

GMCVO

Voice

# Transforming Rehabilitation

Response from Greater Manchester Centre  
for Voluntary Organisation to the Government's  
proposals for reforming the delivery of offender  
services in the community

February 2013



Greater Manchester Centre  
for Voluntary Organisation

**Greater Manchester Centre for Voluntary Organisation** maintains a network of over 220 organisations interested in the criminal justice system and has kept them informed of proposals. In addition an event to consult local social partners was jointly held with the Greater Manchester PCC in order to understand the implications and impact of proposals. In our consultation with the local voluntary sector the greatest concern of many groups has been with the introduction of a payment by results regime.

## General comments on proposals

GMCVO understands the Government's desire to transform public services and the need to generate improved efficiency of delivery at a time when financial pressures will require difficult decisions to be made. We also recognise that Government believes the proposals for reform of offender management and rehabilitation to be appropriate in improving the safety and security of communities whilst offering offenders greater opportunities to change behaviour. In particular we welcome the extension of support and supervision to offenders released following short term prison sentences. The lack of support and attention to this group has long been an injustice in itself.

However to implement a new and untested system of delivery at such a scale is more an act of faith rather than evidence based policy. The proposals are unprecedented in many ways and create significant uncertainties. The proposed contract size, in addition, bears little if any resemblance to existing service delivery of services aimed at those with complex needs. The most efficient and least bureaucratic manner of delivery will be one in which boundaries are aligned appropriately. Government may believe that the development of 16 nationally commissioned contracts will reduce its own spend on bureaucracy, but such an approach will lead to significant complexities at a local level which will achieve the opposite.

We are also concerned about the impact of untested proposals on existing inequalities. Payment by results mechanisms can be useful tools in targeting resources where they will generate the greatest return. Whilst this may result in less effective services being decommissioned we are also concerned that without sophisticated pricing strategies this mechanism will result in contractors being less willing to work with those individuals that present the greatest risk of reoffending. Rehabilitation within a justice system needs to deliver justice for all, not just those who might better offer a return on capital investment. The proposals also fail to recognise the potential of Probation Trusts as local partners and institutions. Public agencies do not merely deliver services but are collectively engaged in the stewardship of place. The generation of large scale services accountable

to Whitehall commissioners not only weakens local stewardship but acts against the Government's own approach to localism.

Clearly if Probation Trusts were to remain within the delivery landscape, significant changes to accountability would need to be secured to ensure appropriate local oversight. However if Government is determined to press on with the proposals as outlined, we would recommend that delivery is aligned much more closely with the newly elected Police & Crime Commissioners who will be well placed to provide local leadership.

Indeed, within Greater Manchester, we believe the opportunity exists to align delivery of offender management and rehabilitation services more closely with existing health and adult social care provision through the mechanisms of public service reform already extant.

## **Proposal detail**

In general we are supportive of the analysis and commentary on these proposals developed by national infrastructure body CLINKs. We would make the following comments informed by our local experience of public sector reform and wider commissioning processes.

### **Question B1: How can we maximise the results we get from our collective Government and public sector resources?**

To best achieve this it is important that engagement with the criminal justice system is not seen as radically separate from engagement with public services as a whole. Our experience with the Transforming Justice reinvestment pilot in Greater Manchester has demonstrated that opportunities exist for co-commissioning across service boundaries. We believe that there are significant opportunities for public sector organisations in co-designing and co-producing services with community organisations and their service users. A more open and innovative approach to rehabilitation linked into wider community services has the ability to not only address the needed change in the behaviour of offenders but to better integrate them into the social structures within the neighbourhoods where they live.

We welcome the focus from Government on attempting to reduce re-offending from those released from short-term prison sentences but feel that such work needs greater integration. Such offenders are often likely to have chaotic lives with the vast majority having mental health needs or substance use issues which are currently untreated and

below NHS thresholds. Their engagement with the criminal justice system is often a symptom of wider problems and often can only be addressed by tackling the fundamental drivers of their behaviour.

The criminal justice system offers a critical point of intervention but the solutions are often found in wider community intervention. To make best use of public sector resources we believe that criminal justice interventions should be fully integrated into community provision.

We support more localist Government approaches, on community budget principles, which seek to support shared approaches, responsibilities and accountability. Our concern is that fixing work in silos through centrally managed contracting regimes will weaken this existing positive approach.

**Question C1: We are minded to introduce 16 Contract Package Areas. Do you think this is the right number to support effective delivery of rehabilitation services? Do you have any views on how the Contract Package Area boundaries should be drawn?**

The number of the contract package areas is less relevant than the delivery footprints they generate. Government may believe that by creating 16 delivery areas it will be simplifying its contract management; however this will create additional complexities and bureaucracy elsewhere in the delivery process.

