

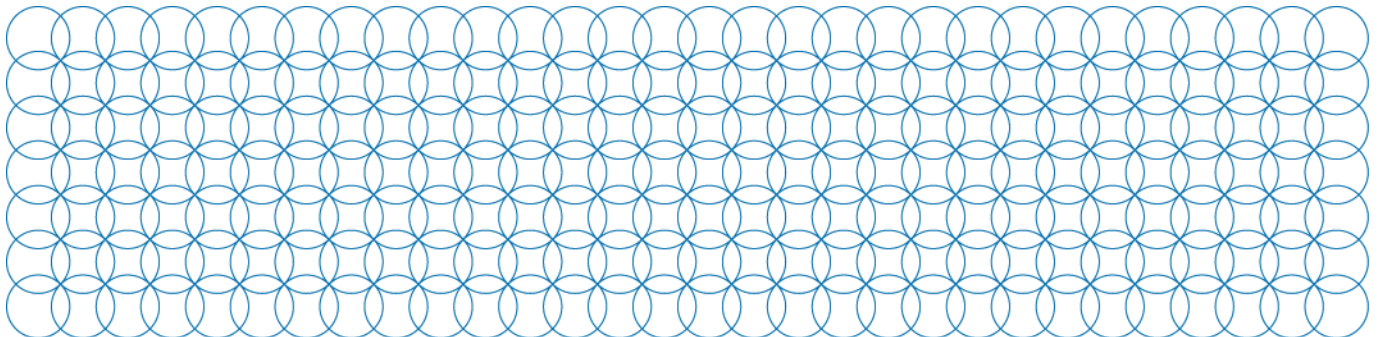


# Best Value in Probation

**Consultation Paper [CP 06/08]**

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Ministry of  
**JUSTICE**

## **Best Value in Probation**

**A consultation produced by the National Offender Management Service, part of the Ministry of Justice. It is also available on the Ministry of Justice website: [www.justice.gov.uk](http://www.justice.gov.uk)**



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## Foreword



The role of probation in protecting the public and reducing re-offending is becoming ever more important. More and more offenders are receiving community sentences, and Lord Carter of Coles's review - 'Securing the Future' (December 2007) - recommended that alternative sentences to custody be used wherever appropriate.

These factors lead to increasing demands on probation services, making it more important than ever for probation areas to improve their efficiency and effectiveness. Like so many organisations in all sectors, probation must strive to do more with less, making the best possible use of the 70% real increase in resources which it has received over the last ten years.

That is why we are introducing Best Value. This is not about ensuring that one particular type of provider delivers probation services. Nor is it simply about cutting costs. It is, rather, about providing the best value for the taxpayer. Best Value will enable probation areas to demonstrate how well they are achieving economy, efficiency and effectiveness, and to make necessary improvements. That may involve reform to in-house service delivery, or it may involve contracting with a partner.

During the passage of the Offender Management Bill through Parliament last year, the Government signalled a move away from a target-based outsourcing regime in probation to a model based on best value principles. This was inspired by the regime of the same name which has operated in local government, and it draws on the lessons of that experience. As in local government, we propose that Best Value is based around four 'C's – compare, consult, challenge and, where appropriate, compete. And we propose a fifth 'C' – collaborate: probation areas working together to deliver results.

We want to make sure that the Best Value framework is properly attuned to the needs of probation. That is why we are consulting, in this document, on how it should work. We welcome your views on our proposed framework, to help us to make sure that Best Value delivers most effectively for all our stakeholders.

A handwritten signature in black ink, appearing to read 'David Hanson'.

Rt Hon. David Hanson MP

Minister of State for Justice

## Executive summary

This consultation is about how the Best Value regime in probation should work.

The Government's policy is that there should be a mixed economy in probation provision – each sector of the economy should provide those services which it can deliver most effectively and efficiently. Initially, this involved a requirement for probation areas to outsource 10% of their work.

During the passage of the Offender Management Bill through Parliament, Ministers signalled a move away from a target-based outsourcing regime in probation to a model based on best value principles. In this model, the provider that demonstrated the best value would be chosen to deliver the service, whichever sector it was from. **This consultation is about how that Best Value regime should work.**

Best Value is a process which will enable probation boards and trusts to demonstrate and to drive increasingly efficient and effective delivery. It will enable them to achieve continuous improvement in the way in which they provide services. Best Value is not specifically designed to outsource services. Whether or not that happens depends upon the outcome of the review; Best Value is neutral about the final result.

Best Value is a single mechanism that applies to all services funded by probation boards and trusts, including those delivered in custodial settings, regardless of how they are delivered (by the public, private or third sector) or whether they may be subject to competition. The proposals in this document represent a series of requirements on probation boards and trusts to demonstrate and drive the value for money of their services, to benchmark and compare their performance and current service delivery models with others, and to explore the potential for improving efficiency and effectiveness, based on rigorous challenge. Whoever delivers the service, it is for the probation board or trust in the relevant probation area to carry out the Best Value review, although sub-contractors would have to participate in them, and contribute towards them, as appropriate.

The proposed framework set out in this document is inspired by the best value regime which has operated in local government, but it also takes into account the specific needs of probation. The framework is based around the four 'C's from the local government model – compare, consult, challenge and, where appropriate, compete – and a new, additional 'C' – collaborate.

We propose that the Best Value review process should have the following four stages:

### A. A National Work Programme

In the early years of the scheme, the National Offender Management Service (NOMS), for the Ministry of Justice, would select services which should be reviewed by probation areas, to make it easier for them to compare their

efficiency and effectiveness with each other in a coordinated way. This programme of reviews would cover a three-year period. NOMS would select these services by taking into account five criteria: the strategic importance of the service, the potential to increase its effectiveness, the potential to increase its efficiency, the capacity which probation areas have to carry out the reviews, and the cost/benefit analysis of those reviews. NOMS, with the Ministry of Justice, would also issue national service specifications for the services reviewed, consistent with Service Level Agreements, contracts and national standards. Over time, we would move to a decentralised model, in which NOMS regional directors would agree with probation areas which services would be reviewed in that region.

## B. Regional Coordination

Regional directors in the nine English regions, and Wales, would coordinate the reviews within their region. They would ensure that all the reviews happened at similar times, to enable benchmarking. They would negotiate with probation areas any necessary amendments to the national service specifications, to enable them to take account of any specific local circumstances.

## C. The Review Process

### Step i – Initial Data Collection

In consultation with relevant stakeholders and, where appropriate, in collaboration with their peers<sup>1</sup>, probation areas would collect data about their performance and costs, and use it to challenge how efficiently and effectively they are delivering the service.

### Step ii – Benchmarking

This data would be collated and made available to all probation areas, which would use it to compare their own performance with that of their peers and to challenge further their delivery of the service. This would include consideration of the potential benefits of competition.

### Step iii – The performance improvement plan

Using all this information, probation areas would consult on and draft a performance improvement plan, in which they would set out how they proposed to improve their service in the light of the Best Value review.

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<sup>1</sup> i.e. (and throughout this document) - other probation boards and trusts.

#### D. Taking Improvements Forward

Using a standard set of evaluation criteria, NOMS regional directors would evaluate these performance improvement plans to make sure that they were robust and considered all possible options, including competing the service where appropriate. This would be done in dialogue and partnership with the probation area, and both parties would reach agreement on a finalised plan to take forward. Probation areas would then implement the performance improvement plan and monitor its impact.

Equality and diversity would be embedded throughout the framework. Best Value will be neutral about competing services. If and when services are competed, workforce matters would need to be considered at all stages.

Once the framework is finalised, further guidance on Best Value processes will be issued by NOMS, with the Ministry of Justice.

## Introduction

This paper sets out, for consultation, the Government's proposals for how the forthcoming Best Value regime in probation should work. The consultation is aimed at all stakeholders who have an interest in this, including the general public, in England and Wales.

This consultation is being conducted in line with the Code of Practice on Consultation issued by the Cabinet Office and falls within the scope of the Code. The consultation criteria, which are set out on page 66, have been followed.

An Impact Assessment has been completed and indicates that the public sector – largely probation boards and trusts - is likely to be particularly affected. The proposals are likely to lead to additional costs on the public sector (albeit outweighed by cost savings), although there would be a small effect on the private and third sectors. An Impact Assessment is attached at page 39. Comments on the Impact Assessment are particularly welcome.

The organisations listed on the following pages are being notified about this consultation. However, this list is not meant to be exhaustive or exclusive and responses are welcomed from anyone with an interest in or views on the subject covered by this paper.

Organisations who are being notified of the consultation

Accenture

Action for Prisoners' Families

Addaction

After Adoption North East

Alcohol Concern

Anne Peaker Centre

Association of Chief Executives and Chief Officers of Probation (ACECOP)

Association of Chief Executives of Voluntary Organisations (ACEVO)

Association of Chief Police Officers

Attorney General's Office

Audit Commission

Barnardo's

Baroness Corston

Baroness Kennedy of The Shaws

Border and Immigration Agency

Business in the Community

The Butler Trust

Centre for Crime and Justice Studies

The Chartered Institute of Public Finance and Accountancy (CIPFA)

Chief Magistrate's Office

Child Exploitation and Online Protection Centre (CEOP)

The Children's Society

Churches Criminal Justice Forum

Citizens Advice Bureau

The City Bridge Trust

Clinks

Commission on English Prisons Today

Commission for Racial Equality

Communities and Local Government

Community Links for Ex-Offenders (CLEO)

Confederation of British Industry

Court of Appeal

Crime Concern

Criminal Justice Alliance

Department for Children, Schools and Families

Department of Health

Department for Innovation, Universities and Skills

Department for Work and Pensions

Detention Advice Service

The Drinkaware Trust

DrugScope

Electronic Data Services (EDS)

Equality and Human Rights Commission

The Esmée Fairbairn Foundation

Fawcett Society

Federation of Small Businesses

Futurebuilders England

G4 Securicor

The GEO Group UK Ltd

GMB/SCOOP

Global Solutions UK Limited (GSL)

