



Ministry of
JUSTICE

National Offender
Management Service

National Offender Management Service

Business Plan
2011-2012

Preventing victims by changing lives

Our Statement of Purpose

The National Offender Management Service is an Executive Agency of the Ministry of Justice. Our role is to commission and provide offender management services in the community and in custody ensuring best value for money from public resources.

We work to protect the public and reduce reoffending by delivering the punishment and orders of the courts and supporting rehabilitation by helping offenders to reform their lives.

Our Vision

We will work collaboratively with providers and partners to achieve a transformed justice system to make communities safer, prevent victims and cut crime.

Our Values

In delivering offender management services, we will:

- be objective and take full account of public protection when assessing risk;
- be open, honest and transparent;
- incorporate equality and diversity in all we do;
- value, empower and support staff, and work collaboratively with others;
- treat offenders with decency and respect;
- embrace change, innovation and local empowerment;
- use our resources in the most effective way, focusing on outcomes and delivering value for money for the taxpayer.

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Foreword

The National Offender Management Service (NOMS) enters its fourth year as an Executive Agency having made significant progress since its creation in April 2008.

Today the Agency faces new challenges, in an environment where the pace and depth of change across the public sector is unprecedented. We need to play our part in fundamental reform to bring about a step change in reducing reoffending.

We have already made significant efficiency savings over recent years and will continue to make more delivered through central projects and local initiatives. In NOMS we will reduce HQ and regional costs by at least a third, and deliver efficiency savings of around 10 per cent in front line prison and probation services.

This will mean difficult decisions, as we restructure and reduce our headquarters, moving from a regional to a leaner functional structure, with one layer between the Agency Board and front line services.

We are committed to devolving more responsibility from the centre to those accountable for service delivery at the front line. We will continue to manage our risks effectively across the organisation, particularly in the context of the changes ahead.

And we need to respond to Government policy initiatives – competition and payment by results, working prisons, increased transparency and accountability, a central focus on rehabilitation, in partnership with others, and reducing prison capacity where demand allows.

At the same time we must continue to deliver the punishments and orders of the court in a decent, fair and safe manner, to protect the public and maintain confidence in our systems of punishment and rehabilitation.

Performance and commitment are our strengths, and I am confident that NOMS can rise to the challenges of the coming period.

This document sets out our initial high level business priorities and delivery plans for 2011-2012, not only to provide core services to offenders in prison and on probation in England and Wales, but also to further improve the way we work, managing with less funding and achieving better outcomes for the public and offenders.

Michael Spurr
Chief Executive

1. Introduction

Organisation

The National Offender Management Service (NOMS) is an executive agency of the Ministry of Justice (MoJ), responsible on behalf of the Secretary of State for Justice for commissioning and delivering prison and probation services in England and Wales.

The Agency was established to join up prison and probation services, to enable offender management to be delivered more effectively, and to strengthen and streamline commissioning to improve efficiency and effectiveness.

NOMS delivers offender management services through:

- Probation Trusts – 35 trusts responsible for the delivery of probation services at local level;
- public sector prisons – 135 establishments which provide around 88% of prison places;
- private sector organisations – operating 11 prisons under contract and providing other services, including prisoner escorts and electronic monitoring of offenders;
- partnerships – with a range of public sector agencies, including local authorities, health and education services, and with organisations in the third sector.

NOMS is also commissioned by the Youth Justice Board to provide secure accommodation and services for young offenders and by the UK Border Agency to provide places for immigration detainees.

NOMS will be reorganised in 2011-2012, building on the changes already implemented which have reduced the number of Director posts by seven and restructured senior management along functional lines from April 2011. Four new national directors will be responsible respectively for commissioning services, managing public sector prisons, managing contracts in probation and with the private / third sector, and delivering central system-wide services.

