partnerships in England, the Local Government and Public Involvement in Health Bill will make LAAs the main delivery contract between central government and the local government community, including probation boards and trusts. From 2008 onwards, each LAA will contain specific improvement targets chosen from a longer list. This selection will be negotiated between the local area and central government, with the Government Office (GO) acting as central government's negotiator. Regional commissioners will represent NOMS in these negotiations, whilst the local commissioner will participate as a member of the local strategic partnership. These indicators will be used to measure performance in all areas over the next 3 years, commencing from April 2008.

It is important that probation trusts/boards influence the local strategic partnership, CDRPs, and LCJBs to tackle re-offending. This will include identifying and supporting other improvement targets and indicators to reduce re-offending such as those covering crime reduction, social exclusion and alcohol and drugs misuse.

It will also be critical to align priorities and ensure that the different parts of the system, for example, LCJBs and CDRPs, are focusing on the same group of offenders. Successfully rehabilitating and resettling offenders into the community will have a significant impact both on existing CDRPs' crime reduction targets and LCJBs' public confidence in the criminal justice system targets.

Three reducing re-offending alliances have also been established to enhance the regional commissioner's ability to consult and involve specialist organisations and particular communities in the work to reduce re-offending:

- The Corporate Alliance seeks to engage employers already working with offenders in asking others to get involved and ensure more offenders get sustainable jobs.
- The Faith and Voluntary and Community Sector Alliance aims to build on the skills and knowledge of local organisations who work with offenders in prison and the community.
- The Civic Society Alliance to work closely with local government, local organisations and communities promoting the reducing re-offending agenda.

Commissioning services for women

In January 2007, Baroness Corston published her review of vulnerable women in the Criminal Justice System. The Government has accepted the need to strengthen the range of non-custodial provisions available to sentencers when sentencing women. As a result of this, NOMS will be drawing up a National Services Framework for Women by April 2008. When published, this Framework will provide commissioners and providers with clarity of service priorities for consideration when agreeing service levels.

ANNEX A: LOCAL COMMISSIONING

In delivering Offender Management, the Offender Manager works with the individual offender to agree and deliver the requirements of the sentence plan. The role of the local commissioner is to ensure appropriate resources are in place to support this process. The local commissioner will create and commission packages of services for different segments of the offender population. From these, the Offender Manager will draw down the various strands needed for integrated, holistic packages to best meet individual offender needs.

It is the inter-relationship of the Offender Manager and the local commissioner that will ensure that commissioning, joint commissioning and partnership arrangements support the delivery of NOMS' objectives.

The commissioning process, which we are eager to test with providers over the coming year, will be as follows:

- The Local Commissioners, through their Offender Managers, will assess offender needs and ensure that Sentence Plans are made as appropriate.
- The Local Commissioner will design services to be delivered in the Area to meet the needs of Courts, victims, communities and service users in consultation with internal and external stakeholders. Primarily the Local Commissioner will work collaboratively with the Regional Commissioner to ensure Regional and Local plans complement each other.
- The Local Commissioner, having designed services, will work with Offender Managers to prioritise the use of those resources in line with local policies and with the contract with the Regional Offender Manager.
- The Local Commissioner, as lead provider, will commission the range of services to be provided through the application of Best Value principles, where appropriate through joint commissioning arrangements.
- The Local Commissioner will require Offender Managers to, and support them in, drawing down services procured by the Local, Regional and National commissioners, as well as joint commissioners and partners. Services will be drawn down and will be prioritised against need, risk of re-offending and risk of harm by the Offender Manager within the policies of the Local Commissioner.
- The Local Commissioner will aggregate outcomes data in relation to individual offenders to assess the cost effectiveness of the services accessed and to inform future design decisions and contract negotiations with the Regional Commissioner.
- We plan to develop our understanding and specification of the stages in partnership with the first wave probation trusts.
- This process will be underpinned by the following key tasks which the local commissioner will also need to perform:
 - Agree and respond to local improvement targets. The Secretary of State will delegate this responsibility to the local commissioner through their contract. The regional commissioner will ensure that the contract with the local commissioner enables these obligations to be fulfilled.
 - Engage with other partners in the local strategic partnership (LSP) to agree and implement Local Area Agreements (LAAs).