Her Majesty's Inspectorate of Prisons

HM Council of Circuit Judges

HM Inspectorate of Probation

Her Majesty's Treasury

HIBISCUS

Home Office

The Howard League for Penal Reform

IdEA

Independent Monitoring Board

Inside Out Trust

Institute for Criminal Policy Research

International Centre for Prison Studies, King's College London

Judicial Office for England and Wales

Judicial Studies Board

JUSTICE

Justice Research Consortium

Justice Unions Parliamentary Group

Justices' Clerks' Society

Kalyx

Langley House Trust

Learning and Skills Council

Liberty

Local Government Association

London Probation

Lord Carter of Coles

Lord Ramsbotham

Lord Rosser

Lord Woolf

Magistrates Association

Metropolitan Police

Nacro

National Approved Premises Association (NAPA)

National Association of Probation Officers (NAPO)

National Audit Office

National Body of Black Prisoner Support Groups (NBBPSG)

National Treatment Agency for Substance Misuse (NTA)

New Bridge Project

NOMS National Provider Network

NOMS Stakeholder Reference Group

NOMS Voluntary Sector Advisory Group (and Prisons and Probation Sub-Group)

North Ayrshire Council (Ayrshire Criminal Justice Partnership)

Office of Government Commerce

Office of the Third Sector, Cabinet Office

Ofsted

The Parole Board for England and Wales

Partners of Prisoners and Families Support Group (POPS)

Pecan

POA (Prison Officers Association)

Police Federation of England and Wales

Prime Minister's Delivery Unit

The Prince's Trust

Prison Advice and Care Trust (pact)

Prison Governors' Association

Prison Link, SMART UK

Prison Reform Trust

Prison Service Joint Industrial Council (PSJIC)

Prison Service Plus

prisons.org.uk

Prisons and Probation Ombudsman for England and Wales

Probation Boards' Association

Professor Peter Raynor, University of Wales, Swansea

Professor Steve Martin, University of Cardiff

Public and Commercial Services Union (PCS)

Queen's Bench Division, High Court

Race on the Agenda (ROTA)

Rainer

Reliance Secure Task Management

Respect Task Force

Restorative Justice Consortium

Revolving Doors Agency

The Royal Courts of Justice

Samaritans

Sentencing Guidelines Council

Serco

Serious Organised Crime Agency

The Shannon Trust

Smart Justice

Social Exclusion Task Force, Cabinet Office

Steria

Stonham

Supporting Others Through Volunteer Action (SOVA)

Turning Point

UNISON

UNLOCK

Victim Support

Voluntary Sector Advisory Group

Wales Audit Office

Welsh Assembly Government

Working Links

YMCA

Youth Justice Board for England and Wales

Youth Support

## The proposals

### Background

This consultation paper is seeking views on how the Best Value system in probation should work.

Probation services in England and Wales are delivered by 42 probation boards and trusts across England and Wales, coordinated by the National Probation Service (NPS). Probation involves the supervision of offenders in the community – those subject to a court order (about 70%) and those released on licence from prison (about 30%). The NPS employs about 20,000 staff. At any one time, it is supervising about 200,000 adult offenders in the community. Its responsibilities include:

- Supervising community orders (which may involve, for example, unpaid work, curfews or drug rehabilitation). As an example, each year, probation will supervise about eight million hours of unpaid work by offenders in local communities.
- Preparing pre-sentence reports (about 250,000 each year) for the courts.
- Working with the victims of violent or sexual crime for which the offender has been sentenced to a year or more in prison.
- Arranging approved premises to accommodate, for example, offenders released from custody. There are 100 approved probation hostels.<sup>2</sup>

In August 2006, the Government published the document “Public Value Partnerships”.<sup>3</sup> This set out plans for probation to make increased use of the private and third sectors, in order to encourage innovation and efficiency. Instead of focusing upon just one sector, probation would draw on the talents of all players, working together where necessary, to deliver the best result. Rather than a one-size-fits-all approach, there would be a mixed economy of provision. This objective was to be achieved by a combination of target-setting and legislation.

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<sup>2</sup> For further information, please consult the National Probation Service website at [www.probation.homeoffice.gov.uk](http://www.probation.homeoffice.gov.uk).

<sup>3</sup> See [http://noms.justice.gov.uk/news-publications-events/publications/strategy/impr\\_prison\\_probation\\_partnerships?view=Binary](http://noms.justice.gov.uk/news-publications-events/publications/strategy/impr_prison_probation_partnerships?view=Binary)

Probation areas were therefore required to outsource 10% of their annual work by 2007/08. The Offender Management Act, which became law last summer, transferred from probation boards to the Secretary of State for Justice the statutory duty for making arrangements for probation services. It enabled the creation of new public sector bodies – probation trusts – with which the Secretary of State may contract, alongside providers from the private and third sectors. The first wave of probation trusts has now been established.

During the third reading of the Offender Management Bill in the House of Commons, the then Home Secretary, Dr John Reid, made the following statement to the House:

*'In future, we shall abolish the existing targets and replace them with an entirely different type of aspiration. In future, the aspirations — the targets — will not be based on the a priori assumption that there is a level of non-public sector work that must be carried out, whether or not it gives best value or is from the best provider. That would be a dogmatic approach that could unjustifiably force work out of the public sector. No a priori assumptions will be made under our approach [...]*

*Let me make it clear: If a public sector provider is good enough [...] it will have as much chance as anyone else to win the work—some would say a better chance, given the history of some providers' involvement and experience. Our aim is simply to ensure that the best provider delivers best value for the taxpayer. That is our purpose [...]*

*Although we have not yet worked out the exact detail as to how that aim might be attained we would obviously look at where best value is already pursued and is a central objective of the process — for instance, in local government. We will study those schemes, to find out whether we can learn from them and incorporate those lessons.<sup>4</sup>*

This approach was reaffirmed and built upon during the passage of the Bill through the House of Lords.<sup>5</sup> **This consultation is about how that Best Value system should work.**

There are a number of reasons for introducing Best Value:

- To drive public value by helping to define quality standards and to identify and share best practice.
- To drive continuous improvements in services.
- To contribute to releasing efficiency savings within probation.

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<sup>4</sup> Hansard, House of Commons, 28 February 2007, columns 1019-20.

<sup>5</sup> For example: Hansard, House of Lords, 3 July 2007, column 916.

- To support the broader commissioning agenda within offender management.
- To develop the supply market by creating additional opportunities for external and innovative service delivery.
- To help to deliver integrated community services.
- To enable the delivery of better and more personalised services.
- To support the Government's broader localisation agenda.
- To encourage stronger partnerships between NOMS service providers.

We have looked at how best value has operated in local government, to help us to determine what would be the best model for probation. Best value was introduced into local government in April 2000, under the provisions of the Local Government Act 1999. It placed local authorities under a duty to make arrangements to secure continuous improvement in the way in which they carried out their functions, having regard to economy, efficiency and effectiveness. It required them to carry out five-yearly reviews of all their services, based around the principles of comparison, consultation, challenge and, in some cases, competition of services. They were also required to produce performance improvement plans, which were subject to inspection by the Audit Commission.

The requirements of best value have changed over the years, and it has now largely been subsumed within the new local performance framework, including Comprehensive Area Assessments. However, the duty of best value continues and its principles still remain an essential part of that new framework.

## Principles of Best Value

Informed by the local government model, but also taking into account the unique needs of probation, we have drawn up proposals for how Best Value should work.

The purpose of Best Value is to allow probation boards and trusts to determine where improvements need to be made to their services. Its purpose is not to transfer probation work outside the public sector. Whether or not that happens will depend upon the outcome of the review.

Best Value is a process which will enable probation areas both to demonstrate and to drive efficient and effective delivery. By enabling them to learn from good practice elsewhere and to innovate in their delivery of services, it aims to ensure a continuous improvement in the delivery of services for the offender. It will act as a tool to demonstrate, in a transparent way, quality standards and changes in performance levels, in order to highlight areas of poor performance, to identify best practice, to help make – and validate – decisions and actions, and to drive greater accountability.

Best Value is a single mechanism that applies to all services funded by probation boards and trusts, including those delivered in custodial settings, regardless of how they are delivered (by the public, private or third sector) or whether they may be subject to competition. The proposals in this document represent a series of requirements on probation boards and trusts to demonstrate and drive the value for money of their services, to benchmark and compare their performance and current service delivery models with others, and to explore the potential for improving efficiency and effectiveness, based on rigorous challenge. Whoever delivers the service, it is for the probation board or trust in the relevant probation area to carry out the Best Value review, although sub-contractors would have to participate in, and contribute towards them, as appropriate. This could be a requirement in new contracts and Service Level Agreements (SLAs); in the case of existing contracts and SLAs, providers would be encouraged to take part.

The remaining parts of this document set out our proposals for how Best Value would work. Once the framework is finalised, further guidance on Best Value processes will be issued by NOMS, with the Ministry of Justice. However, we propose that the process be structured around five 'Cs' – the four which have operated in local government, and a new one. These are:

**Challenge**: Probation areas would challenge why and how they are delivering a service.

**Consult**: In carrying out the reviews, probation areas would consult all relevant stakeholders.

**Compare**: Probation areas would compare their services and their performance by benchmarking themselves against their peers.<sup>6</sup>

**Compete**: Probation areas must consider whether competing services could provide better value.

And the new 'C':

**Collaborate**: Where better value can be achieved by delivering services across geographical and functional boundaries, rather than within one area, probation areas should collaborate with each other.

Best Value should not represent a significant additional burden to probation areas. There are mechanisms within the framework to ensure that the benefits outweigh the costs; for more detail, please consult the Impact Assessment at page 39. We envisage that probation areas would integrate Best Value reviews into their existing management processes and that they would be able to draw upon other review work which they had done. That would enable them to use the results of any existing performance assessment mechanisms. Best Value is about benefiting the probation area; it is not just meant to be a reporting process.

[Notes:

1. For the purposes of offender management (probation and prisons), England and Wales are divided into ten units – nine English regions, and Wales. In the rest of this document, for simplicity, all ten will be referred to as 'regions', even though Wales is not. Ongoing changes to the structure of the National Offender Management Service mean that the governance of these regions is changing, but they will all in time move to being led by a regional Director of Offender Management. The rest of this document will refer to regional directors.

