

Justice Committee

Oral evidence: [Transforming Rehabilitation](#), HC 482

Tuesday 17 April 2018

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Members present: Robert Neill (Chair); Mrs Kemi Badenoch; Ruth Cadbury; Alex Chalk; Bambos Charalambous; David Hanson; John Howell; Gavin Newlands; Victoria Prentis; Ellie Reeves; Ms Marie Rimmer.

Questions 279 - 374

Witnesses

[I](#): Dame Glenys Stacey, HM Chief Inspector of Probation, HM Inspectorate of Probation; and Peter Clarke, HM Chief Inspector of Prisons, HM Inspectorate of Prisons.

[II](#): Rory Stewart MP, Minister of State for Justice, Ministry of Justice; and Ian Porée, Executive Director for Community Interventions, HM Prison and Probation Service.



Examination of witnesses

Witnesses: Dame Glenys Stacey and Peter Clarke.

Chair: Good morning, everyone. Welcome to our evidence session on transforming rehabilitation. Dame Glenys and Mr Clarke, thank you for coming to give evidence to us.

Can I start with declarations of interest? As you know, my register entry indicates that I am a non-practising barrister and a consultant to a law firm.

Victoria Prentis: I am a non-practising barrister.

Alex Chalk: I am a barrister.

Ellie Reeves: I am a non-practising barrister.

Bambos Charalambous: I am a non-practising solicitor.

Q279 **Chair:** Can we be very straight about declarations, to begin with, as far as both of you are concerned? Dame Glenys, you have a major job as inspector of probation. We have exchanged correspondence and I am grateful for the courtesy and the fullness of your reply, which I appreciate. How on earth are you managing to do all of this? You are doing extra work at DEFRA. How do you fit it in?

Dame Glenys Stacey: As I explained in the exchange of correspondence that we have had, Chair, I have had to make some adjustments to the way I do things. I am putting HMI Probation first of all, as you would fully expect. That means that I have had to drop a number of other things. I am no longer actively participating as a board member of the Association of Chief Executives. That is on hold for the moment.

I have also chosen to step down as the electoral roll officer and parochial church council member in my local community for the year ahead. That still leaves me on occasions working some long days, but my husband is enjoying the prospect of learning how to cook so there are some hidden benefits, for me at least.

Q280 **Chair:** The issue is that people will ask: to what extent does this impact on your time commitment to the role of chief inspector of probation, which is salaried and paid as a full-time post?

Dame Glenys Stacey: It is, yes. I have said to DEFRA that I would give up to two days a week to the review. It is not turning out as two days a week at the moment. I have a very good review team now doing all of the spade work, so I am in an overseeing role. It would normally be about a day a week, interspersed over the course of the week, and of course I do not have the commitments that a younger woman might have at home and so on. When the need arises—for example, should I be appearing before a Select Committee—I may do extra work at the weekends. Indeed, that is what happened this weekend.



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Q281 **David Hanson:** With due respect, Dame Glenys, being a member of the parochial church council or having other commitments in relation to a younger person does not relate to the fact that you are employed for five days a week as the chief inspector. Currently, according to parliamentary questions answered by the Departments concerned, you are doing two days a week until December and there are no additional staffing responsibilities and no change in your pay and terms and conditions. If this is a serious post as inspector, surely it demands five days a week.

Dame Glenys Stacey: The commitment I have made to DEFRA is to do up to two days a week. How I run the review is a matter for me; it is not dictated by DEFRA.

Q282 **David Hanson:** But the key question is whether you should be absenting yourself from probation at such a time. We are going to be talking in a moment about key issues and challenges of transforming rehabilitation, and, according to parliamentary answers from the Department, there are no additional costs or staffing allocated to the inspectorate as a result of your review. Effectively, two days a week of leadership have been lost to the inspectorate because of your decision to take on a further job with the Department of rural affairs.

You can see where we are coming from. That does not appear to be acceptable to us, as somebody holding the Government and the inspectorate to account.

Dame Glenys Stacey: I appreciate your concern—of course I do—and I did consider the matter carefully and the practicalities of it before accepting the suggestion that I should chair the review. I have put HMI Probation first. It is a matter I discussed with the permanent secretary, and indeed Secretaries of State have agreed that it is an appropriate arrangement.

Q283 **David Hanson:** But that does not mean it is. Just because Secretaries of State have agreed it does not mean that we regard it to be the case. I am personally concerned that at a time of change in the probation service, when the focus is on some of the issues of performance that we are going to come to in a moment, between now and December your two days a week is a focus elsewhere. Whatever you do with the church council and at the weekends is a matter for you, but that is the weekend. It is not the contractual five days a week for the probation service.

Dame Glenys Stacey: Just to repeat, Chair, it is up to two days a week. I would ask DEFRA to make that plain. Secondly, as I said in a letter to you, the biggest demands in our new programme of work—in terms of demands on the chief inspector—have been over the last 12 months when so much work has been done to develop our new methodologies and new standards, which are so important to bring probation providers and the Department along with those initiatives, to prepare, recruit and train for inspections that are now under way.



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Secondly, as I said, the senior team in HMI Probation is very strong. It is supplemented with new specific roles—for example, to be responsible for standards and methodologies. I have a very capable team, and the operational delivery of programmes of work is really falling to a director of operations now, which is a new post that we did not have until very recently indeed.

Q284 **David Hanson:** So, on 1 January, when you have completed the DEFRA role, should we reduce your role to three days a week if it is being managed so successfully now without you?

Dame Glenys Stacey: I am sorry?

Q285 **David Hanson:** On 1 January, if you are managing to do three days a week for the rest of this year, should we recommend to the Ministry of Justice that the inspectorate role becomes a three-day-a-week chief inspector role, because you are managing to do that now?

Dame Glenys Stacey: As I have said, it is up to two days a week that I am spending on the review, not two days a week. No, I hope that you would not do that. This is being accommodated. It is not ideal; it is an accommodation.

Q286 **Chair:** Dame Glenys, do you understand just how profoundly unsatisfactory we regard your answers?

Dame Glenys Stacey: I am beginning to see that; yes.

Q287 **Chair:** I am shocked by what I have just heard. I am sorry to have to say that to you. Would you like to reflect as to whether it is really appropriate for you to be attempting to do both these jobs at once?

Dame Glenys Stacey: Certainly I will reflect on that, yes.

Q288 **Chair:** What is your thought so far? At the moment, we are utterly unconvinced by what you have said. I am sorry, frankly, to have to say this to you.

Dame Glenys Stacey: Thank you. At the moment, I think I am doing two jobs reasonably well. Indeed, a lot of the work on the review is undertaken by a project team and I am simply chairing it, but I will reflect on what you have said, of course, and I will speak to the permanent secretary about it.

Q289 **Ellie Reeves:** I want to pick up on something that you said in relation to your perhaps having more time because you are not a younger woman. Presumably, the implication was that you do not have a younger family. I would like you to reflect on that. As a Member of Parliament and the mother of a three-year-old, and as someone who has spent a large part of their career representing women in relation to maternity discrimination, I think that gives very much the wrong message—that women who have young families may not have as much capacity for work. Those comments should very much be reflected upon. I think they



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are incredibly unhelpful.

Dame Glenys Stacey: Thank you.

Q290 **Alex Chalk:** As I understand it, you are paid £135,000 for your role as chief inspector. Is that correct?

Dame Glenys Stacey: I do not know my exact salary but it is about £140,000.

Q291 **Alex Chalk:** £140,000. That is more than a head teacher, more than a chief constable and more than a general in the Army; in fact, it is almost as much as the Prime Minister. Do you really think that that salary is appropriate for somebody who is not doing it full time?

Dame Glenys Stacey: DEFRA and the Ministry of Justice have been discussing the allocation of salary. I do not know where those discussions have got to, but I have taken it to be a matter for them.

Q292 **Chair:** Very well. We want to move on, but I cannot stress how strongly the Committee is concerned about the signal this sends as to the importance of an independent and strong inspectorate. It has to be hands on.

Mr Clarke, I have declared my interests. I do some consultancy work outside, and you have a bit of consultancy outside. How does that impact upon your time?

Peter Clarke: Good morning, Chair and members. Perhaps I can put a tiny bit of flesh on the bones of the declaration that I put in the register a few months ago.

This is not an ongoing commitment. It is a single project around an incident with which I was involved many years ago. Due to commercial confidentiality on the project I cannot really say exactly what that is, but suffice it to say that it started many years ago and it seemed to be going into abeyance. In recent months, it has gathered some traction, so I thought it sensible to make sure that it was in the register.

So far it has taken not a single minute of my time. I very much doubt that it will for some time to come. It is a long-term project. That is really it; somebody wants my knowledge about something I was involved with a number of years ago, and it is not having the slightest impact upon my role.

Q293 **Chair:** That is what I was going to ask, as I asked Dame Glenys. Does it impact on the time you make available?

Peter Clarke: No. As I say, Chair, I have not spent a single minute of time on it so far and I very much doubt I will. If I ever have to, it will obviously be in my own time at a weekend, or whenever.

Chair: Are there any questions for Mr Clarke? No. Okay.

Let us look at where we are with the situation on accountability and



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changes.

Q294 Victoria Prentis: Dame Glenys, you mentioned just now that there have been substantial changes to the inspection standards and the frameworks, and that is what you and your staff have been working on. What changes do you expect to see on the ground as a result?