- Work with the regional commissioner to ensure that diversity issues are addressed, identifying gaps locally and regionally and taking steps to close these gaps where appropriate.
- Represent NOMS in joint commissioning and partnership arrangements with other statutory bodies, e.g. Crime and Disorder Reduction Partnerships (CDRPs), non-statutory bodies such as VCS organisations and Local Criminal Justice Boards (LCJBs) and in work with local communities, to reduce re-offending and the level of serious re-offences. This will ensure access to services that support offender management, and that local commissioners play their full part in alliances with other commissioners and providers.

ANNEX B – PRIORITIES ACROSS THE PATHWAYS

Skills and Employment

Employment is a significant factor in reducing re-offending; however, many offenders do not possess the requisite skills for employment or the ability to effectively compete for jobs.

In England, education and vocational skills training are provided to offenders through the Offender Learning and Skills Service (OLASS). This service integrates learning and skills provision for offenders in custody and in the community and is planned and funded by the Learning and Skills Council (LSC). A priority for Regional Offender Managers is to ensure that OLASS provision clearly meets the needs of individual offenders whilst also being focussed on addressing the skills needed within the region. Where they are not already, ROMs should seek to be represented at relevant regional structures that influence the skills and employment agendas, such as Regional Skills Development Partnerships.

'Reducing Re-offending through Skills and Employment: Next Steps' sets out a vision to further develop skills and employment policy for offenders. Next Steps sets out three key priority areas:

- Into Work and Away from Crime – engaging employers through the Corporate Alliance;
- Gaining Skills and Improving Employability – building on the Offender Learning and Skills Service and developing a campus model;
- Motivated to Work, Skilled for Employment – reinforcing the emphasis on skills and jobs in prisons and probation.

ROMs, and all partners involved, will be key in disseminating good practice and looking at the lessons learned from the two 'Test Bed Regions' (West Midlands and East of England) and implementing changes where appropriate.

In taking forward the employment agenda, ROMs will play a key role in supporting the Corporate Alliance approach through engaging with employers, employer organisations, and the voluntary, community and faith sectors. In addition, where they are not already, ROMs and Probation Areas will need to:

- Seek the inclusion of employment/employability support for offenders in Local Area Agreements;
- Ensure access to quality information, advice and guidance services;
- Promote self employment and enterprise opportunities for offenders;
- Ensure that the needs of diverse groups are taken into account.

Health Services

The Offender Health and Social Care Strategy is a three-year work programme designed to build on the progress made in the past few years with the reforms of prison health, embracing system and service delivery reform for services to offenders whether in custody or in the community. As a joint DH/HO/MOJ strategy, it will aim to deliver an integrated work programme through working with Government Offices, the NHS and criminal justice agencies to help meet joint government targets for addressing health inequalities and helping to reduce re-offending.

The focus of the Offender Health and Social Care Strategy will be to get interdepartmental commitments to undertake the necessary system reform to policy and service support in a range of related areas across the offender pathway, from point of arrest to supervision in the community following release or community sentencing.

Drugs

The link between drug dependency and crime is well-established, with very high levels of crime committed to fund the supply of drugs. Around one third of problematic drug misusers in England and Wales are in the care of correctional services at any one time, amounting to half of their total caseload.

Addressing drug dependency is, therefore, a critical element in reducing re-offending. For offenders with a drug problem it is essential first to meet their drug treatment need so as to provide a platform upon which wider support and resettlement need may more successfully be addressed.

All prisons have in place a comprehensive drug strategy to address the harms caused by illicit drugs. The Drug Rehabilitation Requirement (DRR) is the main delivery route for drug interventions within community sentencing.

Key priorities for DRRs are to:

- Continue to increase the number of commencements and completions;
- Support areas to meet the new performance measure for retention at the 12 week stage, which evidence suggests is critical for having an impact on substance misuse and offending;
- Target poor performing areas and offer help to improve performance;
- Work with DIP and NTA to support delivery of targets through a joint approach to key issues, e.g. funding, access to treatment.
- Update the current DRR implementation guidance

Alcohol

Alcohol is a problem for a significant number of those engaged with correctional services. A high proportion of sentenced prisoners are classed as hazardous drinkers in the year before coming to prison, with the majority having low to medium treatment needs. Key priorities for prisons are:

- to maintain existing alcohol treatment services, with the emphasis on improving the consistency of treatment and spreading good practice; and
- where practical, to develop alcohol services and to seek innovative solutions for the expansion of treatment.