2. This document is based upon the Best Value framework, which has been the subject of informal discussion with stakeholders. The substance of the two documents is the same. If you would like to receive a copy of the framework, please telephone 020 7035 4930 or e-mail [bestvalueconsultation@justice.gsi.gov.uk](mailto:bestvalueconsultation@justice.gsi.gov.uk).

3. The Best Value reviews will assist probation areas to deliver or to commission locally. This is reflected in the National Commissioning and Partnerships Framework 2008/09, published in February 2008, and in response to the requirement of section 8 of the Offender Management Act 2007 – that the Secretary of State should publish an annual plan on the provision of probation services. The performance of probation areas, delivering probation services themselves or through sub-contracting, will be assessed through the Integrated Probation Performance Framework.]

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<sup>6</sup> i.e. (and throughout this document) – other probation boards and trusts.

## How we propose Best Value should work

In the pages which follow, we set out our proposed Best Value framework – how we propose that it would actually work. The basic structure would be as follows:

- A. – A national work programme in the first instance, with the centre determining which services should be reviewed, and in which order.
- B. – Regional coordination of the review process.
- C. – The reviews themselves, involving three steps:
  - i. Initial collection of data.
  - ii. Probation areas benchmarking their performance against that of their peers.
  - iii. Probation areas writing performance improvement plans, which would set out how they proposed to improve the efficiency and effectiveness of their services, in the light of the review.
- D. – Evaluation, agreement and implementation of the performance improvement plans.

Below, we set out our proposals in each of these areas.

### A. A National Work Programme

Our aim is to have as little central direction as is necessary to ensure that Best Value achieves its aims. We want a Best Value process which responds to regional and local needs.

However, we believe that, *at first*, a certain degree of central direction is necessary. During this period, probation areas would develop the necessary Best Value skills and capabilities and a national pool of benchmarking data would also be established.

The centre's main role – in consultation with all parties - would be to set a **three-year work programme**. The National Offender Management Service (NOMS), for the Ministry of Justice, would set out this programme, which would specify the number of reviews done each year. Depending on the service under review, the programme would apply to all probation boards and trusts providing that service, or, potentially, only those in particular regions.

But these services would not be selected at random. We propose that they would be chosen using the following criteria:

i. What is the **strategic importance** of the service?

This would be determined by NOMS, in line with the Government's strategic priorities.

ii. What is the potential to increase the **effectiveness** of the service for the offender?

This would be determined by the range of variation between probation areas on achieved outcomes and on sustainability of outcomes; the level of scope to join up services with partners within the Criminal Justice System; the extent of overlap with what other service providers (for example, health) are delivering; and the scope for innovation (for example, partnerships).

iii. What is the potential to increase the **efficiency** of the service?

This would be determined by the expenditure on the service; the range of variations between probation areas in their spending on a service; whether innovation in the service is possible; and the scope for greater collaboration.

iv. Is there **capacity** to review the service?

This would be determined by the skills and resources which probation areas have to conduct reviews; including the scope for leveraging in resources.

v. Will the **benefits** of the review outweigh the **costs**?

This would be determined by modelling the return on investment of doing a Best Value review of the service being considered.

Taking an overall view based on all five criteria, a judgement would be made as to whether a service should be reviewed. None of this would prevent regions and probation areas conducting reviews of additional services if they so chose.

We also propose that NOMS, with the Ministry of Justice, should issue national service specifications for each of the services to be reviewed, drawing on existing SLAs, contracts and national standards. These would define the minimum standards which a service would be expected to achieve in terms of performance, economy, efficiency and effectiveness.

**Questions:<sup>7</sup>**

- 1. Do you agree that, at first, the National Offender Management Service, for the Ministry of Justice, should select the services to be reviewed by probation areas over three years? YES/NO**

**Do you have any comments on this?**

- 2. If you agree with question 1, how many services do you think should be reviewed in each year of the programme?**
- 3. If you agree with question 1, do you agree that the services to be reviewed should be selected on the basis of [tick those with which you agree]:**
  - i. The strategic importance of the service?**
  - ii. The potential to increase the effectiveness of the service?**
  - iii. The potential to increase the efficiency of the service?**
  - iv. The capacity of boards and trusts to review the service?**
  - v. The benefits of the review outweighing its costs?**
  - vi. And do you think that there are any other criteria which should be considered?**
- 4. If you agree with question 1, which services do you think should be reviewed in the first year and which should be reviewed in the second year?**

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<sup>7</sup> Responses can either be filled in here and returned as a hard copy or by fax, or they can be filled in on the Word questionnaire, published with this document, where the comment boxes can be expanded, and returned electronically, by fax or as a hard copy. Respondents are also welcome to create their own tailored response documents.

- 5. Do you agree that NOMS, with the Ministry of Justice, should make available national service specifications on performance, economy, efficiency and effectiveness for the services to be reviewed? YES/NO.**

**Do you have any comments on this?**

However, we would not want the national work programme system to last for too long. We would aim to move over time to a system in which NOMS regional directors can agree with probation areas which services will be reviewed in that region. Regions would still have to ensure that they were conducting Best Value reviews and NOMS, with the Ministry of Justice, would issue guidance on the criteria which they should use in selecting the services. But they would be able to select services in line with their own needs.

We cannot yet say exactly when we would move to this decentralised model. Best Value will be kept under review and the time for decentralisation would depend on how well it was working. There might be scope for central direction to be focused more on probation areas which were performing less well, with better performers receiving a lighter touch.

### **Questions**

- 6. Do you agree with the aspiration to move over time to a more decentralised model, with regions agreeing with probation areas the services to be reviewed in the region, taking account of national guidance on how to make the selections? YES/NO**

**Do you have any comments on this?**

- 7. If you agree with question 6, what do you think would be the appropriate point at which to move to a more decentralised model?**

## B. Regional Coordination

We propose that the regional directors (and their staff) coordinate the reviews carried out by local probation boards and trusts in their region. Regional directors would coordinate regional work programmes, ensuring that reviews of the nationally specified services happened at similar times across the region, to enable benchmarking between probation areas.

We propose also that regional directors should be able to negotiate and agree any necessary variations to the national service specifications with probation areas, to allow for regional differences.

**Question 8: Do you agree that NOMS regions should:**

- i. **Coordinate the reviews carried out by probation areas in their region, ensuring that they happened at similar times? YES/NO**
- ii. **Negotiate and agree with probation areas any necessary variations to national service specifications? YES/NO**

**Do you have any comments on this?**

## C. The Review Process

Once the work programme had been set by the centre and the timetable for the reviews within a region agreed between regional directors and probation areas, the latter would conduct the Best Value reviews. We propose that this process should involve three steps, as follows:

### *Step i – Initial data collection*

In this stage, probation areas would find out information to enable them to make an internal **Challenge** of their services.

Probation areas would conduct a review of the specified service. They would:

- Collect data to determine the unit costs of the service. The unit cost is the amount of money that it costs to deliver a particular service to a particular offender, against a given specification.

- Identify any interdependencies in the delivery of the service – whether a service depends on the actions of another party.
- Identify what resources were necessary to deliver the service at each stage of the process.
- And use all of this information to enable them to **Challenge** their performance against the national specification for the service.

In doing all this, probation areas should **Consult** with their peers to see if it would be more cost effective to carry out reviews together, and, if it is, they should so **Collaborate**.

Probation areas may wish to ask their internal auditors (or Audit Control Teams) to support reviews on their behalf. They may also wish to ask their audit committee to validate the findings of the review.

**Question 9: Do you agree with our proposals for the way in which probation areas should conduct the first step (initial data collection) of the Best Value reviews? YES/NO**

**Do you have any comments on this?**

### *Step ii – Benchmarking*

This is about probation areas **Comparing** their performance with that of their peers. We propose that it should work as follows:

- Probation areas would send the data which they had collected in Step i to NOMS.
- The data would be collated and made available to all probation areas. NOMS, for the Ministry of Justice, would set out in guidance which data should be made public. This guidance would include considerations for commercially sensitive data, particularly where subcontractors and partners are involved.
- Using that data, probation areas would then **Compare** their unit costs and their delivery outcomes with those of other relevant areas.

- Once they had made those comparisons, they would **Consult** about the reasons for variations with other probation areas' data. They would then **Challenge:**
  - their performance.
  - whether there is a need to deliver the service at all.
  - how they could improve their allocation of resources across the different processes needed to deliver the service.
  - whether they could deliver more efficiently by **Collaborating** with other probation areas.
  - whether they could improve the delivery of their services and/or achieve efficiency savings.

And investigate how the service, or part of the service, could be delivered if it were delivered by an external provider.

**Questions:**

**10. Do you agree that probation areas should make the initial data from their Best Value reviews available to NOMS and that it should be collated and made available to all probation areas to enable comparison? YES/NO**

**Do you have any comments on this?**

**11. Do you agree with the proposals for the way in which probation areas should challenge their delivery of the service? YES/NO**

**Do you have any comments on this?**

*Step iii – The performance improvement plan*

Based on all of this information, probation boards and trusts would then draft **performance improvement plans**. These would explain how they intended to improve their service in the light of the Best Value review.

We propose that performance improvement plans should include:

- Details on how the probation area would achieve improvements in efficiency and effectiveness.
- Proposals on how service delivery models will be changed. This may or may not include **Competing** the service, but the probation area would need to give full consideration to this option.
- An Equality Impact Assessment.

In drawing up the performance improvement plans, probation areas should do the following things:

- **Consult**, as appropriate, with relevant stakeholders. This would enable them to learn from good practice elsewhere.
- Consider **Collaborating** with other probation areas to improve their services and achieve efficiency savings.
- Internally **Challenge** whether they are working at optimal efficiency and identify potential improvements, whilst considering equality and diversity issues.
- Identify improvements to the service that could be achieved if it were to be **Competed** in the market or delivered jointly with another provider.
- Learn from the performance improvement experiences of their peers, particularly their good practice.
- Set out the timetable for implementing the plan.
- Set out the expected costs and benefits of implementing the plan.

Again, probation areas may wish to involve their audit committees in validating the reports.