Dame Glenys Stacey: In terms of the impact on those who provide probation services?

Victoria Prentis: Yes.

Dame Glenys Stacey: The first thing is that we have worked with them, and with the Ministry of Justice and other stakeholders, to build a comprehensive set of standards that are now published. I believe they are pitched right. They are not so high as to be unachievable and not too detailed. What I am hoping to see is that those standards are now adopted by those who deliver probation services.

In one or two areas it has already been expressed to me that the intention is that they will be used as the basis for quality management and quality assurance within an individual CRC. That is music to my ears. Equally, the NPS is taking the standards very seriously. I believe that one effect will be that those standards will become the underpinning of what are commonly recognised to be good-quality probation services.

Q295 Victoria Prentis: What sort of proportion are you expecting to get a good or outstanding result?

Dame Glenys Stacey: So far, in the way we used to inspect, we have inspected 14 of 21 CRCs. On a risk basis, the others are better performing, but on the modelling we have done I am not expecting a high number to reach good or outstanding unless something changes.

Q296 Victoria Prentis: Of the ones you are expecting to reach good and outstanding, if they do, would you perceive the monitoring regime to be too onerous for them?

Dame Glenys Stacey: Good regulatory theory would suggest that if you are able to demonstrate that you perform to the acceptable standard, and demonstrate that over time, there needs to be some reduction in the regulatory burden. That regulatory burden reduction could be, for example, a reduction in contract management and oversight, a reduction in contract audit or a reduction in inspection.

Alternatively, you could adopt incentives to encourage and reward people achieving those standards. Slightly higher payment would not be an uncommon incentive in other arenas.

Q297 Victoria Prentis: Are we looking at all of these options?

Dame Glenys Stacey: They are being considered by the Department, yes.



Q298 **Victoria Prentis:** Do you think it is likely that any of this will happen soon?

Dame Glenys Stacey: I do not think it is likely that additional payment will be attached in any way to the receiving of a good outcome, because I do not see that the money is there. So far as the other incentive—a reduction in burden—is concerned, I would hope to see some progress in the thinking on that in the year ahead, but I suspect that one of the stumbling blocks to making progress is that, if arrangements are to change in any event, you need to get to a stable position in order to incentivise the players.

Q299 **Mrs Kemi Badenoch:** My question is on payment mechanisms. Mr Clarke, we had oral evidence earlier this year from the chief executive of one of the CRCs, who said that “the MOJ appears to be monitoring not outcomes but outputs.” If I can give you an example, HMI Probation said recently: “CRCs are paid for producing sentence plans in each case, rather than making sure that each plan is based on a sufficiently comprehensive assessment of the individual. Consequently, in some cases, plans do not take into account relevant matters such as a history of domestic abuse, child protection issues” and anti-social behaviour.

What specific changes are needed to the CRC payment mechanism to improve performance and outcomes?

Peter Clarke: The point you make is extraordinarily pertinent, if I may say so. It seems to us that far too much is focused on a contractualisation of risk management around individual prisoners. To me, risk management—of which I have considerable experience, if I may say so—is about subjective professional judgment on an individual basis. Contractualising the process has not provided good benefits in terms of outcomes for prisoners.

As you know, we inspect against what we call a range of healthy prison tests. One of those is the rehabilitation and resettlement area. Over the last two years, we have found that in fact outcomes for prisoners have been declining. Taking all prisons—we inspected 80¹ over the last two years—in this area of rehabilitation and resettlement, our gradings on 26² of those prisons dropped. It stayed the same with 40³ and went up in 14⁴. Overall, the picture is of a decline of standards in the outcomes for prisoners around rehabilitation and resettlement.

In resettlement prisons, I am afraid the picture is no better. Of 40⁵ prisons, the standard or grading that we awarded went down in 10⁶. It

¹ [Witness correction](#): Figure should read 73

² [Witness correction](#): Figure should read 20

³ [Witness correction](#): Figure should read 36

⁴ [Witness correction](#): Figure should read 17

⁵ [Witness correction](#): Figure should read 54

⁶ [Witness correction](#): Figure should read 12



stayed the same in 21⁷ and went up in nine⁸. Again, there was a decline in standards, even in dedicated resettlement prisons.

There are some really concerning specific cases. We all know that Wormwood Scrubs has faced challenges. When we inspected in 2014, we awarded what we call a grade 2, which is not sufficiently good for rehabilitation and resettlement. It was subsequently designated as a resettlement prison. Since then we have inspected it twice, and the grade has dropped on both occasions to our lowest possible grade of 1—that means poor.

Overall, I have to say that the picture is gloomy. In terms of the core of your question, which is about the payment mechanisms, it seems to me to be incredibly complicated. Dame Glenys will probably have greater knowledge of the detail of this, but what I can say is that it looks incredibly complicated to me and clearly takes up a huge amount of resource to administer. The contract management team in the Ministry of Justice dealing with CRC contracts costs £5.3 million a year and employs 80 full-time equivalent staff. I suppose you could say that I would say this, wouldn't I? But the inspectorate of prisons is allocated £3.5 million in its entirety by the Ministry of Justice, and we have between 45 and 50 full-time equivalent staff. There are significantly more people involved in monitoring and managing CRC contracts than there are in inspecting prisons, which I find slightly strange.

Q300 **Mrs Kemi Badenoch:** Thank you for that. It is illuminating when you do the comparison. Dame Glenys?

Dame Glenys Stacey: I think you asked what could change or what should change.

Q301 **Mrs Kemi Badenoch:** How can we improve outcomes rather than outputs?

Dame Glenys Stacey: I have some suggestions about the payment mechanisms, if that is helpful. First of all, payment by results as it is at the moment should go, in my view. It is only a small proportion at the moment at 6%, but it increases over the life of the contract to 28%. There is mixed evidence to suggest that it stimulates innovation, but there is clear evidence to suggest that it has a mischievous history of inadvertently promoting paradoxical outcomes. I am not sure it is a good fit here at all, and it is potentially unfair between one CRC and another.

Secondly, service credits, as they are called, should not be eye-wateringly punitive. They are the clawbacks for failing to meet a target. They should be proportionate, in my view, and applied fairly and transparently. We know the Ministry clawed back only £2 million of almost £8 million last year. Of course, CRCs are uncertain as to whether

⁷ [Witness correction](#): Figure should read 29

⁸ [Witness correction](#): Figure should read 13



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they are going to get clawback or not, so they always fear being at risk of clawback.

Thirdly, payment should not be so dependent on case types and sentencing, because it is so unpredictable and variable. The payment arrangements ought to be fair between providers—between CRCs and between CRCs and the NPS. They should be fair, open, transparent and, as Peter says, a lot less complex. One thing that would help is if they truly covered reasonable fixed costs. The fixed cost proportion of the payment ought to be substantial—the majority of the payment, in my view.

Lastly, payment really ought to incentivise the important parts of the value chain in probation: the proper provision of a full enough range of specialist services that focus on things that matter most, such as accommodation and employment, and a sufficient number of professional staff, as well as productive local partnerships. Payment could also, should Government wish, incentivise the big volume things that we know must improve. For example, rehabilitation activity requirement delivery and the administration of unpaid work are classic, big volume areas that really need to be lifted.

Q302 Mrs Kemi Badenoch: Do you think that CRC contracts are financially sustainable for providers, given where we are at the moment?

Dame Glenys Stacey: Are they sustainable for providers? A good number of them have already made it plain that they are not going to come out of these contracts in credit. The Public Accounts Committee report is quite forthcoming about that as well.

Q303 Mrs Kemi Badenoch: Would they be sustainable if we made the changes that you have just suggested, or do you think that despite that they would still be unsustainable?

Dame Glenys Stacey: There would need to be sufficient money put in to cover the true costs of delivery. You need to fund this service appropriately and sort out some of the long-standing problematic issues—for example, IT systems, which are a problem, the unduly complex contractual arrangements and the payment structures. All these things would make a difference. They are all issues that are picked up by other people, including the Public Accounts Committee. Those issues could be resolved, or at least ameliorated, and that is clear; but I question nevertheless whether the current model for probation can deliver seriously well, because I believe it is seriously flawed.

Q304 Chair: If it is not covering fixed costs, there is something basically wrong with it, isn't there?

Dame Glenys Stacey: At the moment, the fixed costs are estimated on average to be 77%, and that makes sense to me. You would expect it to be about 60% to 80%. They need to be covered.



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Q305 **Chair:** And your assessment is that they are not at the moment.

Dame Glenys Stacey: No. As I understand it, the contractual arrangement still does not cover those costs to the full.

Q306 **Chair:** Are the firms doing it cross-subsidising somehow?

Dame Glenys Stacey: Some of the firms are saying openly that by the time they get to the end of the contract they expect to have lost £30 million or £40 million. Others are less forthcoming. One or two CRCs tell me that they expect ultimately to be in profit. The picture is mixed, and dependent on some of the fixed costs—for example, premises and work volumes and types.

Q307 **Chair:** Do you get any sense as to why they went into this arrangement in those circumstances?

Dame Glenys Stacey: The individual CRCs? I notice that you asked the representatives that when they appeared before you, and you did not really get very direct answers. I imagine that there was a sense of enthusiasm. Some of them did have a commitment to the work itself, I am sure. Some of them would have wished to gain another slice of the criminal justice pie. There would be a range of reasons, I am sure.