Existing provision for alcohol-misusing offenders under probation supervision is delivered in partnership with a range of voluntary and statutory agencies. In line with Models of Care for Alcohol Misusers (MoCAM), commissioners need to ensure that a range of high quality interventions are in place which alcohol-misusing offenders can access and move between according to need.

Key priorities for probation to reduce alcohol related offending:

- improving the speed and accuracy of identification of alcohol and offending needs;
- delivering more timely and appropriate advice and information and referral into structured treatment, where appropriate;
- increasing the availability and accessibility of a wide range of evidence-based interventions; and
- greater continuity between what is delivered in prison and the community.

This will be achieved in 2007-08 through five priority actions reflected in the recently published *Safe. Sensible. Social. – The next steps in the National Alcohol Strategy*:

- Publication of an alcohol information pack for offenders under probation supervision;
- Issue of revised Alcohol Treatment Requirement (ATR) implementation guidance;
- Dissemination across the National Probation Service of learning points from seven alcohol best practice projects;
- Research to examine the availability and accessibility of alcohol treatment to offenders to inform policy to improve alcohol provision; and
- Further piloting and evaluation of the Lower Intensity Alcohol Module (LIAM)

Accommodation

Accommodation is the foundation on which many of the wider reducing re-offending interventions are built. Good quality, settled accommodation provides security and stability to offenders both on their release from prison and during their serving a community order. We need to ensure that relevant housing, homelessness and housing support data is available to inform commissioning decisions. ROMs should seek to maximise the resources available to provide housing advice and support, providing coherent approaches to housing providers in the public, voluntary and private sectors and ensure that advice staff have the competencies and skills necessary to provide effective support.

Priorities for ROMs should include:

- Lead providers to take an integrated approach to finding and supporting the accommodation of offenders which draws on local arrangements and protocols;
- Continued probation engagement with Supporting People commissioning bodies representing offender interests, and promoting targets for offenders through the developing Local Area Agreements;
- Ensure that accommodation services meet the needs of minority offender groups, particularly those of women offenders and their children.

Finance Benefit and Debt

The three key priorities for the Finance, Benefit and Debt pathway are:

- **Financial capability** – training for offenders from Voluntary Community Sector organisations in custody or the community or joint commissioning financial capability training with the Learning and Skills Council through Offender Learning and Skills Service (OLASS).
- **Debt advice and Access to benefits** – work in partnership or commission services from VCS organisations that can provide advice on offenders' debt problems. Access to benefits – work in partnership with DWP and Job Centre Plus to improve offenders' access to benefits.
- **Access to financial services** – work in partnership with financial services providers, such as banks and insurance companies to improve offenders' access to financial services.

Offender Behaviour Programmes

Unless offenders develop pro-social attitudes and behaviours and are motivated to change they will be unable to benefit from the opportunities and assistance presented by the other pathways. There is international evidence that shows that cognitive-behavioural interventions are one of the most effective ways of reducing the likelihood of re-offending. The priority is to ensure that commissioning of interventions remains evidence based; that wherever appropriate they can be delivered in both custody and community; and that high quality delivery is maintained, while allowing greater flexibility to enable local needs to be met and to encourage a more responsive approach to specific groups of offenders.

To build on existing activity we will:

- Develop a comprehensive approach to medium/long term evaluation of offending behaviour programmes;
- Review and update existing accredited programmes to ensure fitness for purpose;
- Create a set of standards for other interventions;
- Review the provision of ATB interventions to women offenders; and
- Examine how limited resources can be used most effectively through the improved targeting of interventions.