**Question 12: Do you agree with the proposals for performance improvement plans? YES/NO**

**Do you have any comments on this?**

**D. Taking Improvements Forward**

The performance improvement plans must be robust documents which properly address the conclusions of the Best Value reviews and consider all options for service delivery.

We propose that the NOMS regional directors consider whether the proposed changes are appropriate, achievable and sustainable, bearing in mind the unique circumstances of the probation area. In doing this, we propose that they should apply a set of **evaluation criteria** developed by the Ministry of Justice. They would look for evidence that external provision had been considered and that an Equality Impact Assessment had been carried out, if appropriate. These evaluation criteria would allow the regional director to explore the process used in the review, to scrutinise the conclusions drawn and to evaluate the performance improvement plan.

The evaluation criteria would be set out in guidance issued by the centre. They would include the requirement for probation areas to have given full consideration to **Competing** the service. Regional directors may wish to use Audit Control Teams to help them to evaluate the plans against the evaluation criteria, unless those teams had already had a role in carrying out the review. They may also wish to take assurance from any relevant work done by the probation area's external auditor.

In evaluating the performance improvement plan, the regional director should be in regular dialogue with the probation area. That should enable them both to agree on a final performance improvement plan, owned by the probation area, which can be taken forward.

However, in a few cases it may not be possible to reach initial agreement. We propose that, in such cases, NOMS and the Ministry of Justice should facilitate a way forward.

The probation area would then implement the performance improvement plan, whether this involved improvements to in-house service delivery or competing the service. They would monitor its impact, to ensure that service delivery had

improved, that the intended benefits had been realised and that the benefits of implementation had indeed outweighed the costs. Probation areas would also give feedback to NOMS and the Ministry of Justice, which would enable them, if necessary, to update the Best Value framework and national service specifications.

**Questions:**

**13. Do you agree that regional directors should evaluate the draft performance improvement plans, in line with centrally set evaluation criteria? YES/NO**

**Do you have any comments on this?**

## Equality and Diversity

It is important that the Best Value framework addresses all potential equality and diversity issues. We therefore propose that equality and diversity should be embedded in it in the following ways:

- i. National service specifications should include requirements about equality and diversity, where relevant.
- ii. **Consultation** during the Best Value process should include all relevant stakeholder groups. This will ensure that all relevant diversity issues are considered, including those related to disability, age, gender, religion or belief, sexual orientation or race, along with other considerations such as learning disability and fair treatment of offenders and ex-offenders.
- iii. When probation areas are **Comparing** their performance with that of their peers, they should consider equality issues and learn from how their peers address diversity matters.
- iv. During the **Challenge** stage, probation areas should pay particular attention to ensuring that their efforts to achieve Best Value do not impact negatively on diversity. The most efficient delivery option is not always the most effective one for all stakeholders. Equality and diversity issues should therefore be considered – in the form of an Equality Impact Assessment - in performance improvement plans. In scrutinising the plans, regional directors should ensure that this has been considered.
- v. When services are **Competed**, the impact of changes in the service delivery model on the full range of user groups should be assessed.

As with the rest of the framework, further details would be set out in guidance to probation areas issued by NOMS, with the Ministry of Justice.

**Question 14: Do you agree with the proposals for incorporating equality and diversity issues into the framework? YES/NO**

**Do you have any comments on this?**

The Equality Impact Assessment (which is part of the Impact Assessment, included at page 39) sets out more of our thinking on this issue.

## **Competition**

There is more than one successful outcome to a Best Value review. The mark of the successful implementation of Best Value will be performance improvements to service delivery, in terms of economy, efficiency and effectiveness, whether that is through existing service providers or new ones – regardless of sector. Best Value is neutral with respect to contracting out.

Best Value represents a move away from outsourcing targets, and the number or value of services contracted out will therefore not be a success criterion.

But Best Value will enable well-informed, transparent, valid and defensible decisions on whether or not to undertake a competition for services. Services identified through Best Value reviews to have poor performance – below a threshold defined by the Ministry of Justice, working with NOMS – will be expected to be subject to competition<sup>8</sup>, following a cost/benefit analysis of doing so.

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<sup>8</sup> The detail of how the threshold is set will be developed as the framework is finalised.

## **Workforce Matters**

Where a decision is made to contract out services, workforce matters will be considered at each stage of the procurement process: pre-qualification, service specification, invitation to tender and tender evaluation. Probation boards and trusts will have to consider:

- The connection between service quality and the handling of workforce issues. Good quality services depend upon appropriately qualified, skilled and motivated workforces. Neglecting relevant workforce matters in order to drive down costs can have adverse effects on the desired quality and value for money of the service.
- The relevance of equal opportunities to the delivery of contracts.
- The importance of handling the Transfer of Undertakings (Protection of Employment) Regulations 2006 ('TUPE') well, so as to allay any workforce reservations about transferring to new employers.
- The application of the Code of Practice on Staff Transfers in the Public Sector.
- The application of the Cabinet Office Code of Practice on Workforce Matters in Public Sector Contracts.
- The ability of the contractor to manage health and safety.
- The need to consult and share information with staff and Trade Unions at each stage of the procurement process, including inviting recognised Trade Unions to discuss relevant employment issues with short-listed bidders.

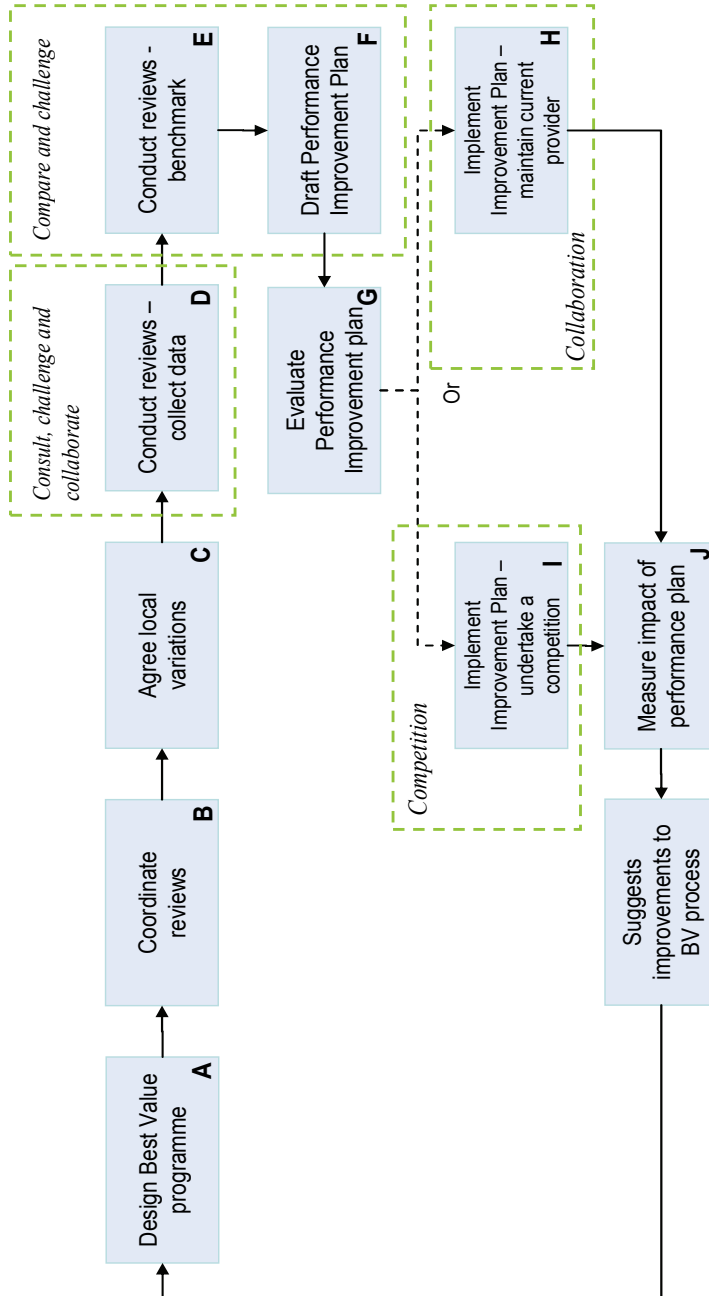
**General Comments**

**15: In general, do you agree that this framework is the right way to implement Best Value? YES/NO**

**Do you have any comments?**

**16: Do you have any further or general comments on our proposals?**

**The flow chart on the next page summarises how the proposed framework would work.**



## Questionnaire

We would welcome responses to the following questions set out in this consultation paper.

1. Do you agree that, **at first**, the National Offender Management Service, for the Ministry of Justice, should select the services to be reviewed by probation areas over three years? Do you have any comments on this?
2. If you agree with question 1, how many services do you think should be reviewed in each year of the programme?
3. If you agree with question 1, do you agree that the services to be reviewed should be selected on the basis of:
  - i. The strategic importance of the service?
  - ii. The potential to increase the effectiveness of the service?
  - iii. The potential to increase the efficiency of the service?
  - iv. The capacity of boards and trusts to review the service?
  - v. The benefits of the review outweighing its costs?
  - vi. And do you think that there are any other criteria which should be considered?
4. If you agree with question 1, which services do you think should be reviewed in the first year and which should be reviewed in the second year?
5. Do you agree that NOMS, with the Ministry of Justice, should make available national service specifications on performance, economy, efficiency and effectiveness for the services to be reviewed? Do you have any comments on this?
6. Do you agree with the aspiration to move over time to a more decentralised model, with regions agreeing with probation areas the services to be reviewed in the region, taking account of national guidance on how to make the selections? Do you have any comments on this?
7. If you agree with question 6, what do you think would be the appropriate point at which to move to a more decentralised model?

