

Introduction

Welcome to the fifth newsletter of the Transforming Rehabilitation Integrated Offender Management (IOM) Reference Group, which met on 20 January 2014.

Reform Programme update

The Group received an update on the key developments of the programme. The Ministry of Justice has announced the 30 bidders who have passed the Pre-Qualification Questionnaire stage of the Competition. A press notice is available [here](#). The Offender Rehabilitation Bill completed Report and Third Reading Stage in the House of Commons on 14 January 2014 and has returned to the House of Lords. The Chief Executive of the National Offender Management Service has written to all Probation Trust Chairs notifying them about the plans for the next phase of transition, to begin the new ways of working and to continue to dry-run and test the new systems. Probation Trusts are currently allocating staff to their new roles and the intention will be to test key aspects of the model for two months from 1st April. This will allow staff who will be in both the Community Rehabilitation Companies (CRCs) and in the National Probation Service (NPS) to trial the new ways of working before the transfer is formally completed to the new governance arrangements. As the transition to the new structures is completed the formal wind up of Probation Trusts will take place on 31 May. The two month testing will ensure a confident and stable transition for staff and service users to CRCs and the NPS.

What was discussed by the group

IOM and Stakeholder Engagement Events

The group received an update on progress with the planning of local stakeholder engagement events. Most of these have been set up and will commence from early February through into March. The events are being tailored to suit the needs of local areas and partners, for example, one area has taken a thematic approach to the events to cover IOM, young people, health, PCC and community safety priorities. It is critical that local IOM arrangements make contact with their local competition leads to ensure that IOM is represented and reflected at these events with prospective bidders. These events are seen as the start of the engagement process with prospective bidders and could lead to more detailed conversations with them about local priorities, the local partnership landscape and local delivery. It is important to stress that local partners must engage fairly and openly with all prospective bidders.

Stakeholder Advisory Panels

The Ministry of Justice are establishing Local Advisory Panels for each Contract Package Area (CPA). These groups are being pulled together by the local competition team leads. They will involve key local stakeholders with the expertise and awareness of local issues and needs so they can provide advice to the Programme's local competition teams on the local elements of the bids from prospective providers. Bidders will need to demonstrate that at both a strategic and operational level that their services are tailored to meet the particular needs of that CPA. Members of the panel cannot have any conflict of interest (i.e. no involvement in the bids) and need to have a good knowledge of local delivery arrangements. The Reference Group discussed how best IOM could be represented on these panels and noted that this would be challenging given the fact that local IOM arrangements will differ not just between CPAs but also within areas. Local IOM practitioners are encouraged to make contact with their local competition team lead to discuss further.

Competition Data Room

The group was also updated on the Competition Data Room. Most areas had either provided a response to the IOM questionnaire or had provided bespoke materials on their local arrangements. For those areas where there were gaps it is now urgent that they contact their local competition teams to submit further information. There will also be another opportunity to refresh or add to the material that local IOM arrangements have already provided to the Competition Data Room. It is likely that the next refresh will be in February so local areas are encouraged to get in touch with their competition team lead if they want to update their current information in the Data Room or if they have additional material that they think would be of benefit to prospective bidders.

Payment Mechanism

The group discussed the proposed Straw Man model for the payment mechanism. Significant feedback was received from the market following publication of the Straw Man in May 2013 and the Programme is working to refine and update the

payment mechanism in the light of this. Further analysis is also being undertaken to ensure that the payment mechanism will incentivise providers to deliver real reductions in re-offending.

The proposed payment mechanism will include a Fee For Service (FFS) and a Payment by Results (PbR) element. The FFS element is for all mandated activities that the provider will undertake and includes delivering the sentence of the court, licence conditions and through the gate activities. Performance measures will underpin the payment mechanism to ensure that providers deliver the orders of the court to a specified time and quality for all the offenders they manage regardless of geography with financial penalties if they do not. Providers will be expected to make improvements in the way they deliver the service throughout the life of the contract and the FFS is expected to include an “annual learning curve” discount to drive continuous improvement.

The PbR element includes a binary and frequency measure, with payments only made if a provider achieves results above and beyond historic levels of re-offending that are set on a CPA basis and there is a continuing level of stretch to incentivise sustained performance over and above the minimum requirements. There will be financial penalties if re-offending rates increase. The addition of a frequency measure into the PbR element ensures that providers are incentivised to work with offenders even after their first offence. The Programme has published information on size, composition and re-offending rates of offender cohorts over time in each of the CPAs on the Ministry of Justice website

<http://www.justice.gov.uk/transforming-rehabilitation/competition>.

Probation Inspectorate

Her Majesty's Inspectorate of Probation set out for the group the framework for the Inspection of Adult Offending Work which is a four year programme running from April 2013 and how this would apply to the new probation structures. The Probation Inspectorate would continue to inspect adult offenders work and they saw Police and Crime Commissioners as key stakeholders for their work and findings. Key features of the inspection framework included a focus on the quality of practice (i.e. what good looks like) and evidence of outcomes (focused on five outcomes: assisting sentencing decisions, delivering the sentence of the court, reducing the likelihood of re-offending, protecting the public and delivering effective work for victims). Inspections have a place based or area focus so this would cover the work of both the National Probation Service and the Community Rehabilitation Companies in a particular area. Members were referred to the Inspectorate's section on the Ministry of Justice website and in particular their case assessment guidance.

<http://www.justice.gov.uk/about/hmi-probation/inspection-programmes-adult/inspection-of-adult-offending-work>

Future of the Reference Group

The group also discussed the continued role of the group given that the Competition was about to move to the Invitation to Negotiate stage. It was felt that the group had served its purpose in helping to inform the thinking of the Programme on specific aspects of the Competition process and members agreed that the group should be formally wound up. The group had played an important role in ensuring that information on local IOM arrangements was contained within the Competition Data Room, helping to inform the thinking behind the local competition teams and to ensure that the teams understood the local arrangements across their CPA. The group had also helped shape the thinking around the preparations and planning for the local stakeholder engagement events and had also contributed to the thinking on the payment mechanism. It was suggested that Transforming Rehabilitation should be a standing item on the agenda for the existing IOM National Strategic Board, with the membership and terms of reference for that group refreshed accordingly to include engagement with Transforming Rehabilitation.

We will continue to issue newsletters to keep local IOM arrangements and key partners updated on progress with the implementation of the reforms.

Contact for further information

If you have any queries about this newsletter then please contact us at: IOM.Info@homeoffice.gsi.gov.uk