All primes will have to tailor services to local delivery contexts no matter at what scale the Government contracts are packaged. Neighbouring local authorities are often very different in the local culture of service delivery and have very different voluntary sectors and community institutions. This is absolutely appropriate and to have otherwise would weaken our democracy at a local level. Contracting boundaries should match democratic boundaries in order to make oversight more effective and democratically accountable. The development of accountable Police & Crime Commissioners appears to be underutilised by these proposals.

We have also have concerns over this approach as it seems not to recognise the significant progress made by Government departments in promoting shared service design through the Whole Place Community Budget pilots and the innovation developed through City Deals.

In Greater Manchester we see significant developments in the sharing of responsibilities across public sector agencies and shared accountabilities in the delivery of outcomes. With the introduction of directly accountable leadership on issues of crime and justice in the form of the new Police & Crime Commissioner, we believe there to be the possibility

of developing a fully integrated and accountable mechanism for the delivery of justice services that will meet the stated aims of Government.

Whilst this model may not yet suit other localities there is a clear direction of travel from Government in the devolution of delivery and accountability to localities and in time an increased ability to delivery locally. For the period of the contracted delivery the learning from Greater Manchester could help inform the Ministry of Justice in further activity.

**Question C2: What payment by results payment structure would offer the right balance between provider incentive and financial risk transfer?**

**Question C3: What measurements and pricing structures would incentivise providers to work with all offenders including the most prolific?**

We believe that a payment by results regime, as described by the proposals will effectively prevent the involvement of many voluntary organisations in the delivery of rehabilitation services.

The vast majority of voluntary sector organisations believe they lack the free capital to take significant financial risks. In fact many trustees may view any decision to take such a risk as a breach of trust on their part. In this sense such organisations are not only unwilling to take on risks but will see themselves as prevented by their charitable aims from considering such action.

We believe that few voluntary organisations will be in a position to bid as a prime contractor and the common method of engagement will be through sub-contracting.

Many organisations will be used to the experience of a final payment to be made on completion of service delivery but would have significant concerns if such a payment were more than 20% of contract cost. Even at 20%, smaller organisations will struggle to engage. This is due to small size and budgets, and in no way relates to the quality of their service. An organisation dealing with a small group of clients will risk significant penalties on failure with any individual as they would lack the ability to spread risk. To engage, many organisations may need to identify collaborative approaches or even consider merger. Sufficient time and clarity on potential service demand will be needed for these organisations to develop such approaches

However, of greater concern to many will be the criteria for the measurement of success. From discussions with local organisations we see no support for a binary measure of reoffending. A broader approach to success is needed with an understanding that reducing severity of offence is itself success and the addressing of wider criminogenic needs will impact on behaviour in the long term. Pricing structures need to recognise wider indicators of success as well as the fact that individuals with

multiple needs often require significant and intensive interventions and that this requires increased investment.

With work to address these wider factors that influence behaviour often commissioned by other bodies, such as LAs, CCGs and PCCs then it is important that pricing strategies complement the delivery context and also incentivise local commissioners in making attempts to integrate delivery

**Question C4: How should we specify public sector oversight requirements in contracts, to avoid bureaucracy but ensure effective public protection arrangements?**

We believe the important issue related to oversight is not in bureaucracy but in accountability. We see the introduction of directly elected Police & Crime Commissioners as a clear opportunity to increase accountability in delivery with a direct link to the communities protected by any offender management and rehabilitation service.

We do believe though, as stated in our previous answer to question C1, that the Government's chosen approach to packaging service delivery contracts will increase bureaucracy in the delivery system. The environment in which services are delivered, will significantly impact on the nature of delivery. The potential size of service contracts proposed will mean that any single prime will have to develop a number of varied local approaches. The most appropriate way to reduce bureaucracy is to ensure that delivery boundaries for the offender management service have some congruency with key political boundaries at a more local level to ensure that service design is complementary.

**Question C7: What steps should we take to ensure that lead providers manage and maintain a truly diverse supply chain in a fair, sustainable and transparent manner?**

**Question C8: What processes should be established to ensure that supply chain mismanagement is addressed?**

**Question C9: How can we ensure that the voluntary and community sector is able to participate in the new system in a fair and meaningful way?**

GMCVO has long experience of supporting local public sector partners and informing their commissioning processes. Through this work we have come to understand how information and relationships are critical to delivery.

Purchasers require information on the quality, capacity and methods of production of voluntary sector providers. Some smaller organisations will often need support in developing their ability to articulate this information and will need commissioners and prime contractors to understand the diverse range of metrics that may evidence their work. Many will have the ability with which to understand and present such information but need the ability to be flexible in the way they articulate their value in a way that suits the design of their services.

A closed and limited range of standards of evidence and view of what interventions are appropriate will be a particular barrier and we believe that NOMS is often too restrictive in this area. In order to properly drive innovation there needs to be a more flexible approach in understanding how interventions might reduce offending.