**8. Do you agree that NOMS regions should:**

- i. Coordinate the reviews carried out by probation areas in their region, ensuring that they happened at similar times?**
- ii. Negotiate and agree with probation areas any necessary variations to national service specifications?**

**Do you have any comments on this?**

**9. Do you agree with our proposals for the way in which probation areas should conduct the first step (initial data collection) of the Best Value reviews? Do you have any comments on this? [See pages 23-24 of this document]**

**10. Do you agree that probation areas should make the initial data from their Best Value reviews available to NOMS and that it should be collated and made available to all probation areas to enable comparison? Do you have any comments on this?**

**11. Do you agree with the proposals for the way in which probation areas should challenge their delivery of the service? Do you have any comments on this? [See page 25 of this document]**

**12. Do you agree with the proposals for performance improvement plans? Do you have any comments on this? [See page 26 of this document]**

**13. Do you agree that regional directors should evaluate the draft performance improvement plans, in line with centrally set evaluation criteria? Do you have any comments on this?**

**14. Do you agree with the proposals for incorporating equality and diversity issues into the framework? Do you have any comments on this? [See page 29 of this document]**

**15. In general, do you agree that this framework is the right way to implement Best Value? Do you have any comments on this?**

**16. Do you have any further or general comments on our proposals?**

**There is a Word questionnaire – which can be returned electronically - published online with this document.**

**Thank you for participating in this consultation exercise.**

## About you

Please use this section to tell us about yourself

<b>Full name</b>	
<b>Job title</b> or capacity in which you are responding to this consultation exercise (e.g. member of the public etc.)	
<b>Date</b>	
<b>Company name/organisation</b> (if applicable):	
<b>Address</b>	
<b>Postcode</b>	
If you would like us to acknowledge receipt of your response, please tick this box	<input type="checkbox"/> (please tick box)
Address to which the acknowledgement should be sent, if different from above	

**If you are a representative of a group**, please tell us the name of the group and give a summary of the people or organisations that you represent.

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## How to respond

Please send your response by 2 July 2008 to:

**Jon Neville**  
**Commercial and Competitions Unit (CCU)**  
**National Offender Management Service**  
**3<sup>rd</sup> Floor, Fry**  
**2 Marsham Street**  
**London**  
**SW1P 4DF**

**Tel: 020 7035 4930**  
**Fax: 020 7035 4844 (f.a.o. Jon Neville)**  
**Email: [bestvalueconsultation@justice.gsi.gov.uk](mailto:bestvalueconsultation@justice.gsi.gov.uk)**

### Extra copies

Further paper copies of this consultation can be obtained from this address and it is also available on-line at <http://www.justice.gov.uk>.

Alternative format versions of this publication can be requested from [bestvalueconsultation@justice.gsi.gov.uk](mailto:bestvalueconsultation@justice.gsi.gov.uk) or 020 7035 4930.

### Publication of response

A paper summarising the responses to this consultation will be published by 2 October 2008. The response paper will be available on-line at <http://www.justice.gov.uk>.

### Representative groups

Representative groups are asked to give a summary of the people and organisations they represent when they respond.

### Confidentiality

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you

could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Ministry.

The Ministry will process your personal data in accordance with the DPA and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

## **Impact Assessment:**

The following pages contain the consultation stage Impact Assessment for this policy, including the initial Equality Impact Assessment.

<b>Summary: Intervention &amp; Options</b>		
<b>Department /Agency:</b> National Offender Management Service, Ministry of Justice	<b>Title:</b> Impact Assessment of Best Value in Probation	
<b>Stage: Consultation</b>	<b>Version: 7</b>	<b>Date: 31 March 2008</b>
<b>Related Publications: The public consultation on Best Value, earlier in this overall document</b>		

**Available to view or download at:**

<http://www.justice.gov.uk>

**Contact for enquiries: Andrew Lewis**

**Telephone: 020 7035 4921**

**What is the problem under consideration? Why is government intervention necessary?**

Probation faces rising demands on its services whilst also needing to deliver efficiency savings. Left unchallenged, probation areas may not have incentives to innovate and reduce their cost base. The Government must ensure that probation areas have a focus on producing their desired outcomes more efficiently and effectively. It must ensure that probation delivers value for money to the taxpayer. This will help to ensure improved outcomes for offenders, reduce re-offending and assist public protection.

**What are the policy objectives and the intended effects?**

To improve the efficiency and effectiveness of probation services and provide value for money to the taxpayer. The intended effects are:

- Better value for money for the taxpayer in the delivery of probation services.
- Greater efficiency and reduced costs.
- Improved service delivery.
- More effective and efficient outcomes for offenders.
- As a result, reduced re-offending and, thereby, public protection.

**What policy options have been considered? Please justify any preferred option.**

During the passage of the Offender Management Bill through Parliament, Ministers signalled a move away from a target-based outsourcing regime to a model based on best value principles, in which the eventual provider would be the one which delivered the best value, whichever sector it came from. There is therefore limited scope for considering other options and the 'do nothing' option is included here as a benchmark against which to assess Best Value.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

The policy will first be reviewed substantively at the end of the first full financial year of its operation.

**Ministerial Sign-off** For consultation stage Impact Assessments:

*I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.*

Signed by the responsible Minister:

.....

Date:

<b>Summary: Analysis &amp; Evidence</b>			
<b>Policy Option: Best Value</b>		<b>Description: Best Value reviews by probation areas, based around comparison, challenge, consultation, collaboration and competition.</b>	
<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' <ul style="list-style-type: none"> <li>Costs for probation areas (staff and expenses) of carrying out reviews.</li> <li>Costs for NOMS centrally (staff, training, production of documents, other expenses).</li> </ul>
	<b>One-off</b> (Transition)	<b>Yr</b> <b>s</b>	
	<b>£ 200,000</b>	1	
	<b>Average Annual Cost</b> (excluding one-off)		
	<b>£ 1.7 million</b>		<b>Total Cost (PV)</b> <b>£</b>
Other <b>key non-monetised costs</b> by 'main affected groups' Costs of implementing the outcomes of the Best Value reviews (staff and other), costs of competitions, costs for NOMS regions.			
<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups' We estimate that there would be £17.1 million savings <b>over three years</b> . Please see the evidence base for a description of why the calculation is being made in this way. The benefits would take the form of efficiency savings resulting from Best Value reviews.
	<b>One-off</b>	<b>Yr</b>	
	<b>£</b>		
	<b>Average Annual Benefit</b> (excluding one-off)		
	<b>£</b>		<b>Total Benefit (PV)</b> <b>£</b>
Other <b>key non-monetised benefits</b> by 'main affected groups' Better value for money for taxpayers, improved service delivery, better outcomes for offenders, reduced re-offending. These all derive from the improvements resulting from the Best Value reviews.			
<b>Key Assumptions/Sensitivities/Risks</b> There is a risk that the system would put the current provider at an advantage, as there is no requirement to compete a service after a certain time. This risk will be mitigated through the requirement to prove value against the market.			
Price Base Year	Time Period Years	<b>Net Benefit Range (NPV)</b> <b>£</b>	<b>NET BENEFIT (NPV Best estimate)</b> <b>£</b>

What is the geographic coverage of the policy/option?	England and Wales			
On what date will the policy be implemented?	Summer/Autumn 2008			
Which organisation(s) will enforce the policy?	Ministry of Justice			
What is the total annual cost of enforcement for these organisations?	£ Included above			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	N/A			
What is the value of the proposed offsetting measure per year?	£			
What is the value of changes in greenhouse gas emissions?	£ N/A			
Will the proposal have a significant impact on competition?	Yes			
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	No	No	N/A	N/A
<b>Impact on Admin Burdens Baseline</b> (2005 Prices) (Increase - Decrease)				
Increase of	£	Decrease of	£	<b>Net Impact</b> £
Key:	Annual costs and benefits: Constant Prices		(Net) Present Value	

## Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

### Background

Probation services are delivered by 42 probation boards and trusts across England and Wales, organised into ten regions (defined so as to include Wales) and coordinated by the National Probation Service (NPS). It supervises offenders in the community – those subject to a court order (about 70%) and those released on licence from prison (about 30%). The NPS's annual budget has been in the region of £860 million and it employs about 20,000 staff. At any one time, it is supervising about 200,000 adult offenders in the community and, each year, it commences the supervision of about 175,000 offenders. Its responsibilities include:

- Supervising community orders (which may involve, for example, unpaid work, curfews or drug rehabilitation). For example, each year, probation will find and supervise about 8 million hours of unpaid work by offenders in local communities.
- Preparing pre-sentence reports (about 250,000 each year) for the courts.
- Working with the victims of violent or sexual crime where the offender has been sentenced to a year or more in prison.
- Arranging approved premises to accommodate, for example, offenders released from custody. There are 100 approved probation hostels.<sup>9</sup>

### The Driver for Change

Probation is a public service, although the boards and trusts may outsource services to private and third sector providers. Probation faces a situation in which it both faces increasing demands on its services and must deliver efficiency savings of 3% a year until 2011. Probation areas need to have an incentive to produce their desired outcomes more effectively and efficiently. As probation services are funded by the taxpayer, the Government must ensure that its providers deliver the maximum value for money and provide services which achieve the greatest possible efficiency and effectiveness. The Government is committed to delivering cost effective and efficient probation services which deliver real results for offenders, reduce re-offending and deliver benefits for the taxpayers who fund the service.

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<sup>9</sup> For further details, please consult the National Probation Service website – [www.probation.homeoffice.gov.uk](http://www.probation.homeoffice.gov.uk).

In 2007/08, probation boards have been required to meet a target of outsourcing 10% of services, in an attempt to improve the level of competition and improve outcomes for offenders. During the passage of the Offender Management Bill through Parliament, Ministers signalled a move away from a target-based outsourcing regime to a model based on best value principles, in which the eventual provider would be the one which delivered the best value, whichever sector it came from.

In light both of this and the need to ensure that service delivery represents value for money, a Best Value regime will be introduced into probation. We will be assessing a 'do nothing' option in order to provide a baseline against which to assess the Best Value policy. The type of best value regimes that could be implemented are discussed below.

### **The Local Government Angle**

The Best Value system, assessed in this Impact Assessment, is inspired by the regime of the same name which operated in local government from April 2000, consequent to the Local Government Act 1999. Although there are several differences between our proposed model and the local government one, there are a number of similarities, and the costs and benefits realised as a result of the local government regime will therefore give some indication of the potential effects of a Best Value system in probation.