NOMS Agency Board April 2011



Chief Executive Officer:
Michael Spurr



Director:
Public Sector Prisons,
Steve Wagstaffe



Director: High Security
Estate, Danny McAllister



Director:
Probation and Contracted
Services, Colin Allars



Director: National
Operational Services,
Phil Copple



Director:
Finance,
Camilla Taylor



Director:
HR,
Robin Wilkinson



Director: Commissioning
and Commercial
Ian Poree



Director:
ICT,
Martin Bellamy



Director:
Offender Health
Richard Bradshaw

Non-Executive Directors



Mike Hawker



David Hadfield



Elizabeth McLoughlin

MoJ Operating Model

From 2011-2012 we will be operating under a new Agency Framework governing our relationship with the Ministry of Justice. The new framework supports the Government's aim to reduce central prescription and oversight, streamline back office work and encourage local delivery and accountability. The framework will help us to adopt the MoJ operating model which places increasing emphasis on grouping and sharing resources to meet agreed priorities and support frontline delivery. NOMS will work collaboratively with a range of the Department's corporate functions and a number of support functions will be provided as a shared service across the Department. Specifically the following functions will be provided to us on a shared service basis with appropriate memoranda of understanding in place: Estates, Communications, Finance, Human Resources, Information Communication and Technology Services, Internal Audit & Assurance and Procurement. Where relevant we will retain leaner, focused functions to provide specialist services and business partner support to our functions and provide the intelligent customer focus.

Strategic context

As an MoJ Agency our strategic direction is set in the Ministry of Justice Corporate Strategy for 2011-2015.

The strategy sets out a single objective: "To deliver a transformed justice system and a transformed department - more efficient, more effective, less costly and more accountable and responsive to the public".

Underpinning that objective the MoJ Business Plan 2011-2015 sets out five major commitments that have been outlined in the Structural Reform Plans:

- Introduce a rehabilitation revolution
- Reform sentencing and penalties
- Reform courts, tribunals and legal aid, and work with others to reform delivery of criminal justice
- Assure better law
- Reform how we deliver our services

This plan sets out how NOMS will contribute to the Department's objectives. Our success will only be achieved in close partnership with the Department, as it develops the strategic policy context within which we operate and take forward the Government's plans for sentencing reform to make better use of prison and community sentences to punish offenders and improve public safety. We are also dependent upon our partnerships with other departments, particularly with the health and education services which work within our prisons and with offenders in the community, in order to meet the Government's aspiration to break the cycle of offending.

2. NOMS Business Priorities

The NOMS Agency Board has agreed eight business priorities for 2011-2012.

Transformation

1. Rehabilitation – Breaking the Cycle
2. Re-balancing Capacity
3. Commissioning and Competition
4. Organisational Restructure

Operational Delivery

5. Delivering the punishment and orders of the courts
6. Public Protection
7. Reducing Re-offending
8. Improving efficiency and reducing costs

Transformation

Our transformation priorities reflect the work we are already doing to meet the Government's ambitious reform agenda. We have set out the major milestones currently planned in relation to each priority. During the course of the year, the Department and NOMS will further develop plans in these areas in the light of the responses to the consultation on the Government's Green Paper 'Breaking the Cycle: Effective Punishment, Rehabilitation and Sentencing of Offenders'.

1. Rehabilitation – Breaking the Cycle

The Government has set out ambitious plans in the Green Paper. NOMS will take forward implementation of these plans in the light of the results of the current consultation. We will build on the successful launch of the Peterborough Payment by Results pilot by establishing a further six projects in 2011-2012, starting with partnerships with local authorities in London and Greater Manchester, followed by two large scale projects for offenders managed on community sentences and those released on licence, and two payment by results projects for offenders released from prison, focusing on those offenders who are

sentenced to less than 12 months. We will take forward the government's plan to subject more prisoners to a structured and disciplined environment where they are expected to work a full week of up to 40 hours and implement the Prisoners' Earnings Act 1996 to allow prisoners to make reparation to victims by in a simple and affordable way. The Green Paper proposals also include introducing new drug recovery wings and testing options for intensive

treatment in the community. Nine pilots will be commenced during 2011-2012 for offenders in both short and longer term sentences NOMS will also develop proposals for making Community Payback more rigorous and work with the Department to develop options to make it partially self-financing. We are committed to increasing the use of restorative justice for appropriate crimes, particularly as a way of improving victim satisfaction.