Q308 **Chair:** It is almost as if some of them were using it as a loss leader.

Dame Glenys Stacey: I would not be surprised if a good number underestimated the complexities of re-engineering probation services and of delivering services, particularly in rural areas. Of course, it was a bit of a lottery as to which areas they ended up with.

Q309 **Victoria Prentis:** Are you very worried about the future of the system?

Dame Glenys Stacey: Yes. I produced an annual report in December setting out the evidence that we had, which looks to us to be demonstrating a two-tier system. There is nothing since then that has given me assurance that things are going to change.

Q310 **Victoria Prentis:** In your current role, what do you feel that you can personally do, going forward, to influence things?

Dame Glenys Stacey: Obviously, I have conversations with the Secretary of State. I have made my views plain and made suggestions as to how one might think about modelling probation services in the future, which I am quite happy to discuss, and a way of thinking about how to get the right sort of outcome. I will continue to press for that. Indeed, should there be any further iteration of contracts, I hope that that happens in the context of a longer-term vision for probation services and their quality.

In the meantime, while I am trying to influence that in the best possible way, I am also inspecting in earnest, as you know. We will inspect every CRC and every NPS division in the year ahead against those standards, and we will rate them as Ofsted rates schools. All the research shows us



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that ratings drive improvement, particularly in individual markets where they are not quite meeting the standard.

Q311 **Victoria Prentis:** As of today, do you think the system is too broken to mend?

Dame Glenys Stacey: The big issues that I have mentioned—IT, complexity and so on—can be ameliorated, but there is a significant flaw in the design of the system itself. It naturally creates boundaries. You have tectonic plates, almost, and that requires daily active management of those rubbing points. The system is cut in this odd way by risk—when risk moves—whereas I would have hoped to see a systems design that, instead of doing that, actually embedded and secured the real key tenets of probation.

If you look at it as a value chain, there are three key blocks, in my view. The first is the enduring, professional, supportive, challenging relationship that must exist between an individual and his probation worker. That is a unique issue for probation and needs to be protected.

Secondly, there are statutory partnerships locally that can make such a difference, particularly in the most complex cases. They can act in a holistic way and deal with accommodation, drug dependency or whatever.

Thirdly, there is the necessary provision of local specialist services that, historically, the voluntary sector has done and which it is so good at. If you protect and nurture those three things in the value chain, you are well on the way to being pretty confident that you will have quality services.

We have not done that. None of the system protects any of that at the moment; instead, it cuts it by risk. I find that very difficult to understand.

Q312 **Chair:** To me, that says the system is fundamentally flawed.

Dame Glenys Stacey: I think I have said as much, yes. I would not design it like that, but getting from where we are to a better place takes some really careful thinking now, and some analysis and design principles rather than a rush to one solution or another, in my view.

Q313 **Chair:** Mr Clarke, what is your take on it?

Peter Clarke: Looking at it from within the prison wall, as I do, first I am astonished that such a fundamental reform was brought in without any apparent proof of concept or significant piloting. It was imposed upon a prison service that was already struggling and facing enormous challenges. Perhaps a poor analogy is that it was like trying to put very smooth icing on top of an already crumbling cake. The cake has continued to crumble, I am afraid, so inevitably the icing is somewhat broken.



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The blockages to successful rehabilitation in prisons are subjects and issues of which this Committee is only too well aware: fundamental lack of safety and decency in too many prisons, lack of staff, the inability of prisoners to get out of their cells and get to purposeful activity, and the inability for that activity and education to be linked to employment. I see far too much menial and, frankly, meaningless activity going on in jails.

There is poor initial basic custody screening, which is all too often not related to the eventual resettlement plan. They are not identifying individual needs. There is lack of co-ordination of work within prisons. We have probation staff, offender management units and offender supervisors, and now we have key workers. That all needs to be pulled together and made seamless from one end to the other. There is a lack of basic safe and decent day-to-day conditions. Basic needs are for safety, and I am afraid that people's focus is neither staff nor prisoners.

I do not detract in any way from some of the excellent work that is being done by a lot of staff, but the focus will not be on rehabilitative activity when there are basic issues of safety at stake. We saw that very clearly in Wormwood Scrubs last year. The governor actually made a conscious decision to focus on safety and decency at the expense of resettlement and rehabilitation work. At least that was a conscious, open and overt decision. Many others try to smooth it over and pretend that things are running along okay, but they are not really. Basically, it is about setting the preconditions for people to be able to concentrate on rehabilitation.

Q314 **Chair:** The governor at Wormwood Scrubs was being honest about an impossible dilemma, in a sense.

Peter Clarke: Exactly so. It was a brave and proper decision.

Q315 **Ruth Cadbury:** Moving back to probation, obviously rehabilitation is a key aim for everyone in the system. Clearly, you have said that rehabilitation, the activity requirements, accredited programmes and unpaid work orders are not properly set up in a way that incentivises CRCs and sentencers to recommend them, have confidence in them and use them. How do you think that CRCs could use them better in order to further good rehabilitation?

Dame Glenys Stacey: If we are to see improvements, I have a number of suggestions. First of all, with the increasing proportion of cases assessed and sentenced on the day, coupled with workload pressures, NPS staff do not always have time for the more detailed assessments that would be necessary in order to recommend something other than a rehabilitation activity requirement. We know that orders for accredited programmes and other specific interventions are now much less common post RAR. I think that needs to change. It is for HMPPS to strike and restore a proper balance there. Let us have the right orders in the first place more often.



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As I hope you know, in the RAR world a RAR day is not a day. In our 2017 inspection of RAR, we found that the average number of days ordered by the court was about right at an average of 28, but in the nine months following the order just 22% of those so-called days on average have been delivered. That day might just be 10 minutes or half an hour of meaningless activity. If this order provision is to continue, delivery expectations really need tightening up in one way or the other.

Thirdly, as we found on our inspection, without a good range of other supply chain providers providing specialist services on, say, accommodation or writing a CV and getting a job—those very important mechanics of rehabilitation—probation staff are working with one hand tied behind their back. Something needs to be done to make sure that those services are more readily available. In my view, that is how RAR could improve.

We did a thematic of unpaid work just before I started, back in February 2016. We found quite a mixed picture. There was some good work happening in almost all areas to some extent, but the issues that we found then and that still pertain now were two in particular. One is that unpaid work was then, and is now, so often seen as distinct from and an adjunct to good probation services, whereas in my view it has a really central and integral place. You would expect a sentence plan to be clear about what unpaid work can do for the individual, not just, “Oh, he is on unpaid work over there.” Getting it more integral is really important to me, as is making sure that the basic administration works.

In 2016, we found that more people were being mustered than could get on the bus in some areas. It is like double listing in courts, but it is a cruder affair in a muster station. More recently in some areas—West Mercia is an exception—we have found that people are turning up and there is no one there to collect them. This is unacceptable. It is just basic stuff.

Q316 Ruth Cadbury: What changes do you think would incentivise an increased use of unpaid work orders and more diverse RAR activities?

Dame Glenys Stacey: Courts are sentencing to RAR, and it is sometimes an act of blind faith. There is an assumption that meaningful activity will take place. A feedback loop to sentencers about what is available and what has been delivered would start to give them a better picture of what might happen. It is chicken and egg, isn't it? Unless things are meaningfully happening on a RAR, it is difficult to give the right feedback. Where it can be done—I know one or two are attempting this—they need to make sure sentencers actually know, but I come back to the point that they also need a clear understanding of the alternatives and to discount those before coming to the conclusion that RAR is the right order.

On unpaid work, it is pretty much the same. People need to know that it is meaningful and that it is delivered. That is about showing how well



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targeted it is. As an example, under the unpaid work provisions it is possible for people to do some of their days as training or education at a college of further education, but it is not often taken up. If magistrates knew that that was possible, and was done, it might encourage unpaid work and faith in the orders.

Q317 Ruth Cadbury: I want to move on to supervision. You have questioned the evidence base for telephone reporting and remote supervision. Do you think it should be used as part of a package of measures to support an offender? How frequently do you think it is helpful for probation officers to meet offenders face to face?

Dame Glenys Stacey: We do not know if remote supervision through kiosk, apps or telephone works or not because the evidence base is so patchy. As far as we can see at HMI Probation, there are no scientifically conducted studies on replacing supervision with telephone supervision and on the efficacy of it.

Trevor Shortt of Sodexo referred to various international studies when he was giving evidence to you. I will be writing to request those studies because we have not found them. There is a Swedish study showing that telephone intervention offering daily support and assessment was positive in addition to face-to-face supervision. Of course, that is clearly going to be so. There is some so-called grey literature from the United States that extols the time and cost savings of replacing face-to-face supervision with telephone and kiosks. This is what I fear—that that is the driver for it.

Stepping back, we know one fundamental thing, and that is that desistance is a social process in itself. Rehabilitation and choosing to change is the product of human exchange and relationships. I find it difficult to believe that the right human relationships, and the social processes that happen in those, can routinely occur when one relatively junior member of staff may have 150 or 200 people supervised under his or her telephone supervision.