There does not appear to be any systematic, national cost/benefit profile of the local authority best value regime. The relevant literature does, however, contain a number of indications about how the benefits measured against the costs. It is clear that many local authorities found the best value regime to represent a significant resource burden. As the Audit Commission commented in 2001, *'[Best Value Reviews] can be long, difficult and resource intensive projects. It is important that councils plan how to maintain momentum once the review phase is completed.'*<sup>10</sup> In another report from the same year, 95% of the local authorities surveyed commented that they found implementing best value to be a major challenge.<sup>11</sup> A report two years later noted that best value led to an increase in bureaucracy.<sup>12</sup> Staff time was a key

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<sup>10</sup> 'Changing Gear – Best Value Annual Statement 2001', Audit Commission, September 2001, p.25.

<sup>11</sup> 'Best Value in English Local Government – Summary Results from the Census of Local Authorities in 2001 – report prepared for the [then] Office of the Deputy Prime Minister by G. Enticott, R.M. Walker, G.A. Boyne, S. Martin and R. Ashworth, on behalf of the Cardiff Business School based Research Team, section 3.2

<sup>12</sup> 'Evaluation of the long-term impact of the Best Value regime: Baseline report (Executive Summary)' – Cardiff University/Centre for Local and Regional Government Research, May 2003, p.viii.

resource and many staff had commented that best value had led to a substantial increase in their workload.<sup>13</sup>

Some of these high costs derived from the particular ways in which councils carried out their activities. The 'compare' part of best value could be cost-heavy, as councils looked to find appropriate data against which they could compare themselves.<sup>14</sup> In addition, many local authorities, at least at first, tended to review too many services at once, resulting in high costs and greater difficulty in realising benefits.<sup>15</sup> The simultaneous implementation of actions resulting from best value reviews and the execution of new reviews could lead to overstretch.<sup>16</sup> Finally, the inspection process was considered to introduce a significant cost.<sup>17</sup>

Best value reviews did still lead to efficiency savings. The Audit Commission judged in 2001 that half of the best value reviews that had been done would 'definitely' or 'probably' lead to better services.<sup>18</sup> Another study from the same year judged that many reviews had led directly to service improvements and/or cost savings. 24% of the councils surveyed reported total savings of less than £150,000, 29% saved between that figure and a million and 12% reported even greater savings, although 35% reported no savings at all.<sup>19</sup> In a later evaluation report, it was judged that 42 of the 61 best value reviews studied had led to the introduction of significant organisational change.<sup>20</sup> For example, as illustrated in the earlier report, the London Borough of Lewisham made savings of £500,000 in its revenues and benefits service.<sup>21</sup> Other service improvements, not necessarily expressed in terms of cost efficiencies,

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<sup>13</sup> 'Improving Public Services: Evaluation of the Best Value Pilot Programme – Final report – Executive Summary' – Local Government Centre, Warwick Business School, University of Warwick, for the [then] Department of the Environment, Transport and the Regions, January 2001, p.13.

<sup>14</sup> 'Changing Gear', p.19.

<sup>15</sup> For example: *Ibid.*, p.13.

<sup>16</sup> 'Improving Public Services', p.7.

<sup>17</sup> For example, 'Summary Results', section 3.5.

<sup>18</sup> 'Changing Gear', p.7.

<sup>19</sup> 'Improving Public Services', p.6.

<sup>20</sup> 'The long-term evaluation of the Best Value regime: Final Report' – Centre for Local and Regional Government Research, Cardiff University, for the Department for Communities and Local Government, November 2006, p. 56.

<sup>21</sup> 'Improving Public Services', p.6.

were often made. For example, Surrey County Council improved its use of community buildings through joint caretaking arrangements.<sup>22</sup>

Evaluation of the costs and benefits therefore varies. 45% of those surveyed in a 2001 report believed that the gains from the reviews would outweigh the costs of implementing Best Value. The report also stated that many of the costs were set-up costs which should diminish over time.<sup>23</sup> But there is no evidence that this was the general experience and the cost burden does appear to have been considerable.

### **Proposal**

Here, we will provide a cost-benefit analysis of the main proposal, and indicate how it changes for two variations on that proposal.

That proposal is to introduce a Best Value system into probation. This draws in part upon the local government model, but it is also specifically tailored to probation. It would be based around five 'C's – consult, compare, challenge, collaborate and, where appropriate, compete.

The process would work as follows:

- i. At first, the National Offender Management Service (NOMS), for the Ministry of Justice, would set centrally a three-year work programme of reviews. For each one of the three years, NOMS would select services which had to be reviewed by probation boards and trusts. The selection of a service would be made taking into account its strategic importance, the potential to increase its effectiveness, the potential to increase its efficiency, the capacity of probation areas to carry out reviews of it and the likely costs and benefits associated with reviewing it. NOMS, with the Ministry of Justice, would also issue national specifications for the services reviewed, consistent with Service Level Agreements, contracts and national standards. We would in due course seek to move to a system in which NOMS regions selected the services to be reviewed, although they would need to have regard to national guidance in making that choice.
- ii. NOMS regions would direct and coordinate the regional programme of reviews. Where necessary, they would also negotiate with probation areas appropriate regional modifications to the national service specifications.
- iii. Individual probation areas would then carry out reviews. At first, they would collect various items of data to enable them to challenge themselves on how they were providing the service. They would

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<sup>22</sup> *Ibid.*, p.5.

<sup>23</sup> *Ibid.*, p.6.

supply this data to the NOMS centre (subject to considerations of commercial confidentiality) to create a national pool of data, and NOMS would then supply it to all other probation areas, to enable them then to benchmark their performance against that of their peers. Probation areas would then further challenge their service delivery and, on the basis of this, would write a performance improvement plan, which would describe the way in which they intended to improve their services in the light of the reviews. Consideration would have to be given to competing the service.

- iv. NOMS regions would scrutinise these plans, using a standard set of evaluation criteria, and agree a final performance plan with the probation area which both sides agreed to be robust. In cases of disagreement, the centre would facilitate a way forward. The probation area would then implement the performance improvement plan, and monitor that implementation.

Further details can be found in the consultation document, earlier in this overall document.

Implementation would probably be during Summer/Autumn 2008; the precise date will depend upon the outcome of the consultation process.

### **Consultation**

This proposed model has been subject to significant informal consultation, with probation providers, Trade Unions and other stakeholders, as well as within government. It is also now the subject of a twelve-week public consultation, which is being notified to interested stakeholders, announced to the press and displayed on our public website.

### **Costs and Benefits**

The main **costs** of the proposed Best Value process in probation are set out below.

#### *Local*

1. Staff time of those of the probation areas' staff who are involved in the review process. This cost may be taken on within existing resource, although this would depend upon capacity. There is a cost in releasing operational staff to do the work and, if appropriate, in backfilling those staff costs. Probation areas might choose to take on new staff to do the reviews, but the policy intention is that the review work should be fitted into existing management processes. They would have significant discretion in how they chose to carry out the reviews.
2. Direct, non-staff costs for the probation area of carrying out the reviews. The most likely direct cost is in consultation – for example, probation areas

might choose to carry out surveys, which could involve direct expenditure. There might be publicity costs related to this.

An initial estimate can be made of the costs associated with 1 and 2. As at 30 June 2007, four of the 42 probation areas (Greater Manchester, London, West Midlands and West Yorkshire) had more than 1000 staff. These figures have yet to be published and may be subject to minor amendment upon publication. It is likely that Best Value reviews in areas with fewer than 1000 staff would involve a quarter of the time (although possibly concentrated as all the time in a quarter of the year) for two staff members. They would be likely to be a Band 5 (middle manager) and a Band 3 (administrative support). Band 5s are paid about £35,000, and Band 3s about £25,000, annually, so the relevant staff costs for a quarter of their time would be £15,000. With £15,000 of expenses to conduct a review process, and, accounting for a 30% rise in staff costs to account for pensions and employers' national insurance contributions, the review process would cost £34,500 for such a probation area. Probation areas with more than 1000 staff would be likely to need three people to conduct reviews, as a greater number of staff will correspond to a greater workload requiring review. This would probably be a Band 5 and two Band 3s, again both working for a quarter of their time on Best Value. With £20,000 expenses and the same 30% rise, the reviews would cost them £47,625. The overall direct cost to probation areas of the process is therefore estimated to be £1.5015 million. All of the staff capacity figures involved are estimates and would be likely to vary between probation areas.

The reviews are likely to call on the time of other staff who may contribute to the review process in various ways. This would be difficult to quantify.

3. Staff time of those of the probation areas' staff who are involved in implementing the performance improvement plans. The actions involved depend both on the content of the plan and on the unique circumstances of the probation area, so it is difficult to be more specific. However, this should be part of any normal management or delivery activity.
4. Direct, non-staff costs for the probation area of implementing the performance improvement plans.

As the nature of the improvements would be different in each case, it would be very difficult to try to quantify 3 and 4.

5. If and when agreed performance improvement plans lead to the competition of services, there would be costs in running the competitions and in the organisational changes associated with changing service providers. It would be difficult to try to quantify this – it will depend on the number of competitions, which will be dependent on the outcomes of the Best Value reviews. The processes and costs of competitions would be likely to differ across the country.

### *Regional*

6. The NOMS regional offices (defined so as to include the equivalent in Wales) would have to invest resources in coordinating the national work programme of reviews, negotiating regional amendments to the national specifications and scrutinising performance improvement plans. However, as these offices are currently reorganising, it would be difficult to estimate costs at this stage.

### *National*

7. The centre would have a number of roles in the course of the process: setting the national work programme(s), issuing national specifications, producing and circulating guidance, analysing and issuing benchmarking data, and resolving any disagreements between regional directors and probation areas about performance improvement plans. The role would be more onerous than that of the regional directors. Many of these tasks would not be simple, but would require analysis and/or research, especially the selection of services to be reviewed, analysis of benchmarking data and the issuing of national specifications.