Launch of the London and Manchester payment by results partnerships	April 2011
Launch of Drug Recovery Wing pilots	From June 2011
Implementation of the Prisoners' Earnings Act 1996	September 2011
Phased implementation of the Working Prisons proposal	From September 2011
Launch of four further payment by results pilots	From October 2011
Implement through competition the revised proposals for more robust Community Payback	From November 2011
Scoping of mental health pilots	December 2011

2. Re-balancing Capacity

Over the next 12 – 18 months we will complete the Capacity Building programme delivering a further 2,685 places, including two new prisons; Belmarsh West and Featherstone 2. The additional places provide modern facilities to enable NOMS to deliver positive regimes to reduce reoffending.

The Government remains absolutely committed to providing enough prison places for those whom the courts judge should receive a custodial sentence. However it is anticipated that the proposals in the Green Paper will reduce the prison population to 2008 levels by 2015, about 3,000 fewer prisoners than in 2010. The potential reductions in the

prison population will enable NOMS to close inefficient and expensive prisons, to reduce costs, achieve savings and improve value for money for the taxpayer.

Prison capacity will thus be reviewed on an ongoing basis to ensure that the prison estate is being operated as efficiently as possible. We have recently been able to close two prisons (HMP Lancaster Castle and HMP Ashwell) and are in the process of converting HMP Morton Hall into an Immigration Removal Centre while retaining sufficient places to manage the prison population. Where there is opportunity to further reduce capacity safely and reduce costs for the taxpayer in 2011-2012 we will do so.

Completion of the transfer of all prisoners from Lancaster Castle, Ashwell and Morton Hall	By April 2011
Conversion of HMP Morton Hall to become an Immigration Removal Centre	By September 2011
Opening of a new houseblock at HMP Moorland (180 places)	October 2011
Opening of Belmarsh West prison (900 places)	March 2012
Opening of Featherstone 2 (phase 1 - 1,125 places) (phase 2 – 480 places)	April 2012 August 2012

3. Commissioning and Competition

The Government is consulting through the Green Paper on its proposals for competition for offender services, with the aim of publishing a new competition strategy in the summer. NOMS will be responsible for the implementation of the strategy. In the meantime, NOMS is continuing to press ahead in using competition to help deliver more cost effective services. The first phase of the prisons competitions will deliver new contract awards for four prisons early in 2011 (Doncaster, Birmingham, Buckley Hall and Featherstone 2). We will complete implementation of the new prisoner escort contracts and

prepare to re-compete the Electronic Monitoring contracts. We will launch the Community Payback competitions, award the first contract for Community Payback delivery by November 2011 and initiate work on the remaining five contracts in 2012.

In response to a range of Government initiatives to support the creation of mutual structures out of the public sector, NOMS will provide support to prisons, Probation Trusts and staff groups interested in developing new delivery models. The NOMS Competition Strategy and payment by result pilots will support this approach.

Conclude and mobilise Prison Competitions Phase 1	From April 2011
Launch of Community Payback competitions	From April 2011
Implementation of prisoner escort contracts	August 2011
First contract award for Community Payback	November 2011

4. Organisational Restructure

We are committed to focusing our resources on the front-line, cutting our back office costs by at least a third over the period of the Spending Review. We will from 1 April 2011 have introduced an interim Headquarters structure, reducing the number of

Director level posts in NOMS by seven. The functional design of the new NOMS headquarters will be complete in the summer of 2011 and the detailed implementation will be complete by April 2012. A single job evaluation scheme covering all directly employed staff will be developed.

Implementation of interim Headquarters structure	April 2011
Completion of detailed implementation of new headquarters structure	March 2012

Operational delivery

Our operational delivery priorities recognise the work our staff are doing on a daily basis to deliver the punishment and orders of the courts, protect the public, reduce re-offending, and reduce our costs. As we develop new ways of working, we are committed to maintaining our focus on these core delivery challenges. The key measures of our impact in relation to each priority are set out in Section Three - Transparency.

5. Delivering the punishment and orders of the courts

The foundation of our work is our responsibility to enforce the orders of the court. The public must have confidence that punishment is effective and robust.

Contracts or Service Level Agreements have been agreed with all Probation Trusts and prison governors on the services they will provide to deliver the orders of the courts. We will improve the delivery of community sentences by commencing the implementation of new National Standards from 1 April 2011. These will reduce top-down prescription, increase the discretion of front-line staff, and hold them to account for the outcomes and outputs we expect to be delivered. We will continue to hold securely those offenders whom the courts sentence

to custody. We are committed to ensuring that prisons are safe places to work and live, and where there are incidents of disorder, we will respond vigorously and effectively, and will work with the police to secure prosecutions for serious acts of violence or disorder.