Children and Families

The *Five Year Strategy For Protecting The Public And Reducing Re-offending* highlights the “need to make sure social and family links are at the heart of offender management”. The Children and Families Pathway aims to support this by helping offenders maintain their family ties and by maximising the impact which supportive families have in ensuring that interventions to reduce re-offending are a success. The focus for partnership working in 2008/09 is:

- Taking forward the *Framework to improve parenting and family support* to embed this in the delivery of services to this group within regional and local plans;
- Working with the Learning and Skills Councils and others to improve the commissioning of provision for offenders needing help with their relationship and parenting skills; and
- Working with local agencies to improve access to services which support the pathway aims, including the role which probation services have in signposting local services to offenders and their families.

The Children and Families Pathway also aims to promote closer collaboration with local services, the VCS and faith communities to improve outcomes for the children and families of offenders facing social exclusion. This links the work of the pathway into the wider Government agenda around the well-being of children through *Every Child Matters*. This includes the key role probation services have in sharing information and joining forces with children’s services and other local community services to ensure both the safeguarding and well-being of offenders’ children.

Third Sector Action Plan

The Third Sector Action Plan will have a vision of strengthening the contribution of the voluntary sector to reduce re-offending in relation to the sector’s full role as advocates; campaigners; in shaping as well as delivering services; and enabling volunteering. It will take account of the greater focus on local commissioning; of the Office of the Third Sector’s “Partnership in Public Services: An action plan for third sector involvement”; of the need to strengthen compliance with the Compact between the Government and the voluntary sector; and it will complement the Third Sector Action Plan being developed by the Ministry of Justice.

ANNEX C: KEY WEB-LINKS

The three year cross government strategic plan to reduce re-offending and protect the public:

http://noms.justice.gov.uk/news-publications-events/publications/consultations/RRSP_2008-2011

The NOMS Third Sector Action Plan:

http://noms.justice.gov.uk/news-publications-events/publications/consultations/BWC_third_sector_08

The Department of Health's **Improving Health, Supporting Justice** consultation:

http://www.dh.gov.uk/en/Consultations/Liveconsultations/DH_080816

The Justice Secretary's statement on the second Carter review:

<http://www.justice.gov.uk/news/newsrelease051207a.htm>

The Corston review of vulnerable women in the Criminal Justice System:

<http://www.homeoffice.gov.uk/documents/corston-report/>

Government response to Corston:

<http://www.justice.gov.uk/docs/corston-review.pdf>

The 2007/8 Commissioning Framework:

http://noms.justice.gov.uk/news-publications-events/publications/strategy/Nat_Commissioning_Fwork_0708?view=Standard&pubID=440172 .

EIA on the 2007/8 Commissioning Framework:

http://noms.justice.gov.uk/news-publications-events/publications/strategy/NOMS_EIA_NCF2

ANNEX D: GLOSSARY

Alliances	NOMS' initiative to build alliances with the Corporate, Civic and Faith & Voluntary Sectors that provide offenders the opportunity to access training, employment and mainstream services to aid resettlement and reintegration.
CDRP	Crime and Disorder Reduction Partnership, between police, local authorities, probation, health, voluntary sector and local groups of residents and businesses to tackle priority problems of crime and disorder.
Collaboration	Two or more organisations working together to deliver mutual areas of interest and required outcomes.
Commissioning	This involves separating the specification of services to be delivered from the delivery of those services.
Commissioner	The Commissioner decides what services are needed, sets priorities and negotiates with providers to ensure delivery.
Joint Commissioning	Two or more organisations pooling budgets to commission services with shared or mutually beneficial outcomes.
LAA	Local Area Agreements
LCJB	Local Criminal Justice Board
LSP	Local Strategic Partnership
NOMS	National Offender Management Service
OM	Offender Management
Partnership	A model of joint working between two organisations which commissioners are expected to encourage and participate in. We will also expect our main providers to play a full role in partnership arrangements.
Regional Commissioning Plan	A document published by each Regional Offender Manager (ROM) to provide the foundation for their regional commissioning environment.
ROM	Regional Offender Manager (Director of Offender Management in Wales)
SLA	A formal agreement between two parts of the same organisation that specifies a service to be delivered and the responsibilities of each party to the agreement.
Third Sector	Community and voluntary groups, registered charities, foundations, trusts, and a growing number of social enterprises and co-operatives. They share common characteristics in the social, environmental or cultural objectives they pursue; their independence from government; and in the reinvestment of surpluses for those same objectives.