However, unlike the local and regional levels, it is likely that a dedicated central team would be established within the (reorganised) NOMS, to take on all of these functions. This might potentially include a Grade 7, two Higher Executive Officers and one Executive Officer (all of them full-time) and a third of the time of a full-time Grade 6. Accounting for a 30% rise in staff costs to account for pensions and employers' national insurance contributions, and including the expenses of their work, the likely cost of this team would be about £200,000 *per annum*, based on general salary ranges for staff of those grades. The costs of their work (as reflected in the number of staff needed and associated costs) would most likely vary over time. Far greater resources would be needed at first, as initial processes, guidance and data were assembled and when probation areas needed more guidance on the process. If there were a succession of three-year national work programmes, there would be cost hikes every three years.

8. There are also likely to be national non-staff costs in the first year of the regime's operation. We have estimated that training and workshops would cost £100,000, the production and distribution of a guidance manual for probation areas, £25,000, the production of standardised documentation to assist probation areas, £20,000, and other miscellaneous costs, £50,000; this creates a total of £195,000.

The quantifiable annual costs are therefore estimated to be £1.7015 million. To avoid a greater degree of accuracy than the data supports, £1.7 million is the estimate. The specific set-up costs would be £195,000 – again, to avoid inappropriate accuracy, £200,000 would be a more appropriate figure.

However, these do not include the unquantifiable costs related to the implementation of the reviews. In view of the limited quantitative data at this stage, it would be more appropriate to estimate an overall Net Present Value figure at the stage of the final Impact Assessment.

The main **benefits** of the Best Value process are harder to specify, not least as the market for probation services is in its infancy. In general, Best Value reviews are intended to lead to more efficient delivery and to cost savings. Competing services may result in efficiencies. And collaborative provision – delivering services across organisational boundaries – is likely to lead to economies of scale.

A well specified Best Value framework and process should also incentivise providers (public, private or voluntary) to focus on achieving better performance improvement and ensuring better outcomes for offenders.

An initial quantitative estimate can be made. The annual budget of probation has been in the region of £860 million, of which interventions represent about one third (about £287 million). If all interventions were subject to Best Value review over a three year period, £95 million (one third of £287 million) of expenditure would, on average, be reviewed each year.

If efficiency savings of, for example, 3% (the figure from the previous value for money regime) were delivered by each year's Best Value reviews, we would anticipate savings of about £2.85 million nationwide (3% of £95 million). The savings relating to each Best Value review would be delivered annually. This means that, against an initial baseline set at the start of the work programme, there would be the following savings:

- In year 1, about £2.85 million savings would be made, relating to services reviewed in the first year of the Best Value work programme.
- In year 2, about £5.7 million savings would be made, of which:
  - £2.85 million would relate to the services reviewed in the second year.
  - An additional £2.85 million would relate to services reviewed in the first year - as the efficiency improvements made as a result of those reviews would remain in place.
- In year 3, about £8.55 million savings would be made of which:
  - £2.85 million would relate to the services reviewed in the third year.
  - An additional £5.7 million would relate to services reviewed in the first and second years - as the efficiency improvements made as a result of those reviews would remain in place.

So over a three year period we would anticipate total national savings of £17.1 million (a total of £2.85m, £5.7m and £8.55m) against the initial baseline. However, these are only estimates at this stage.

There are also likely to be non-quantifiable benefits – for example, improved service delivery and reduced re-offending.

Owing to the nature of the Best Value process costs are likely to accrue in the earlier stages, whereas benefits will be realised over time. As with most new systems of this nature, we expect that, over time, costs will reduce as probation areas and NOMS itself become more efficient in its operation.

## **Other options**

### **1. Do nothing**

This would involve having no formal, national efficiency regime within probation. Without an efficiency regime probation areas do not have the potential incentives to innovate, reduce costs, or improve the quality of service delivery. Probation areas are now free to implement efficiency measures of their choosing. In some cases, probation areas have recently carried out their own best value-style reviews; however, there is not yet a cost-benefit analysis of these.

### **2. Best Value – greater regional role**

A variation on the main proposal would see greater involvement at the regional level. Our main proposal, as already assessed, is for NOMS to set a three-year work programme at first, but, over time, to decentralise responsibility to the regions. In this option, the regions would, from the start, choose the services that their probation areas were to review, following guidance set by the NOMS centre.

If responsibility for selecting the services to be reviewed were devolved to the regions, there would be a significant diminution of central costs. NOMS would no longer have to set the work programme or analyse and issue benchmarking data. Since those are the most resource-intensive of the central tasks, there would be a significant fall in central work and costs. NOMS would still issue guidance on how to select services to be reviewed, issue more general guidance and retain an overall governance/oversight role, but this would represent a far smaller amount of work (and money) than in the previous model.

Some of the associated costs would be transferred to the regions. In turn, this is likely to be passed on in terms of increased prices to NOMS if the service under review is run by the private or third sector. Regions would now need to select the services to be reviewed, but, as they would be able to call both on the national guidance and on their own existing, detailed, knowledge of local circumstances, this would be a far less onerous and cost-heavy process than

it would be for the centre. A more significant cost for probation areas/regions would be seeking out the data against which to compare themselves. As described for the local authority regime, this can be a significant expense. However, it is likely that there would still be overall cost savings.

However, it is likely that the benefits realised would be much lower. The difficulty of adapting to a new performance system, without national guidance in the early years on how to carry it out, and with less effective enforcement levers, would mean that the reviews would be less likely to produce improvements. Peripheral rather than core services might be reviewed and benchmarking would be more difficult. As ever, it is very hard to be precise about benefits, but the potential reduction in benefits would be likely to outweigh the cost savings.

### **3. Best Value – greater central role**

Again, this is a slight variation on the main proposal. It would involve the NOMS centre maintaining all of its roles indefinitely. All of the costs associated with the central role would be maintained. There would probably also be a reduction in benefits. Although a certain degree of central direction is necessary at first while the culture embeds, its continuation would be likely to prove counter-productive. Best Value would be likely to become a process- and compliance-driven system, and there would be less local innovation. Staff would be less motivated and would produce poorer-quality reviews which would be less likely to realise benefits.

#### **Overall analysis**

From studying both the local government model, and the proposed Best Value framework, it is clear that Best Value is a process which *can* realise significant net benefits, but only if it is properly structured. Otherwise, the increased burden placed on both probation areas and NOMS may create excessively high costs that would outweigh the benefits.

Judging the precise costs and benefits is very difficult, as the market for probation services is undeveloped and will be the subject of great regional variation. In the absence of a better quantitative model, the way to ensure that Best Value leads to net benefits is to structure the model so that that is the most likely result. We have therefore introduced a number of safeguards to avoid a cost-heavy model.

- i. A key factor in deciding which services to select for the work programme would be whether the benefits would be likely to outweigh the costs.
- ii. In the performance improvement plans, probation areas would be required to set out the expected costs and benefits of implementing the plan. This would avoid the implementation of actions which brought no net benefit. The scrutiny of the plan by regional directors would provide a layer of assurance. This judgement would encompass only

those costs associated with implementing the plans, not those associated with the review process.

- iii. In the monitoring of the implementation of the performance improvement plan, probation areas would be required to consider not only whether performance had improved, but whether the benefits of Best Value had outweighed its costs. This would account for costs throughout the process and would inform feedback to NOMS. It should therefore influence the way in which Best Value operated in the future.

In addition, our model avoids some of the problems which led to high costs for local authorities:

- i. Probation areas would not have to spend a lot of money finding relevant data – it would be provided to them. By the time that more responsibility had been devolved from the centre, they would have a better idea where to look.
- ii. The scrutiny/inspection process would not be onerous.
- iii. Probation areas would not be in the situation where they reviewed too many services.

All of this should help to ensure that the benefits of Best Value do outweigh the costs, rather than *vice versa*.

Our preferred option is the one set out under the Proposal section – initial central direction, leading to greater decentralisation. However, we are fully open to the two variations on this.

### **Competition Assessment**

The introduction of Best Value replaces the previous performance indicator which required probation boards to sub-contract an agreed percentage (10% in 2007/08) of their business. There was therefore a requirement that a certain amount of business would be sub-contracted although there was a lack of clarity and consistency on what would be sub-contracted.

Best Value is 'outcome neutral'. It is more than a simple make or buy mechanism and is intended to improve economy, efficiency and effectiveness, irrespective of whether services are delivered by the public, private or third sector. Best Value is not intended to be a process-compliance procedure. However, a Best Value regime may deliver significant improvements in probation services without the need for competition.

Best Value would initially be based on a three-year, nationally agreed programme of reviews, which means that the same services would be subject to review during the three-year period. It will require probation boards and trusts to challenge and compare – amongst other things – how the services

are delivered. The challenge and compare process will lead to serious consideration about the use of competition to deliver the required service improvements. This should, in turn, lead to a number of competitions – some involving in-house bid teams – for the services under review.

In addition, probation boards and trusts identified through Best Value reviews to demonstrate poor performance – below a market threshold – will be expected to be subject to competition.

The Best Value regime is not intended to limit directly or indirectly the number or range of suppliers. We will introduce national specifications for each service which the probation board or trust will be expected to meet, whether or not they choose to contract out the service. All suppliers should be able to compete vigorously for all services which are subject to competition.

In the initial years there may be a number of factors which limit the amount of services which are contracted out. However, these are the capacity and appetite of potential new suppliers, which are not specific to Best Value. The capacity is whether there is an existing market and the ability of that market to meet the service provision requirements. The appetite is the interest of the market to compete for these new services.

All competitions for services would be managed in accordance with the NOMS Commercial Operating Framework and the NOMS Competitive Neutrality Principles.

### **Impact on Specific Sectors**

The direct impact of these proposals will fall only upon the public sector. This includes the role of the probation areas in carrying out and implementing the reviews, but also the roles of the NOMS centre and regions. Most probation services are provided by the public sector – probation boards and trusts – and, where they are sub-contracted out, it would be the probation board or trust in the area which actually carried out the Best Value review.

There may be an indirect impact on the independent sector – largely the third sector, which tends to be the recipient of probation outsourcing contracts. Probation areas would require any sub-contractors to participate in and contribute towards the reviews. They could do so, for example, through a requirement in new contracts and Service Level Agreements (SLAs). Where there are existing contracts and SLAs, providers would be encouraged to follow the framework to demonstrate transparently their efficiency and effectiveness relative to other providers and to the wider market. However, this is unlikely to be an onerous burden, and would not be significantly different to the obligations which sub-contractors currently have – for example, in providing information.