The Sodexo model, for example, has many laudable features, because it suggests a good amount of face-to-face supervision, calculated on a risk basis, supplemented by telephone contact and perhaps with that contact happening more often towards the end of the period of supervision. That is a difficult model to argue with. The point I make is that that is not what we see on the ground. It is not what we see implemented. I am inspecting what is happening on the ground, not an academic model.

Q318 Chair: It looks as if the people who designed this had no experience or understanding of it whatever. Am I being unfair to them?

Dame Glenys Stacey: I understand that these models certainly have a veneer of respectability, in that one academic or another has been associated with them. As I say, I do not necessarily argue with the raw model. It is how it is implemented in terms of telephone-only contact. It



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bears no relation to the model from what I have seen, unless things have changed of late.

Of course, the kiosk business means that, when you do meet someone, it is meeting in circumstances where you can overhear it. I do not understand at all where the evidence on that comes from.

Q319 **Chair:** The sense I get when I speak to people in my local area is that the workers in the field find the kiosk model almost offensive to operate.

Dame Glenys Stacey: They do. We have interviewed a number of professional staff, who have said they are plainly embarrassed by it. They relate specific difficulties they have experienced in one case or another that really have put them on the spot.

Q320 **Chair:** Somebody has almost plucked out an idea from a think-tank.

Dame Glenys Stacey: I do not know where it came from, Chair.

Q321 **Chair:** But it bears no relation to your experience. What about you, Mr Clarke, speaking as a police officer? Would you ever use the kiosk model to deal with sensitive issues?

Peter Clarke: The simple answer to that is no.

Q322 **Ellie Reeves:** You have touched on the voluntary sector, Dame Glenys. I know that a report has just been published. It obviously does a huge amount of work in relation to rehabilitation, but the probation inspectorate found that the voluntary sector was much less engaged than the Government had envisaged. When we heard evidence from CRCs, they said that, although they could still source services from larger third-sector organisations, for the smaller and more niche or specialised organisations it was a lot harder. How do you think the voluntary sector could be more involved in the delivery of probation services?

Dame Glenys Stacey: I am assuming that the model stays the same. That is not a glib remark, because the model at the moment does not secure the place of specialist services, whether or not they are provided by the voluntary sector. Assuming that the model is the same, I suggested earlier that incentivising the provision of specialist services would be one way to develop the payment mechanism.

Secondly, of course, monitoring always helps. What gets measured gets done. There are no specific targets for this at the moment, as I understand it. Instead, providers are given great freedoms.

The NPS could be detached from the CRC dependency that is currently there. At the moment, they must access these through a CRC or, broadly speaking, not at all. We have found that CRCs are much less likely to be providing services suitable to the NPS cohort than the CRC cohort. In some areas, provision for the NPS is frustratingly thin. Somehow divvying that would be good.



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There was an initiative launched just last week by Government to require contractors over £5 million to start reporting publicly on their use of the voluntary sector. That will not bite at the moment, but it could for new contracts. We should be looking carefully at how that would bite and at setting targets.

Lastly, you have already had representations about the ISPA and the template agreement for use between CRCs and other providers. It is over 60 pages long. I was going to put it as an appendix to our report, published today, but it is longer than the report, so it would have been a bit top-heavy. It looks unduly complex. It has been off-putting for providers— particularly for small providers—and inevitably so.

Q323 Chair: While we are on the topic, would you start from a rate card system if you were looking at it objectively and professionally now?

Dame Glenys Stacey: The rate card has become symbolic of all the problems with the system. It is carrying a tremendously heavy load. It looks like a cumbersome and overly complex mechanism and it is very difficult to keep it up to date. When I say that it embodies all the issues with the system, I imagine professional staff in probation services looking at that rate card and a description of what is going to be delivered, wondering about the quality of it, and then looking at the price tag and thinking, “You must be joking.” Probation staff are not necessarily skilled at evaluating the value-for-money aspect, and why should they be? A good number of staff would baulk at the notion that they are there to purchase services. It is counter-intuitive for them. When I say that a lot is wrapped up in it, there are cultural and professional dimensions as well as just the mechanics to support purchase.

Q324 Chair: You train to be a probation officer and not a contract manager.

Dame Glenys Stacey: You do.

Peter Clarke: I have a comment on that, as an example of something that demonstrates how things can be improved from within prisons by the use of flexibility. At Lindholme prison, which is not a resettlement prison, the governor was concerned that there were not proper facilities and measures in place for some very complex prisoners who were due to be released. He actually bought in CRC services himself using his own budget. By doing that, he was able to avoid the constraints of the broader CRC contracts and tailor the activity to the particular needs of the prisoners who were coming up for release.

That flexibility seems to me to demonstrate an interesting model. How easy it would be to spread that more broadly, I do not know, but to me it was a very good example, which I saw in the jail, of the provisions being specifically tailored and risk-managed on an individual basis. Frankly, it was money well spent.

Q325 Chair: The governor had the opportunity and the confidence to do it.



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Peter Clarke: Yes.

Q326 **David Hanson:** You did a joint thematic report last year on “Through the Gate”, and it was damning in so many ways. One of the comments that struck me most was: “If Through the Gate services were removed tomorrow, in our view the impact on the resettlement of prisoners would be negligible.” I noticed as well that you said none of the CRCs provides any information on outcomes. What needs to change? Does the National Probation Service need to be involved?

Peter Clarke: There needs to be a lot more co-ordination and continuity from end to end in this whole process. What needs to change? First of all, there needs to be a very clear focus on making sure that people who need resettlement services receive them. Far too often, we are seeing that that is not the case.

There was a good example of that last year in Dartmoor. We inspected Dartmoor prison. It is not designated as a resettlement prison, but we found that some 200 people, some of whom present a high risk, were being released from there without appropriate resettlement activity. There was no scope for them to be put into other local resettlement prisons. The projection was that there would be more than 200 being released this year.

It seems to me that the new model of custody that the HMPPS is proposing, where you have reception, training and resettlement prisoners, is going to have to get a grip on the situation and make sure that people are in the right place. That is going to be a hugely complicated process of population management in the future.

Q327 **David Hanson:** But the CRCs are supposed to be running the “Through the Gate” services in conjunction with the Prison Service. If at the moment the impact is negligible, that is absolutely damning in relation to the work that has been done, the investment that has been undertaken and the supervision that has been given.

Peter Clarke: Indeed, it is. As I said in my first answer to the Committee this morning, our gradings and findings in terms of inspection outcomes—we do not look at inputs particularly; we look at outcomes for prisoners—have shown that there has been a steady decline in the quality of what prisoners have been receiving ever since the transforming rehabilitation programme was introduced.

Q328 **David Hanson:** You have expressed concerns about the new key worker role, Mr Clarke. Where does that fit into the resettlement process now?

Peter Clarke: That is a very good question. It is too early to say how it is going to work because it is only just being rolled out, in some prisons. Although the principle of a key worker is very good, to encourage more contact between residential staff and the prisoners for whom they are responsible, early indications from inspections are a bit concerning, in that what we are seeing is a lack of integration in some places between



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key workers, offender management units and the probation service. There needs to be a real focus to make sure that what key workers are doing is properly integrated with all the other resettlement activity that is going on in a prison.

Q329 David Hanson: Time is pressing, so I have one final question. You said in the thematic report that none of the CRCs provides any information on outcomes. My question to both of you is: how do we change that? If we cannot judge what they are doing, how do we change it?

Dame Glenys Stacey: There are a number of things. First of all, I mentioned earlier the standards, Mr Hanson. We have a specific model on transforming rehabilitation. As we inspect each CRC, from now on over the next year, all of them will be assessed against that transforming rehabilitation work and we will report on it. That is one pressure.

Secondly, I think that payment needs to be sorted. Those who are trying to do a decent job are doing so at a loss, and no one argues any differently. It seems to me just plain silly not to recognise that more money needs to go into CRCs to do this work.

Thirdly, the actual provision in the contract for transforming rehabilitation work is an aspirational statement. It is a statement of aims, but in my view it is not sufficiently specific. If we are keeping to contractualised arrangements, more specific requirements could be specified.

Lastly, in one or two places—in Wales, for example—we know that the CRC is tracking accommodation outcomes at least. Tracking outcomes is not impossible. These arrangements could be improved in a number of ways, whatever the future model might be.

Q330 Gavin Newlands: In terms of support, the annual report of the probation inspectorate was pretty damning. One in seven short-term prisoners did not know where they were going to stay on the night of release. Not one prisoner in the sample had found employment upon release as a result of “Through the Gate”. The inspectorate of prisons found that of 462 men, only three had received mentoring support, and only seven of 24 women had received mentoring support. None of that had been arranged by the CRC. That is pretty damning. How do we better support offenders with housing, healthcare, finance, work and training prior to release and in the community?

Dame Glenys Stacey: The accommodation issue is a difficult one, not just for prisoners. I have two suggestions. First, some probation staff have said to us that the old-style hostel-type accommodation that used to be so helpful is in increasingly short supply. Hostel accommodation provision would be good.

Secondly, there needs to be a recognition across Government that housing prisoners should be a priority. I know that is enormously difficult, but without that, and without, as a consequence of such commitment, incentivisation for private landlords to make provision or for local



authorities to do so, it is not going to happen. We must recognise that if we do not provide accommodation, we are very likely to be in a revolving door situation for the individuals concerned. We know it is the biggest thing that offenders worry about upon release. We know that upon release they need three things: a roof over their head, some money to keep the wolf from the door and some sense of hope for the future. Sorting out accommodation is a critical thing for me.