6. Public protection

Our record over recent years on reducing escapes and absconds and embedding public protection at the heart of the work of the probation service has been fundamental to retaining public confidence in our services.

We will continue to play our part in key Government priorities in the fight against crime, including work on counter-terrorism, organised crime and public protection. We are currently developing a security intelligence system (Mercury) which will gather and share information in a more comprehensive manner. We will have completed the development of this system in the Autumn of 2011 and implementation will have commenced by March 2012.

Public protection in the community is a partnership responsibility and we are committed to ensuring NOMS continues to play its role in this vital work. During 2011-2012 we will implement a new measure of the quality of prison and probation input to the Multi-Agency



Public Protection Arrangements (MAPPA), in which the Prison and Probation Services work with the Police Service and other relevant agencies to assess and manage the risks presented by known dangerous offenders.

7. Reducing re-offending

We are working with colleagues in the Ministry of Justice and other departments to take forward the government's plans to break the cycle of offending (as described under the Transformation Priority 1).

Reducing re-offending is at the heart of the work of all our staff. We are continuing to develop the range of interventions available to address the risks and needs presented by offenders. These include new violence reduction programmes which respond to concerns about gang-related violence, knife crime and domestic violence. We are also developing further interventions to address sexual offending, radicalisation and violent extremism. We will implement the Specification, Benchmarking and Costing Programme to ensure that we are delivering the most cost effective services across the Agency. The roll out of the programme includes a new service specification for Rehabilitation Services in the summer,

supplemented by service designs for specific interventions (such as mentoring) to develop and support the Rehabilitation agenda. By March 2012 we will have concluded the pilot phase of the Offender Engagement Programme which will improve offender motivation, increasing compliance, reducing reoffending and cutting crime. The Department of Health have responsibility for substance misuse services for offenders in the community and in prisons from 1 April 2011. We will be working in partnership with DoH to ensure that service provision meets the need to provide treatment and also tackle offending behaviour both in terms of community provision and in prisons.

8. Improving efficiency and reducing costs

The Government's number one priority is to tackle the budget deficit. NOMS will play its part in helping to deliver a 23% reduction in the Ministry of Justice's resource budget (see Section Four – Resources), and in delivering increased efficiency across the Criminal Justice System.

We are committed to reducing our costs. This will be achieved by stringent internal financial management, aligning our performance and cost data for medium and longer term planning and driving efficiency through

benchmarking and competition. We will complete the specification and costing of our operational services in custody and in the community by December 2011. We will develop a detailed prison costings system (Inview), publish information from the probation costings system (Preview) and use costings information as an integral part of our budget management process. We will incorporate new measures of financial management into our performance framework.

Service contracts will be retendered where appropriate to drive value for money. During 2011-2012 this will include retendering contracts for food supply; translation and interpretation services; maintenance contracts; facilities management contracts and professional services contracts.

The Government is taking a system wide approach to improve efficiency in the Criminal Justice System, and tackle the problems of bureaucratic and costly procedures, too much information being collected and not presented at the right time, too much time and effort being wasted, and cases being disposed of in costly ways. NOMS will continue to work with all criminal justice agencies and the judiciary as part of the Government's programme to develop proposals and deliver a more

efficient and cost effective system. The Ministry of Justice's Business Plan 2011-2015 sets out the Government's commitment to develop these proposals by July this year.

3. Transparency

The Government is committed to providing greater transparency to enable the public to hold services to account and assess whether they are receiving value for money from the services we provide. NOMS will no longer be set specific performance targets but will be held to account through specific impact indicators on re-offending and through published data covering the key aspects of our work.