Best Value may lead to competition for probation services. This could provide advantages to independent sector providers, who might have new opportunities to compete for services, but also disadvantages, as there could be competition for services which they currently deliver. If a service is

competed as it currently exists, the value, size and complexity of the service will mean that it would be difficult for small organisations to compete and deliver these services as a single bidder.

During a Best Value review a probation board or trust should challenge and compare how services could be delivered more effectively. It may be that, in order to deliver a more effective service, it is more appropriate to involve a number of specialist service providers in partnership than to use a single supplier for the entire service. This could provide opportunities for small organisations to compete for these specialist services.

We have engaged several times with third sector organisations in advance of the public consultation, and are consulting them as a part of the public consultation.

## Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

**Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.**

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment	Yes	No
Small Firms Impact Test	Yes	No
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	Yes	Yes
Disability Equality	Yes	Yes
Gender Equality	Yes	Yes
Human Rights	No	No
Rural Proofing	No	No

## Annexes



Ministry of  
**JUSTICE**

**NOMS** National Offender  
Management Service  
Working together to reduce re-offending

### **BEST VALUE IN PROBATION - EQUALITY IMPACT ASSESSMENT**

#### **Part 1 - INITIAL ASSESSMENT**

1. Officer(s) & Unit responsible for completing the assessment:

Andrew Lewis, working to the System Architecture Programme within the National Offender Management Service (NOMS)

2. Name of the policy, strategy, function or project:

Policy: Best Value in Probation

3. What is the main purpose or aims of the policy, strategy, function or project?

To ensure that probation services are delivered with value for money and to the optimum economy, efficiency and effectiveness. The intended effects are:

- Better value for money for the taxpayer in the delivery of probation services.
- Greater efficiency and reduced costs.
- Improved service delivery.
- More effective and efficient outcomes for offenders.
- As a result, reduced re-offending and, thereby, public protection.

4. Who will be the beneficiaries of the policy/strategy/function/project?

The public – they will receive better value for money in the provision of probation services.  
Offenders – they may receive higher quality services.

5. Has the policy/strategy/function or project been explained to those it might affect directly or indirectly?

Meetings have already taken place with a number of stakeholders in the public and third sectors, as well as within the National Offender Management Service and elsewhere in government. There will also be a public consultation process (see question 6, below), including stakeholder meetings.

6. Have you consulted on this policy/strategy/function/project?

There has already been informal consultation (see above) and there will be a twelve-week formal, public consultation. This will reach specific stakeholders and the public at large. It is inevitably harder to reach offenders themselves, but the consultation will be sent to those organisations both inside and outside government who are concerned with their interests.

7. Please complete the following table and give reasons/comments for where:

- (a) The policy/strategy/function/project could have a positive impact on any of the diverse groups or contributed to promoting equality of opportunity and improving relations between groups.
- (b) The policy/strategy/function/project could have a negative impact on a diverse group, i.e. disadvantage them in any way.

Diverse Group	E.g. of positive impact	E.g. of negative impact	Reason/comments
Men	Potential service delivery improvement	N/A	See free text section at the end
Women	Potential service delivery improvement	N/A	See free text section at the end

Asian or Asian British people	Potential service delivery improvement	N/A	See free text section at the end
Black or Black British people	Potential service delivery improvement	N/A	See free text section at the end
White people (including Irish people)	Potential service delivery improvement	N/A	See free text section at the end
Chinese people	Potential service delivery improvement	N/A	See free text section at the end
Any other racial/ ethnic group (please specify)	Potential service delivery improvement	N/A	See free text section at the end
Mixed Race people	Potential service delivery improvement	N/A	See free text section at the end
Disabled People (please give details as to which group)	Potential service delivery improvement	N/A	See free text section at the end
Gay, lesbian and bisexual people	Potential service delivery improvement	N/A	See free text section at the end
Transgender people	Potential service delivery improvement	N/A	See free text section at the end
Older people (50+)	Potential service delivery improvement	N/A	See free text section at the end



**NOTE: Evidence must be listed in questions 5 – 10 to show why a decision was made to not go on to a full impact assessment**

**Free text section**

The full impact assessment depends in part upon the results of the public consultation. It will therefore be included in the published document which responds to that consultation.

Best Value is a new mechanism within probation, so there is little material which could provide information about the specific effects that it would be likely to have upon that sector. We have therefore carried out research into the best value regime in local government, which inspired and helped to inform this policy.

A number of documents relating to the local government best value regime were therefore consulted. The following had substantive material about equality and diversity:

1. 'Improving Public Services: Evaluation of the Best Value Pilot Programme – Final report' – University of Warwick for the Department of the Environment, Transport and the Regions – January 2001.
2. 'Use of Local Performance Indicators in the Best Value Regime – Final Report' – Department for Transport, Local Government and the Regions – December 2001.
3. 'Best Value and the Two-Tier Workforce in Local Government' – Best Value Intelligence Unit, UNISON – January 2002.
4. 'Equality and Diversity' – Audit Commission – May 2002.
5. 'Local authorities' experience of carrying out DTLR Best Value surveys – A report for the Office of the Deputy Prime Minister by Quantitative Methods Applied to Surveys at the Office for National Statistics' – ed. O. Rowlands, Office for National Statistics, October 2002.
6. 'Guidance on Equalities, Best Value, Community Planning and Power of Well-Being' – September 2003 [guidance to Scottish local authorities on the Scottish local government best value regime].
7. 'Local Government Act 1999: Part 1 - Best Value and Performance Improvement' – Office of the Deputy Prime Minister Circular 03/2003 – March 2003 (and Addendum to Annex C – December 2003).

8. Guidance relating to Best Value on the IdEA website.
9. 'The Equality Standard for Local Government – Frequently Asked Questions: Fact Sheet' – summary document for local authorities with sections to be filled in by each of them.

This documentary research was supplemented by consultation with colleagues in NOMS.

The following themes relating to equality issues emerged from this research:

- The consultation part of the Best Value reviews should involve full consultation with equalities groups.
- The Best Value reviews should measure the relevant organisation's performance on equalities issues.
- If Best Value reviews lead to the contracting out of a service, it should be ensured that contractors will comply with equalities policy and law, and that they follow good equal opportunities practices.
- If Best Value reviews lead to the contracting out of a service, long-term changes in workforce profile could have impacts on particular groups.
- Generally, equality issues should be mainstreamed within Best Value.

None of this research has suggested that the Best Value policy – the framework for the reviews and the reviews themselves – will have a direct impact on the groups specified in question 7. The points above relate to the delivery of the policy, in the form of actions resulting from the reviews – see below. It is therefore our view that there will be no impact as a result of the policy on the groups listed in question 7.

However, Best Value reviews will generally lead to changes in service delivery – be that reforms by a provider to its own practice, or competition. This is distinct from the policy. It is at this point that Best Value may have an impact on the groups listed in question 7, in that the reviews might lead to improved outcomes for them (see question 8). It is this factor which makes it appropriate to carry out a full impact assessment.

It would be impossible to assess exactly what those effects would be prior to the actual completion of the Best Value reviews. This would require an appreciation of all of the possible individual consequences which could result from all the reviews done across England and Wales. This is dependent on the unique circumstances of each probation area.

Instead, the policy should be structured so as to ensure that those individual equality consequences are discovered and taken into account at the local level. That is where they can be identified and dealt with most effectively. Taking into account the equality issues from the local government best value

regime, listed in the five bullet points above, we have therefore structured the proposed Best Value framework so as to ensure that this local consideration happens. We are proposing the following measures as part of the framework.

1. The national service specifications which NOMS issues to those conducting Best Value reviews will incorporate equality and diversity considerations.
2. Consultation within the Best Value review process should include all relevant stakeholder groups, to ensure that all relevant diversity issues are considered.
3. When, in the course of the Best Value review process, probation areas are comparing their performance with that of their peers they should seek to learn from how other providers address diversity matters.
4. During the challenge stage of Best Value reviews, providers should pay particular attention to ensuring that their efforts to achieve Best Value do not impact adversely on diversity.
5. Performance improvement plans will need to include an equality impact assessment, which will ensure that any significant service change, including contracting out, takes into account equality and diversity considerations. When scrutinising the performance improvement plans, regional directors will check that this has been done.

This would be further specified in guidance issued by NOMS.

This should all ensure that proper consideration is given to individual equalities issues at the local level.

For further details on the proposed framework, see the consultation document, earlier in this overall document. Page 29 summarises the equality measures, and there is a specific question to respondents about whether they agree with these proposals.

We will seek to meet specifically with offender management staff associations who represent equalities groups during the public consultation process.

Date completed: 7 March 2008

Signed by Unit or Directorate manager: David Griffiths

Date approved by Senior Management: 10 March 2008

A copy of this initial screening must be published along with the policy/ strategy/ function/ project outline. A signed copy must be retained by the Unit/ Department for audit purposes.

## **The consultation criteria**

The six consultation criteria are as follows:

1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.
2. Be clear about what your proposals are, who may be affected, what questions are being asked and the time scale for responses.
3. Ensure that your consultation is clear, concise and widely accessible.
4. Give feedback regarding the responses received and how the consultation process influenced the policy.
5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator.
6. Ensure your consultation follows better regulation best practice, including carrying out an Impact Assessment if appropriate.

**These criteria must be reproduced within all consultation documents.**

## **Consultation Co-ordinator contact details**

If you have any complaints or comments about the consultation **process** rather than about the topic covered by this paper, you should contact Gabrielle Kann, Ministry of Justice Assistant Consultation Co-ordinator, on 020 7210 1326, or email her at [consultation@justice.gsi.gov.uk](mailto:consultation@justice.gsi.gov.uk).

Alternatively, you may wish to write to the address below:

**Gabrielle Kann  
Assistant Consultation Co-ordinator  
Ministry of Justice  
5th Floor Selborne House  
54-60 Victoria Street  
London  
SW1E 6QW**

If your complaints or comments refer to the topic covered by this paper rather than the consultation process, please direct them to the contact given under the **How to respond** section of this paper at page 37.





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