Q331 Gavin Newlands: Mr Clarke, could you also think about the inflexibility of the 12-week intervention point? I know you have made comments on that recently. How should it be changed?

Peter Clarke: I will come to the 12 weeks in a moment, but I would like to endorse what Dame Glenys said about the importance of accommodation. The old adage, "What gets measured gets done," is quite important. At the moment, what is being measured in many of these contracts is referral, not actual outcome. Sending an email saying that somebody needs accommodation is very different from actually ensuring that somebody has accommodation. We know how important that is. I see that for myself when speaking to prisoners about the concerns they have about what is going to happen to them once they are released.

The 12-week issue is another example of inflexibility in all of this, it seems to me, because there are some people who need intervention at an earlier stage than 12 weeks—for instance, people who may potentially be released on home detention curfew. Their needs and risks very often need to be assessed ahead of that 12-week period. Again, referring back to some comments I made earlier, risk management is about looking at the individual and coming to a subjective, professional judgment in respect of that particular individual's needs, not about some contractual framework.

Q332 Bambos Charalambous: Only the NPS currently provides advice to the courts via the pre-sentence reports. How should the CRCs be involved, if at all, in providing advice to the courts going forward?

Dame Glenys Stacey: We conducted a thematic of court work and reported last year. We found the NPS generally pretty good at advising courts. In fact, they have made a good amount of progress over the last two years, particularly as the majority of reports are now oral reports. We found they had dedicated staff doing a pretty good job overall.

The issues that we did find were that the quality of short, written reports—the middle-ranking report—was variable. Some attention needs to be given to that by the NPS, and being clear about when those reports are appropriate and how the standard should be improved.

The second thing is that, because of the need for speedy justice now and for oral reports, there is a risk that insufficient assessment is done. HMPPS needs to have discussions with the judiciary about the priorities.



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There is a danger that magistrates and judges are not getting a good enough variety of sentencing options, or the right information to enable them to make that assessment.

The way CRCs could help in all of that process, of course, is to make sure that the bench has a really clear understanding of what would be delivered should a community sentence be ordered. That is where confidence needs to be built.

Q333 Chair: Do you have any concerns that sentencers are imposing custodial sentences because they do not have confidence in the robustness and effective delivery of the non-custodial alternatives?

Dame Glenys Stacey: Up-tariffing is a significant risk. I do not have a good enough evidence base to be clear about it, but it is a real concern, yes.

Q334 Ms Marie Rimmer: I want to look at the future of the probation service. Submissions have called for immediately reviewing the TR contracts and the CRC/NPS split ending. Some have advocated that, for existing contracts, work should start as soon as possible on replacement. Others have argued that they have not been given enough time to bed in.

My understanding is that in the probation service you recognise that the whole system review is ongoing. In your submission, you commented that "the changes made to CRC contracts in the summer were to stabilise CRCs, rather than to conclude a review."

I have a simple question. Can the current probation model deliver probation services to the standard we should all expect? A simple answer will suffice: yes or no.

Dame Glenys Stacey: It is doubtful.

Q335 Ms Marie Rimmer: We will take that as a no, or I will take it as a no. How long should the TR changes be given before a new model of delivery is introduced?

Dame Glenys Stacey: It has been some years since it was delivered. Of course, everyone has asked ever since for a period of stability. My concern is that, if things do not change, we will continue to see a two-tier quality of service delivered, and that is what I will be reporting in 2018 and 2019 if we are not careful. Of course, over a quarter of a million people are receiving services each year, and you cannot just call that to a halt. You cannot say that things should stop, but it is time to think about whether there is a better model for delivery, as part of the Government's review.

Q336 Ms Marie Rimmer: I am conscious that the Minister is waiting for us. Would you say we should finish the existing contracts?

Dame Glenys Stacey: The sooner we get into a better world, the better. But, as I say, they cannot just be brought to a sudden halt. The work needs to be done now to consider what we want out of the probation



system, what the design principles should be, how best to design it, what the options are, what is affordable and where you want to get to, and then to plan the journey to get there. That might well be another iteration of contracts, which might be short term or longer term. That thinking and analysis is really the most important thing now, in my view.

Q337 Ms Marie Rimmer: Mr Clarke, the prisons did not make their view known about the long-term probation service. Would you like to make any comment?

Peter Clarke: I would really just reiterate what I said earlier. The preconditions for success in rehabilitation and resettlement, from where I look at this—from within the prison wall—are about creating an environment in which people can focus on that in safety and decency, out of their cells and in meaningful activity, with sufficient staff able to dedicate time to it. At the moment, because of staffing levels, far too many staff are cross-deployed and transferred to other duties. Far too often, their work with offenders—with prisoners—suffers; that is almost the first thing that falls away. All those preconditions need to be put in place. It is what has been referred to as getting the basics right so that all the essential work around rehabilitation and resettlement has solid foundations on which to build.

Dame Glenys Stacey: Chair, if there is to be a second iteration of contracts for probation providers, it would be a really good opportunity to embed the requirement to meet the inspection standards and to make sure that that view of quality is truly embedded in the contract, so that we can see them delivered.

Q338 Chair: Inspection standards and recommendations that are ignored are wasting everybody's time, aren't they?

Peter Clarke: Yes. I hate to say it, but over the last two years the trend on rehabilitation and resettlement recommendations has gone the same way as too many other recommendations in other areas. Fewer are achieved, and more are not achieved.

Chair: Dame Glenys and Mr Clarke, thank you very much for your care and courtesy, and for the fullness of your evidence. We are very grateful to you.

Examination of witnesses

Witnesses: Rory Stewart MP and Ian Porée.

Q339 Chair: Minister and Mr Porée, welcome. Thank you for your patience in waiting. The reason we have taken so long is that, frankly, the questions and answers we have just heard are so profoundly disturbing. This is a deeply unsatisfactory situation, Minister. We are failing on the basics. I think that was the phrase Mr Clarke used, and you have used it to our Committee. How are we going to start putting this right?



Rory Stewart: The first question is about our objectives and what we are trying to do. There are two main types of objective. One of them is around control—carrying out the court order and protecting the public. The second is about reoffending rates.

What has happened through the setting up of the CRCs is that there has been some success on the binary rates of reoffending. There has been a drop of about 2% in the reoffending rate. Many of the issues that the inspector raised are particularly around process and control. The previous report on the London CRC was a very good example: working out where the offenders are; making sure that a good assessment had been conducted; and making sure that a good plan was in place and basic contact was taking place.

How do we sort those things out? The first thing is to make it very clear to the CRCs what our minimum expectations are and what we think basic practice is. That will involve a move away from what has been, for the last three years, a black-box approach. In other words, as initially set up, the contracts were almost entirely oriented around the question of reoffending rates. The black box basically said that the CRCs, provided they achieved those outcomes, could do it in almost any way they wanted.

We agree with the inspector that to reassure the public and ourselves, and in terms of good management practices, we should expect the basics. We should expect contact. We should expect people to know where the offenders are. We should expect good assessment and good plans in place.

I have been encouraged that since the inspector's penultimate report on London there has been some improvement—not as much improvement as we would like, but London CRC has shown that it can respond. As the inspector was able to reflect in her report, London CRC has shown quite quickly that, when pressure is put on, it can become much better at returning to a more traditional method, of knowing where offenders are and doing the planning and assessment. But that is just the beginning, and, clearly, we are now going into a series of conversations with all these companies, both in terms of their finances—do they have enough money to continue to operate sustainably in the way we want?—and the way in which they operate.

Q340 **Victoria Prentis:** Do you think it is salvageable as a system?

Rory Stewart: Yes, I believe it is salvageable. It is not a question of judgment, but I would be personally cautious about going through yet another massive transformation or reinvention of the wheel. Some of the problems that we are facing are problems of managing radical change. I can understand why people think that the current system has serious flaws, but I emphasise that there would be considerable costs in trying to reinvent the system yet again, in terms of staff morale, certainty, offenders and the public. We are renegotiating with the companies at the



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moment and some of this is commercially sensitive, but, without prejudging it, I am going into the renegotiations with the gut instinct that we need to be pretty cautious about turning the whole system on its head yet again, in a belief that somehow we are going to come up with the perfect system in future.

Q341 Victoria Prentis: What do you think the motivation was for some of those companies to go into contracts on which they knew they would lose money?

Rory Stewart: It is difficult to speculate on that—how much of it was false optimism on their part, and how much of it was conscious knowledge that they were going to lose money.

The false optimism will have been driven by the fact that, as you are aware, since the early 1970s, there has been a lot of criticism of the probation service. I have just been ploughing through the extraordinary 100-year history of the probation service. Of course, as all of us know, many non-profits, academics and charities have been arguing for 50 years or more that the voluntary sector can do a better job than the Government. Indeed, any one of us will have any number of examples of organisations that appear to be able to reduce reoffending very much more dramatically than the probation service.