Providers need clarity on the nature of potential clients and the volumes in which they are to expect referrals. Whilst many voluntary organisations have felt themselves to be used as “bid candy” in the past, particularly in relation to the Work Programme, there has been a recognition that some of this behaviour was caused by prime contractors being unable to give such clarity due to the nature of the commissioning processes they themselves were engaged in. Government has a duty to ensure that information on service demand is clear and available in accessible forms to all possible participants in supply chains.

For prime contractors to build appropriate supply chains they need to be able to build trusting relationships with providers. At present there is a significant lack of appropriate brokerage services. There needs to be a wider investment in supplier brokerage with such work priced into supply chain development. If Government wishes to involve smaller organisations (both in the voluntary and private sectors) in the delivery of public services then brokerage services delivering accurate information on the quality and capacity of providers will be vital. This can be delivered cost efficiently if such brokerage services can support provision across the wide range of public services. Some voluntary sector infrastructure organisations have the potential to act as such brokers but may need development support and prime contractors will need such costs built into delivery.

We are concerned that often the response of the public sector in the past to addressing barriers to commissioning has been to fund training and capacity building programmes aimed at providers. This is not the barrier - we believe that the majority of the providers who could best support clients in rehabilitation have the ability to design a service and make a bid. What they may lack is clear understanding of the precise demands of a prime contractor and an ability to engage in dialogue with them. Markets need marketplaces and without a mechanism which will enable providers and primes to engage in a structured way we see little prospect of increased engagement in supply chains.

**Question C13: What else can we do to ensure the new system makes best use of local expertise and arrangements, and integrates into existing local structures and provision?**

**Question C14: Police and Crime Commissioners will play an integral role in our reforms. How best can we maximise their input/involvement and that of other key partners locally?**

In Greater Manchester the development of the Whole Place Community Budgets pilot has created significant possibilities for the joint commissioning and delivery of services. This has the potential to create significant efficiencies and to reduce bureaucracy through integration. Aligning delivery with the PCC commissioning boundaries would make a great deal of sense in this regard.

The move to shift offender management into both a different model and geography of delivery as currently proposed will reduce the efficiencies available through this changing local approach. To integrate offender management into wider delivery in Greater Manchester there will be a need for both the prime contractor and local public sector agencies to generate additional bureaucracy in order to manage local relationships

**Question C17: How can we use this new commissioning model, including payment by results, to ensure better outcomes for female offenders and others with complex needs or protected characteristics?**

We would re-iterate our concerns regarding the impact of untested proposals on existing inequalities. Payment by results mechanisms can be useful tools in targeting resources where they will generate the greatest return. Whilst this may result in less effective services being decommissioned we are also concerned that without sophisticated pricing strategies this mechanism will result in contractors being less willing to work with those individuals that present the greatest risk of reoffending. Rehabilitation within a justice system needs to deliver justice for all, not just those who might better offer a return on capital investment.

It is important that pricing mechanisms recognise the additional investment needed to support those with complex needs and who may face additional barriers to engagement in society due to underlying inequalities.

In addition we are concerned about the impact of the proposals where there are geographical concentrations of offenders with complex needs and where the local environment is stressed. Payment by results targets delivery to those mechanisms that will generate the greatest return and away from those that produce the least chance of a return. There will be positives in this in that services without a demonstrable impact will



be decommissioned but there will also be an incentive to disinvest in the individuals that give the least return.

Whilst it may be possible to create premiums for those with the most complex needs, there is also a need to understand the environment in which they live. Offenders living in an area without available and affordable housing or where employment opportunities are largely absent will be at a greater risk of reoffending than an offender with a similar set of needs in an area where employment and accommodation are more likely to be achieved. Therefore, simplistic pricing schedules, which do not recognise such geographical difficulties, may only serve to amplify inequalities by disincentivising work with those in most need.

**Question C18: What are the likely impacts of our proposals on groups with protected characteristics? Please let us have any examples, case studies, research or other types of evidence to support your views.**

Our key concern is that the proposed model of delivery is untested and due to this it is hard to present robust evidence on the impact of inequalities. In this sense the proposals present a significant unknown risk.

By changing both the nature and geography of delivery Government will increase the uncertainty in the system. With many offenders already distant from many institutions and services within their communities this process of change risks further alienation.

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**Greater Manchester Centre for Voluntary Organisation (GMCVO)** is the voluntary sector support organisation covering the Greater Manchester city region. We support local voluntary action by local people, working in partnership with other support organisations and with the public and private sectors. We aspire to be a conduit for information for and about our sector, and to provide co-ordination and leadership. A large element of our work is in representing the views and needs of people involved in local voluntary action, sharing ideas and brokering relationships. We have a membership of almost 500 and reach around 3,000 groups per year.

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