We will make data on a range of performance and input indicators available for both prisons and probation. These will include the following:

Delivering the punishment and orders of courts

- The percentage of orders and licences that are successfully completed
- Reductions in violence as measured by the violence management report
- The percentage of prisoners held in overcrowded accommodation across the prison system

- The rate of self-inflicted deaths per 100,000 prisoners (3-year rolling average)
- The rate of drug misuse in prisons as reflected by those testing positive in mandatory drug tests

Public Protection

- The number of escapes from prison and prison escorts
- The rate of escapes from prison and prison escorts as a proportion of the average prison population
- The number of escapes from contractor escorts
- The rate of escapes from contractor escorts as a proportion of the throughput of prisoners

Reducing re-offending (supplementing the overarching impact indicators)

- The percentage of offenders in employment at termination of their sentence, order or licence
- The percentage of offenders in settled and suitable accommodation at termination of their sentence, order or licence

Impact indicator	Frequency	Unit of analysis
Adult and juvenile reoffending - percentage of adult and juvenile offenders re-offending	Quarterly	By local authority
Reoffending – percentage of adults released from custody re-offending	Annually	By prison

Reducing costs

- Cost per prisoner
- Cost per prison place
- Cost per pre-sentence report to courts
- Cost per community order
- Cost per offender supervised on licence post-custody

In addition to the above indicators, we will also publish the following two staff-related indicators annually:

- Staff sickness: average days per annum (Public Prisons and Probation)
- Proportion of ethnic minority staff in the Agency

NOMS will assess performance of individual prisons and Probation Trusts against these and other measures including outcomes from independent external inspections. Ratings for individual prisons and Probation Trusts will be published under the MoJ Transparency Framework.

4. Resources

Demand for offender services

The prison population has risen steadily over recent years but the rate of growth reduced in 2010 with a rise of only 300 from December 2009 to December 2010, to 84,500.¹ The Ministry of Justice will issue a fresh projection of the future population in October 2011. We will continue to monitor the population and projections closely throughout the year to ensure we are operating as efficiently as possible and take action to adjust our capacity where necessary.

The probation caseload at September 2010 was 239,909. This comprised 135,138 offenders on court orders in the community, with an average of 1.7 requirements per order, 69,186 on pre-release supervision, and 35,978 offenders on post-release licence. There has been a decline in the number of offenders on community orders, but an increase in the number of post-release licences over the past seven years. Over the last two years the overall caseload has declined slightly. We have assumed a stable caseload for 2011-2012.

Finance

2011-2012 is the first year of the new Spending Review Period and at MoJ level a final settlement has been agreed with HM Treasury which represents

a real reduction in Resource Budget by 23% over the four year period. Additionally, the Capital Budget represents a 50% reduction against the previous spending review.

To contribute to the Departmental savings, our approach has been first to cut administration and overhead protecting resources for essential work with offenders as far as possible. By 2014-2015 NOMS will achieve a reduction of 37% in our HQ and central services expenditure and efficiency savings of around 10% in front-line services in prisons and Probation Trusts. Further savings will be achieved through reductions in capacity as the population allows.

Over the last 12 months we have exceeded our savings target through improved financial control, reductions in discretionary spend, better use of the HQ estate, renegotiated contracts and controls on recruitment. A proportion of the additional savings generated in 2010-2011 has been used to reduce staff numbers in headquarters and the regions at a managerial level through a voluntary exit scheme which will drive down our cost base for 2011-2012. At the same time we have maintained a high level of performance, meeting or exceeding all key performance indicators in 2010-2011 compared to performance in 2009-2010.