Some of the companies, particularly those that had non-profit partners, will have gone into this thinking that they would be able to do a much better job than the Government, and therefore they would be able to do very well out of the contracts, on the basis of the best academic research and indeed the performance of people such as The Clink, who come to you and say they can reduce reoffending rates down to very low numbers. I suppose that for most of those companies there has been a very painful journey of discovery. We have not finished the academic study, but my instinct tells me that it is probably true that the fantastic success achieved by smaller organisations such as The Clink and hundreds of others is difficult to replicate at scale. Reducing reoffending rates dramatically across the whole nation through big bureaucracies, whether CRC bureaucracies or Government bureaucracies, is very tough. Hence, they have managed to reduce the reoffending rate by 2%, but that was much less than they wanted.

We may come to this later, but they probably also had unrealistic views about the frequency of reoffending. Your question implies a further point. Were they deliberately underbidding because they wanted to get a slice of Government business in the future? That has been an accusation made against Carillion, for example. Some of these companies are major, global multinationals that, you might argue, could afford to take a loss in order to take a market position. Those are risks that we need to be serious about in issuing contracts. In particular, given that the Government, quite rightly, are trying to save money in order to free up money for many other areas of public service, such as the NHS where we



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desperately need money, we are often inclined to accept the over-optimistic bid of companies that say they can save us a lot of money.

Q342 **Victoria Prentis:** Did you hear the specific request from both of our previous witnesses about ideas that you could take forward when you renegotiate the contracts? For example, Dame Glenys, in her report, sets out her view as to how the system should go forward. She told us that she did not think that the system was salvageable. On the other hand, Peter Clarke gave some specific recommendations about inspection being embedded going forward. Are you willing to take those ideas forward?

Rory Stewart: One of the changes I hope we are pushing ahead with as a Department is to give more weight to the inspectors, and to make sure that our internal management mechanisms reflect the way that the inspectors judge us. We have formally begun the process on prisons of taking the report of the chief inspector of prisons as a way of managing performance, as opposed to just having it as one thing alongside our own independent evidence.

Q343 **Victoria Prentis:** We always love it when you read our reports.

Rory Stewart: We will be taking very seriously what the inspectors were saying here.

Q344 **Victoria Prentis:** Will you embed that in future contracts?

Rory Stewart: We will certainly aim to make sure that Dame Glenys's inspection reports guide our assessment of the performance of the companies. Whether we embed it in contracts remains to be seen. We are also very interested in trying to see how many of her suggestions we can take forward in the contract renegotiation.

Q345 **Chair:** Is it unreasonable to think that you ought to make a presumption that, if an inspectorate makes a recommendation, it should be acted on unless there is a good and sufficient reason given to the contrary? That does not always seem to be the case at the moment.

Rory Stewart: I think there should be a very strong presumption in favour of the inspectors. That is 100% true when the inspectors analyse an existing problem. When it comes to the inspectors proposing a solution, there may be a little bit more debate about what the appropriate solution is.

Q346 **David Hanson:** Minister, you have just said that you want to give more weight to the inspectors. How do you square that with Dame Glenys's three-day-a-week performance at the moment?

Rory Stewart: I think that is something I need to reflect on. It is a good challenge.

Q347 **David Hanson:** On parliamentary questions from myself, you said: "It is for HMI Probation to ensure it has in place the staff and expertise to deliver its function to the normal high standard." Given her three-day



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week for DEFRA, Dame Glenys has said that she will reflect on this today. Will you?

Rory Stewart: Yes, I will.

Q348 **Ms Marie Rimmer:** In the Ministry's submission you talk about a "whole system improvement" programme that is being co-ordinated. Can you update us on the work of that programme? What areas has it finished looking at? Will there be a final report published?

Rory Stewart: I am reluctant to dump poor Ian in it.

Chair: We have been giving him an easy ride so far.

Rory Stewart: Perhaps I could give Ian one minute to introduce the programme.

Ian Porée: On the programme I think you are referring to, we have been in discussion across all delivery partners in probation. I include in that my colleagues in the National Probation Service as well as all the delivery partners. It also includes providers who deliver electronic monitoring services and bail and accommodation support services. Essentially, we have got together the leadership of anyone who delivers services in the community for HMPPS and have been in a discussion about which of the key areas of the business require improvement, where, working together across the whole system, we can improve operational performance and service quality. That is the context in which it was set up.

We now meet regularly as a group of leaders across that sector to talk about the key priority issues. Some of the early work that the teams were working on is a piece of work where we have been given advice, certainly from inspectorates, that information-sharing across providers is not what it should be, in particular risk information-sharing. One piece of work that is progressing is that probation providers in the public and private sectors and the electronic monitoring services providers are sharing risk information at local level, so that decisions made about individual cases are visible to the case managers in each of those systems. That is a live piece of work in which teams are recommending improvement.

Another area that was raised as a concern with prison colleagues was the quality and timeliness of reports for someone who is eligible for home detention curfew. Home detention curfew is another project that the whole system improvement team has been working on. We have released new instructions to staff in prisons. We have new performance metrics in place for the CRCs. Current performance on ensuring that the prison has a report from the CRC about home circumstances is now well into the 90 per cents against our measure of when they need to have the reports approved.

Those are two examples of projects that have been run under the banner of whole system improvement, where we have shown that when we work



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together across the providers in the system, we can show material improvements in performance in relatively short periods of time. What we are currently doing is agreeing a programme of work for the year ahead in terms of which priority areas we are working on.

I am sure that, as a Committee, you have seen some of the recommendations that Dame Glenys has made around enforcement practice, where enforcement across the country is not consistently at the level we want it to be. We have a specific taskforce working on enforcement practice. That is sharing the best practice from CRCs whose enforcement practice is very good with those where the practice is not where we would want it to be. Essentially, it is accelerating the improvements in operational practice across the system.

All of this whole system improvement work has been done collaborating across the delivery partners. These are not technical, contractual or financial conversations. We are essentially saying that as operational colleagues responsible for running services for HMPPS, we can do a lot to improve service without getting into contractual discussions. There is of course a place for that, but that is not what the whole system improvement work is about.

Q349 Alex Chalk: The CRC contracts appear to create perverse incentives, on one view, for CRCs to undertake certain types of activities and tasks even if they are not the most appropriate activities and tasks to secure the long-term rehabilitation of the offender. Instead, they tick a box and trigger a payment. How can one reconfigure the system so that it is relentlessly and ruthlessly focused on outcomes rather than simply on arbitrary metrics?

Rory Stewart: I take the challenge, but the purpose of these things was to try to focus more on outcomes than ever before. If you look at the criticisms made in 2002—sorry to keep reciting from my book—when the first KPIs and targets were introduced, the criticism then was that it was all entirely creating perverse incentives. For example, the way in which probation was monitored back in 2002 put such a huge emphasis on enrolment in courses that it created a perverse incentive to pump people into courses that they never completed. We hoped that by tying such an enormous amount—nearly 20% of the pay-out—to reoffending, we were giving a huge driver to the CRCs to make sure that they did not go through the motions, tick boxes or do things that they did not think reduced reoffending, because their entire financial viability really depended on reducing reoffending and not going through the motions.

There has been some evidence that they did that. Some have done better than others. Cumbria and Durham are very good examples of really thinking about how to get rid of some of the previous processes that probation officers themselves thought were a waste of time, to get away from a very paper-rich environment and towards thinking about what is going to reduce reoffending.



Q350 Ellie Reeves: In relation to performance, in my recent Westminster Hall debate you spoke about the need for CRCs to get back to the very basics of their task and to look at innovations to ensure that 40 years of stubborn reoffending rates would begin to be addressed. What exactly are you going to do to address that?

Rory Stewart: One thing is not to throw the baby out with the bathwater. I believe that we should not underestimate the fact that reoffending has been very stubborn. For 40 years, it was nearly flat, and for a range of reasons, but partly due to the CRCs, the binary rate of reoffending has been reduced by 2%. Whatever we design in the next round of contracts, and whoever runs these things again, we need to retain a strong incentive structure that focuses people on reducing the binary rate of reoffending. That seems to be the bit of this that is partially working.

The second thing I was talking about in the Westminster Hall debate—we discussed the detail then and we can discuss it more—is in relation to Dame Glenys's recommendations. The basics that I was referring to then were: first, having a very clear idea of where those offenders are; secondly, making sure that you have regular face-to-face contact for those offenders; thirdly, making sure that a good assessment process is taking place of the individual needs of the offender; and, finally, making sure that a good plan is put in place that has a logical relationship to that assessment.

I believe that those four things are directly related to our objectives, in terms both of reoffending and of the court order, control and public protection.

Q351 Ellie Reeves: You talked about the next round of awarding contracts. This morning, we have heard that the whole structure of transforming rehabilitation seems to be fundamentally flawed. Surely we need to look at the fundamentals before we think about awarding new contracts.

Rory Stewart: This was raised by Victoria Prentis's question. We are looking at the fundamental contracts. We have the right within those contracts to terminate them for bad behaviour. We have a very wide range of options. We are currently in negotiations, so I do not want to undermine our negotiating position with the companies by indicating exactly where we are going to end up.

You are absolutely right; we need to look from the bottom up, first at the question of whether these things are designed in the correct way, and, secondly, as I said to Victoria Prentis, what the costs or risks would be of trying to invent yet another system, which might be better on paper but could involve a huge cost in transition. David Hanson has raised on a number of occasions some of the problems the Department has faced in managing change. We have to weigh up those two things. Is there a better system? In moving to that better system, are we going to cause more problems in trying to change things again?



