

Optimising the third sector's role in reducing offending

Over 900 voluntary organisations are responsible for more than 2,000 projects that provide services to offenders Clinks, 2010

The third sector (TS)¹ provides a rich variety of vital services across the criminal justice system – from support for victims and witnesses, to projects working with released sex offenders.

Today's conference and this note consider one important area of this work: the sector's role in working with offenders and those at risk to reduce crime and antisocial behaviour. At a time of shrinking public expenditure, the debate necessarily concentrates on the TS's optimum role in delivering cost-effective services. The paper also argues that, to augment this role, it is vital to maintain the sector's capacity to develop new and innovative responses to offending and to influence public policy.

Since the 2002 Treasury cross-cutting review, *The Role of the Voluntary and Community Sector in Service Delivery*, there have been continued efforts and initiatives to

increase the TS's role. There has been progress – at least in the acceptance that the sector could and should do more. Yet its overall participation remains stubbornly low: an estimated 2% of the Ministry of Justice budget (ACEVO, 2010).

This note outlines Nacro's views about the main changes needed to bring about a step change, so the sector can play to its strengths and contribute to a more effective criminal justice system.

We believe a more effective system will be founded on commissioning considering services' impact on offending, rather than immediate costs. This shift will not only involve a technically challenging readjustment to systems, but also the political courage to look at different community provision and to shift prison from its current automatic and costly position at the heart of responses to offending.

● Summary: optimising the sector's role

- 1 **Joining it up:** involving the sector in service design, developing better partnerships and encouraging diversity.
- 2 **More agile commissioning:** meeting local needs, developing joint commissioning and a focus on outcomes and value.
- 3 **Enhancing effectiveness:** building in evaluation, assessing impact – and a consideration of payment by results.
- 4 **Innovating and influencing positive change:** trying new approaches, taking risks and promoting new ideas.
- 5 **Paying for it:** reinvesting from prison into community provision, enhancing effectiveness and reviewing the best use of social investment mechanisms.

● Joining it up

Joining up services for offenders has been a priority for government, particularly since the Carter review (*Securing the Future: Proposals for the efficient and sustainable use of custody in England and Wales, 2007*). The ideal model encompasses both seamless processes through the criminal justice system and providing 'wraparound' or personalised responses to individual offenders. The growing success of the approach – combined with police control – is demonstrated in the roll out from Prolific and

Other Priority Offenders (PPOs) work and the Drugs Intervention Programmes (DIP) through more recent Integrated Offender Management initiatives.

With the changes set out in this paper, the third sector could underpin a more joined up system, because it is: locally based and informed; provides a wide range of services across the system; and is good at working in partnership. Equally importantly, the sector is made up of organisations that engage with, learn from and represent the young people at risk and the offenders whose lives have to change if offending is to be reduced.

The third sector can help the system join up if:

- Third sector providers are involved in the process of designing services and commissioners learn from their experience.
- Partnerships focus on shared outcomes, underpinned by productive reporting systems and strong communication.
- Bidding consortia are encouraged, keeping a useful balance between competition and partnership working.
- There is a breadth and diversity of provision to meet the needs of young people, older prisoners, women and people from black and minority ethnic groups.

● More agile commissioning

The development of commissioning processes has been vital to ensure that services are accountable, good value and deliver against specification. Being able to participate effectively in commissioning processes is important to Nacro as a professional service provider, but we believe that more can be done to ensure that the process tests fitness to deliver essential outcomes.

¹ The third sector (TS) refers in this paper to charities and community groups, but the paper does not encompass issues around social enterprises or the statutory sector's use of volunteers.

The third sector can contribute more if:

- Commissioning is based against outcomes and providers ability to deliver, leaving more decisions about the method of delivery in the hands of the provider.
- Commissioning is an assessment of which deliverer is most likely to have an impact on offending, rather than of which is offering the cheapest service.
- Commissioning outcomes recognise 'distance travelled' and don't present a disincentive to work with the most difficult offenders.
- Building on Local Area Agreements and Total Place initiatives, local systems of joint commissioning are developed to support joined-up services that relate to local needs and existing provision.
- Longer contracts become the norm to allow services to become properly established and tested, while incorporating assessment and break clauses to ensure outcomes continue to be delivered.

● Enhancing effectiveness

Continual improvement in commissioning against outcomes requires a better analysis of what makes a service effective. Most of Nacro's current contracts for delivering services necessarily demand extensive reporting as we are spending public money. However, there is rarely any capacity within contracts to assess the service's actual impact on offending.

The third sector can contribute more if:

- There is improved understanding of which services are effective in reducing offending in a variety of settings and relating to different individual needs. This might be through: embedding evaluation within all contracts, whoever runs them, to build up a national knowledge base about effective provision that could be recycled into future commissioning and delivery; or creating an Impact Fund specifically for the sector (as proposed by New Philanthropy Capital, March 2010).
- Effectiveness is measured against impact on reducing risk factors affecting offending, to allow 'distance travelled' to be measured.
- There is careful consideration about the implications of commissioning based on payment by results. While recognising this might drive efficiency, this system carries risks, including favouring the commercial sector and shifting spending from provision to assessment. It is also dependent on identifying the right outcomes. Using recorded offending as a measure – apart from its arbitrariness, given much offending is not recorded – would make it difficult to allocate reward equitably or accurately to the different services that might have contributed to that result. Most importantly, any such system would have to be incredibly carefully calibrated to ensure it didn't encourage working only with the easiest cases.

● Innovating and influencing positive change

The third sector exists to bring about change and therefore has a strong tradition of developing innovative projects and campaigning.

For Nacro, the tradition of innovation continues, but is difficult within commissioned services. For instance, with funding from the Monument Trust and Northern Rock Foundation, we established successful through-the-gate support and mentoring projects for Portland YOI and prisons in the North East. However rolling out similar

services more widely would need more joined-up local commissioning between funders such as NOMS and Supporting People.

Nacro exists to further our cause of reducing crime by changing people's lives for the better. As well as delivering the services that achieve this, we play a positive public role by lobbying for the changes to national policy and regional or local implementation that we believe would be more likely to help reduce crime.

The third sector can contribute more if:

- There is a growing shared knowledge base about effective services (see above).
- Where a new need has been identified, commissioning allows risks to be taken with new services.
- The third sector's advocacy and campaigning role is recognised as adding value to our provision by keeping innovation rolling and influencing the debate, particularly to ensure there is a place for effective but potentially unpopular change.

● Paying for it

The TS should not be viewed as a cheap option – left with only the sub-contracted crumbs from the commercial and public-sector table. Nacro believes refocusing commissioning on effective services that bring in significant long-term savings will allow the sector to play a full role delivering better value services.

We also believe that the existing social investment mechanisms (Capacitybuilders, the Social Investment Bank, et al) should be reviewed to ensure they are as effective as possible in building the sector's capacity – particularly on how appropriate it is to support third sector organisations through loans.

Beyond these points, however, we believe the biggest and most immediate saving would be to transfer investment from expensive prison provision to preventive services and restorative justice and payback sentences for those in the community.

The third sector can contribute more if:

- The prison population is reduced, particularly among those serving ineffective short sentences (see recent National Audit Office report)², young offenders, people with mental health problems, and women.
- Within prisons, a range of providers are commissioned to deliver resettlement programmes throughout prison sentences and into the community, thus reducing the cost of reoffending.
- There is the political courage to allow robust community responses and resettlement initiatives to thrive.

² *Managing Offenders on Short Custodial Sentences* (NAO, 2010) identifies a £7-10 billion cost of reoffending. See also *Cutting Crime: The case for justice reinvestment* (Justice Committee, 2010)

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