¹Rounded to nearest 100

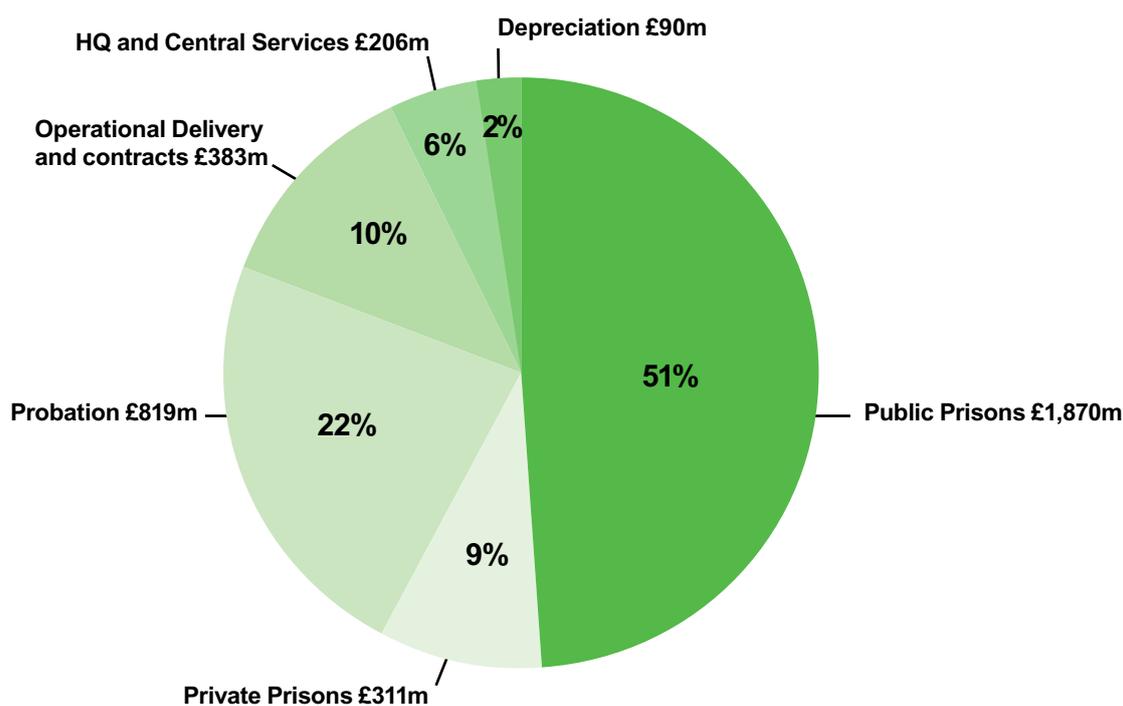
Our Resource DEL (excluding depreciation) budget for 2011-2012 is £3,589m. Including depreciation our total Resource Budget is £3,679m for 2011-2012. After adjusting for

inflation, and transfers to other departments for services we previously delivered, this requires us to make around £230m savings compared to the post-emergency budget allocation.

These savings will be achieved through:

Headquarters restructuring	£40m
Central efficiencies including capacity	£90m
Front line efficiencies	£100m

The following chart shows how we will be spending our budget.





We will deliver the highest percentage reduction (17%) in HQ, regions and central services as a result of our restructuring programme. We have front loaded the reductions for headquarters in this way to reduce the burden on the front line ahead of policy changes which are anticipated to reduce the prison population from 2012-2013 onwards. The savings will be achieved through squeezing and reducing non-pay and discretionary expenditure, and through staff reductions achieved by restructuring (adoption of a lean functional model replacing the previous regional structure). We will reduce capacity but only where it is safe to do so.

The Capital budget for NOMS for 2011/2012 is £34.4m. This funding is to cover basic maintenance and building management and replacement of vehicles and equipment. In addition to the delegated NOMS Budget, MoJ ICT and Estates have been allocated Capital Budgets which will cover investment related to NOMS requirements and infrastructure.

Staffing

We recognise that 2011/2012 and beyond will represent significant challenges to our staff and to our managers. We expect the combination of our organisational restructure, front-line efficiencies and re-balancing capacity to result in around 10,000 fewer staff working in NOMS by 2015. We have in place a range of tools

and support mechanisms for managers and staff to help them through this sustained period of change.

We also remain committed to seeking to manage these changes without recourse to compulsory redundancies wherever possible.

We are committed to investing more energy into engagement with staff, particularly through these difficult times ahead. We will ensure visible leadership to all parts of the agency and its partners. This will comprise regular senior leadership briefings at all levels, supported by a range of engagement and feedback activity including surveys, cascade messaging, phone-ins, forums for the different functional areas of the Agency, directorate and team level 'listen to improve' sessions, and enhanced intranet and online communications and information provision.

We will continue to invest in our staff and provide a supportive environment in which all staff can play a full part in delivering the ambitions set out in this business plan. We will continue to be a fair, open and honest employer that values differences and treats staff with dignity and respect. We will operate a zero tolerance approach to any violence perpetrated against our staff whilst at work. Delivery of our ten Strategic HR Priorities will result in improvements in the efficiency and effectiveness of how we lead and manage staff across the Agency and will drive our work to improve further our position as an employer of choice.

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