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Q352 Ellie Reeves: In terms of the underperformance of CRCs, we know that they have never met more than 44% of their targets. Service credits have been raised by the MOJ on a number of occasions, but the findings of the National Audit Office are that only around 26% of service credits have been applied by the Ministry. How is the Ministry actually enforcing performance standards for CRCs and incentivising improvement, rather than just bailing them out?

Rory Stewart: The primary enforcement and incentive mechanism in the contracts, which accounted for nearly 20% of the payment, was around two indicators. It was around the binary rate of reoffending and the frequency of reoffending. Generally, the companies have done well on the binary rate of reoffending. In other words, the cohort of people reoffending has reduced. But they have not done well in terms of prolific offenders; people who are reoffending 15 to 34 times are a bigger proportion of the overall cohort than was true before.

This is due to two things. First, there has been an increase in the number of those people, but a bigger driver has been that the overall cohort of reoffenders has reduced. As the companies have had success in reducing the binary rate of reoffending for, as it were, the less prolific and, you might say, easier cohort in terms of desistance theory, it has left a hard core of prolific offenders who are an increasingly large proportion. The financial penalties that the companies have faced through failing to tackle that have been very significant. Many of the companies are facing tens of millions of pounds-worth of financial penalties for failing to meet those targets.

Q353 Ellie Reeves: How long are you going to give them to make improvements? Is terminating their contracts an option?

Rory Stewart: Terminating the contracts is 100% absolutely an option. We are in very active negotiations with them now, so we are not waiting. We are very clear that companies have failed to meet the frequency targets. They are already suffering very significant penalties for failing to meet those targets—so much so that, instead of waiting any longer, we are currently, at this moment, renegotiating those contracts and looking at the possibility of termination.

Q354 Ellie Reeves: Some contracts may even be terminated before 2022.

Rory Stewart: Absolutely, yes; 100%.

Chair: It depends on the inspection. Ms Rimmer wants to come back on a point on that.

Q355 Ms Marie Rimmer: There are many different accountability mechanisms that they have to go through. Some of the providers have expressed concern at the number of them and the time taken. A number are going on at the same time. For instance, there is an inspection by the probation inspectorate and there is contract management scrutiny. There are HMPPS audits, Ofsted inspections and joint targeted area inspections.



Sodexo, in its submission, said that consideration should be given to “reviewing the frequency and timetabling of the inspections.” They can be going on at the same time. It could be that they are constantly getting ready for, or being part of, an inspection rather than getting on with doing the job. The inspectorate of probation has said that it expects that it would reduce its monitoring of CRCs that get a good or outstanding inspection rating under the new inspection framework. If most of the CRCs do not reach that standard, what do you think should be done to reduce the burden created by the monitoring programme?

Rory Stewart: As you are aware, this is a very difficult balance. On the one hand, we are concerned about performance. We believe in the inspectors. We want to inspect. We want to hold people accountable. On the other hand, as you say, that can be difficult for the providers.

I am afraid, given the problems we are facing, that I tend to be on the side of more inspection rather than less. It is less of a priority for us at the moment to reduce the burden of inspection. It is more of a priority to use the inspection to drive up performance.

Q356 **Ms Marie Rimmer:** You see more inspections.

Rory Stewart: Yes. I am afraid that some of these companies may have to anticipate more rather than less inspection.

Q357 **Ms Marie Rimmer:** Has any thought gone into them being collated together?

Rory Stewart: Yes. That is a very good point. We could do more to co-ordinate inspections. For example, Her Majesty’s inspectorate of prisons and Ofsted frequently conduct their inspections together. That is very good practice. Obviously, our objective is to make sure that we identify problems really quickly and solve them. Our objective is not to cause a bureaucratic burden for people. If we can do the inspections at the same time and reduce the burden, it would be a very good thing to do, but what I do not want to do is move into a world where we reduce the amount of inspection. You are right that we can be smarter about how we do the inspections and how we co-ordinate.

Q358 **Ms Marie Rimmer:** You can look at the way it is being done.

Rory Stewart: Yes.

Q359 **Chair:** Do you have any observations from an operational point of view, Mr Porée?

Ian Porée: I have certainly had a number of conversations with the leadership group delivering services in probation, raising the same points that you have raised. It does feel, especially with the chief inspector announcing a new framework that will be annual, as though there is potential for a significant increase in the assurance activity. What we are doing is co-ordinating that activity to make sure that it is targeted on the people whose performance we have most concern about. As the Minister



said, people who are delivering a high-quality service should in the end need less attention. We should focus our assurance resource in a risk-based way, where there are the biggest concerns around quality. It will take some time to get the chief inspector's new framework in place, but I think it provides the vehicle to have a consistent approach, and high performers should get the benefit of it. High quality does not need all of our assurance resource.

As the Minister said, there are still too many organisations whose quality is not where we want it to be. It is right that they get lots of attention until we have got the quality to where we expect it to be, and then talk about adjusting some of that assurance activity. Co-ordinating it definitely makes sense, and we are actively planning assurance activity to align with the chief inspector's new framework.

Chair: Forgive the bells. It is just something that happens at this time of day.

Q360 **Bambos Charalambous:** I want to focus on housing. Minister, you said in a recent debate on probation that offenders should have a house to go to when they leave prison. HMI Probation has found that one in seven short-sentence prisoners and one in 10 longer-sentence prisoners walked out of the prison gate not knowing where they were going to sleep that night. How are you going to make that ambition a reality, and, in light of the Homelessness Reduction Act, how is that going to work itself out?

Rory Stewart: This is a really important point. As the Committee is aware, accommodation is probably one of the very biggest factors in reducing reoffending. The challenge that the Ministry of Justice faces, of course, is that we do not control housing. The housing will generally rest with the local authority and with the Ministry of Housing, Communities and Local Government.

How do we solve the problem? From the point of view of the National Probation Service or the CRC and their "Through the Gate" resettlement process, they were set up—this has been true since the beginning of the probation service—to help and signpost, not to provide accommodation. This is a challenge of Government co-ordination. It is something that I would like to tackle through a ministerial taskforce, in which we regularly sit the relevant Departments around the table and use the presence of Ministers to drive the system to come up with a better and better analysis of both the problems people face and where the solutions lie, and where we try to address all the blocks in the system.

It is a classic case of trying to do our best to solve a dozen different and separate blockages in the system across many different Departments to make sure that we achieve this. We have to achieve it, because there is nothing that we on our own, as the Ministry of Justice or indeed the probation providers, can do unless we can work with other Departments. That is true in housing and in employment as well.



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Q361 **Bambos Charalambous:** Shelter made a point about the need for intervention before the 12-week release period. Is that something you would be willing to consider?

Rory Stewart: Yes, it is certainly something we could look at. It is a good challenge to say that 12 weeks does not necessarily work for everybody.

Q362 **David Hanson:** I have two quick questions. Where are we with universal credit and "Through the Gate"? I know that the Secretary of State has mentioned it in Justice questions.

Secondly, the issue of bank accounts is extremely important. You cannot get a bank account from prison unless you have an address outside prison. That is one of the gaps at the moment. I would welcome quick comments from either or both of you on those points.

Rory Stewart: Yes, these are outstanding problems. I defer briefly to Ian.

Ian Porée: On both of those issues, as you know, there have been long-standing problems. We are in discussions with the DWP about working out an appropriate form of identification so that we can address the universal credit settlement prior to release from custody problem.

The accommodation issue remains a challenge, because of accommodation availability more generally. One of the most interesting and certainly innovative CRCs is an organisation—a social enterprise—set up for that purpose. It is in Durham Tees Valley and called ARCC. It is a not for profit, and it has a number of local authorities actually on the board of the company. It has responsibility for housing. Even with that level of responsibility and collaboration, the ability to join up the information, needing a secure address in order to sort out universal credit or to open a bank account, is still a challenge.

Q363 **David Hanson:** Let me give you back the challenge. Universal credit and release from prison are both in the gift of Government, so when do you expect to be able to sort it out?

Rory Stewart: The bottom line is that you are right; we have not succeeded in doing that. We need to succeed in doing it, and, so far, that is a failure on our part.

Q364 **Chair:** This is a brief comment but it struck us in other inquiries. Some local authorities have the approach that they regard those sentenced to custody as having made themselves intentionally homeless and therefore will not consider them. That cannot be right. One system is working against the other.

Rory Stewart: No, that definitely cannot be right. We absolutely challenge that right the way through the system. We are challenging directly any local authority that tries to treat people as intentionally



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homeless. Our understanding is that local authorities are now backing off from that position, but it is a terrible position to take.

Q365 **Chair:** Do you have the full support of the Ministry of Housing, Communities and Local Government in that?

Rory Stewart: Yes, absolutely; 100%.

Chair: I am glad to hear it.

Q366 **Mrs Kemi Badenoch:** I would like to continue on the theme of support for offenders. I have two questions: one for you, Minister, around employment, and one for Mr Porée around education and training.

Minister, in an interview with *The Sun on Sunday* earlier this month, the Secretary of State talked about the importance of employment in rehabilitation. HMI Probation found that almost half of prisoners serving longer sentences did not get enough help into employment on release. What is the Ministry going to do to significantly increase the number of offenders who get a job, whether or not they have served a custodial sentence?

Rory Stewart: In terms of getting employment for offenders, there is a range of things we do. The first thing, of course, is to provide the right kind of skills within the prison setting. If you were to go to Brixton prison at the moment, you would find people being trained in painting and decorating. You would have people being trained in catering services and in IT.

The second thing is to link the offenders to businesses while they are actually in the prison. If you were to go to Liverpool Altcourse prison at the moment, you would see prisoners who are working already with a Liverpool recycling company and a Liverpool metal workshop providing the parts for those companies in the prison. When they leave the prison, many of them will be offered a job directly with the company.

The third thing is to challenge companies themselves to be more open to employing ex-offenders. There are of course very good examples, of which Timpson is probably one of the most famous, of companies that actively go out of their way to take offenders. There are other companies that effectively seem to blacklist people if they have a criminal record. We are very concerned that some major corporations are not taking offenders.

We have a campaign, which was driven hard by Andrew Selous when he did this job, to remove the box on criminal conviction in your employment. Our own Department can do more to employ ex-offenders within the Department. We have a few, but we should be taking the lead. We should have more ex-offenders in the Department.

Yet again, as with any problem with prisoners, it is putting all those things together: the skills, the training, the links into the businesses and



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the attitudes of the businesses themselves, and the social change to achieve those important indicators.

Q367 Mrs Kemi Badenoch: It sounds as if this is a scheme or a schedule that is already taking place, and all we need to do is more of the same.

Rory Stewart: Without oversimplifying it, I guess the answer would be that when Mr Hanson was in this position—indeed probably when Winston Churchill was in this position—people were talking about it.

Chair: There was a gap in between, I think.

Rory Stewart: They were talking about employment for ex-offenders. The idea that you need to get those people into jobs is absolutely central. The reoffending rates for people who do not get jobs are a problem. It is not just a British problem. In most European countries and in the United States, employment rates for ex-offenders hover at around 20%. It is about chipping away at all those things simultaneously on both the supply and the demand side to drive that number up.

Q368 Mrs Kemi Badenoch: Mr Porée, going further on that, from an operational point of view how can education and training for those in the probation system be improved and better delivered?

Ian Porée: You will be aware that HMPPS is in the process of retailoring the education and training services that are primarily delivered in custody but have been designed in such a way that you can continue some of that learning once you are released. That is one of the ways in which we can take the existing funding allocated to education and training in the system and not have it exclusively focused on someone who has begun some training while they are in custody. You can allow them to have modular training and perhaps have some of that available as an online training course that they can continue and complete once they are released.

That is an opportunity we have when retendering those services. We can think about the individual and their whole learning journey. That is one area where I think we can improve.

Q369 Mrs Kemi Badenoch: Do you think that it should be compulsory?

Ian Porée: In the end, making learning compulsory for many of the people in our care has not worked for them so far. We need to find ways of helping someone learn that work for the individual. As I am sure you are aware, many people in custody have not got through education so far in life, so the idea of saying that they have to learn compulsorily feels like a difficult thing. What would be better is to find a way to help the individual learn in the way they learn. The priority should be on vocational employment-related training, giving people skills to allow them to work. Going back to the Minister's point, work is good for us and it is good for our health and wellbeing. Helping people into employment with the relevant skills is probably the way we should prioritise.



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I do not want to underestimate the challenge of accessing learning and training in the community for people under probation supervision. That has been something we have been wrestling with for a long time. We have a similar issue around service access and availability in terms of employment, accommodation and other areas. I think there are opportunities to join up some of the provision that is currently being recommissioned in terms of education.

Rory Stewart: There is an active debate around this. Ian is absolutely right. Whereas 2% of the average population have been excluded from school at some point, nearly half of the prison population have been excluded from school. Clearly, half of those people have a serious problem in a learning environment.

I think your instinct is right. We probably could do more to really pressure people to get into education and purposeful activity. There are different ways of thinking that through. In the US system—if you want to be very radical—they will give remission on your sentence if you engage in purposeful project-related activities. That is a public debate for MPs. Are you happy for people to be let out of jail early?

It is about getting the incentives right and not going too far. We need to balance Ian's point about putting somebody who is completely disruptive and hates education into the classroom, who then might disrupt the others and not learn anything. On the other hand, there will be a sweet spot, or middle ground, of people who might be tempted to remain in their cell but, with a little bit of pressure or incentive, could get quite a lot out of the education system. It is that group we need to be a bit tougher and more imaginative on getting in.

Q370 **Victoria Prentis:** We did a report about young prisoners and banning the box. I understand, Minister, that they are not directly within your sphere of influence, but are you aware how very significant the effects of not banning the box are for things like getting rental housing, for getting car insurance and for going to college of any sort? Could the Committee encourage you to read our report and to bang heads together within the Department? Sadly, the responsibility is shared between two Departments. We feel it is really critical that banning the box is taken forward with all alacrity.

Rory Stewart: Good. Okay. Thank you.

Chair: All public sector contracts, for example, as well as other things.

Rory Stewart: Yes.

Q371 **Victoria Prentis:** It is not just work; every aspect of your life is currently ruined by going to prison.

Rory Stewart: Housing, education, and so on. Yes.

Q372 **Bambos Charalambous:** Good work is being done by the Centre for



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Entrepreneurs, encouraging people to set up businesses. I think they are working in some prisons already so that people can take the skills they have and set up their own business.

I want to focus on two aspects. The first is the voluntary sector. You talked about devolution being a way to increase the involvement of smaller voluntary sector organisations. We have heard that contractual arrangements and obligations are the biggest barrier to voluntary sector involvement. What are you going to do to increase voluntary sector involvement?

Rory Stewart: Our findings are that we have increased the number of voluntary sector partners compared with what happened under public sector provision, but, as you imply, what has tended to happen is that it has been the larger, national charities and non-profit organisations that have taken those contracts. This is not a problem just for CRCs. It is a problem right across the country. Small local organisations often feel, quite rightly, that they are disadvantaged when they are bidding, even for local authority contracts, against big national charities that have much bigger grant proposal writing teams that can offer economies of scale, but often lack the local links and local knowledge on the ground to deliver programmes properly.

One of the consequences, I suspect, of the financial penalties that these companies have suffered, relating to Ms Reeves's question around the penalties we have inflicted in terms of not achieving the reoffending targets, is that with less money—because of financial penalties—they have tended to favour large framework contracts with big providers, such as St Giles Trust, which appears in many examples. But they do not have the £20,000 or £50,000 available for flexible relationships with local organisations.

Most of those local charities, of course, would not have received money from the Ministry of Justice under the old system either. The old state-run system did not provide that £20,000 or £50,000 for those organisations, but I suspect that in general they existed in a better funding environment seven or eight years ago; local authority budgets were larger, because there was more money around in foundations, and generally there was more support for the voluntary sector.

What they would have hoped is that, as other forms of support from elsewhere were cut, the Ministry of Justice, through these contracts, would provide the money to keep them going. I am afraid that sometimes that has not happened because of financial penalties, but more often we probably were not clear enough about communicating what the intention of the contracts was. The intention of the contracts was always not to provide accommodation or employment services but to signpost.

I met a charity recently doing very good work in Stafford. They take enhanced housing benefit and they have their own accommodation. They take prolific offenders in, monitor them, mentor them and work with



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them. They are reducing the reoffending rate dramatically. They have a gap of about £150,000 between the income they take from enhanced housing benefit and the cost of providing those services. They would like the CRC to fill that gap. The problem is that the CRCs are not really set up to do that. They were not set up to fund housing. They were set up to provide the signposting.

What the CRCs have tended to do in those situations—the most imaginative example is in the south-west—is to put a probation officer in with those organisations to provide the linking and signposting, but not to actually provide support for small local charities. I am afraid that for many of those small local charities, realistically, support will still have to come from foundations, from charitable donations or from local authorities, but not from the Ministry of Justice, given our financial situation.

Q373 Chair: The inspectorate say that in terms of operations, never mind finance, the third sector is less involved than ever. Why is that?

Rory Stewart: We can have a discussion about what the inspector means by that. It is certainly true that some of the smaller third sector organisations feel less involved. Larger third sector organisations—I gave the example of the St Giles Trust—are more involved. In financial terms, more money is going to third sector organisations than was the case under the public sector contracts.

Q374 Bambos Charalambous: My final question is about staffing. Minister, what priority are you giving to recruiting probation officers in the NPS?

Rory Stewart: That is a very important issue. I have to weigh it up against another factor, which is to explain that our key objective is, in the end, the outcome. The key objective is to make sure that we are doing all we can to reduce reoffending, however tough that is, and doing all we can to protect the public and enforce the court order.

The question around the number of staff is related to the sustainability of that provision. The challenge that I am worried about is that, although the data on reducing binary reoffending is positive—the 2% reduction I was referring to—by not having enough probation officers, that may be difficult to sustain in the future. The conversation we are having is about training and recruitment of probation officers. It is a high priority for us, and we are launching campaigns now for the recruitment of probation officers, modelled on our successful campaigns for the recruitment of prison officers, which have gone better than expected over the last 12 months. We are using the same social media packs and the same approaches, particularly in terms of diversity. We have a real problem in that we are not recruiting enough men to probation services at the moment. It is a high priority and once we are through the purdah period—through the local elections in May—you will see quite large recruitment campaigns going forward.



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Chair: Minister and Mr Porée, thank you for your time and the very detailed answers you have given us. I appreciate the patience you have shown us in going through lots of important issues. Thank you; we are very grateful to you.