



National Offender
Management Service

National Offender Management Service

Business Plan
2014 - 2015

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Preventing victims by changing lives

Our Statement of Purpose

The National Offender Management Service (NOMS) is an Executive Agency of the Ministry of Justice (MoJ). 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; and
- Use our resources in the most effective way, focusing on outcomes and delivering value for money for the taxpayer.

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1. Foreword



The NOMS Agency Business Plan for 2014/15 sets out our priorities and key objectives for the final year of the current Spending Review (SR). It is a challenging agenda delivering transformational change to all aspects of offender management both in custody and in the community.

We are already providing services at much lower cost whilst still maintaining good performance outcomes for the public. But over the next 12 months we go further to improve services and complete our savings plans achieving a total of almost £900m savings (a 24 per cent cost reduction) over the SR period.

These savings are being achieved not by simply cutting services or reducing quality but by fundamentally reforming the way we work – both in prisons (through restructuring; benchmarking and ‘new ways of working’) and in probation (by implementation of the Transforming Rehabilitation reforms).

This year will see the completion of the Prison Unit Cost Programme which radically reshapes the way prisons operate, achieving a saving of £306m pa from 2015/16 and reducing overall unit cost by approximately £2,200 per place. Implementation of new structures in probation – with the creation of a new National Probation Service and 21 Community Rehabilitation Companies; and the extension of supervision and support on release to all prisoners, including those serving sentences under 12 months - will reshape community provision and transform our approach to rehabilitation.

These changes present a huge challenge and require a fundamentally different approach to the way we work - but they also provide a real opportunity to promote innovation; do things differently; and to improve outcomes both for offenders and for the public.

The new arrangements mean that the Agency must adapt. We will welcome around 9,000 probation staff into direct NOMS employment and establish community contracts with a range of new providers. Developing effective partnership working across the community and custody and between public, private, voluntary sector, and partner agencies will be a key requirement and one we are committed to achieve.

I do not underestimate the scale of change we are managing but I am confident that we can successfully meet the challenge because of the quality, professionalism and commitment of staff across the whole of the Agency. I am proud to lead an organisation which strives to ‘make a difference’ and has an excellent track record for delivering change (which has been positively acknowledged by the National Audit Office and the Public Accounts Committee). We will implement the changes set out in this Business Plan over the next 12 months and grasp the opportunity to improve the service we provide for the public. In doing so we will stay true to our values and united in our goal: ‘To prevent victims by changing lives’

Michael Spurr
Chief Executive

2. Introduction

Organisation

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. We are committed to protecting the public and reducing reoffending.

Following implementation of the new probation structures during 2014, we will deliver our offender services through:

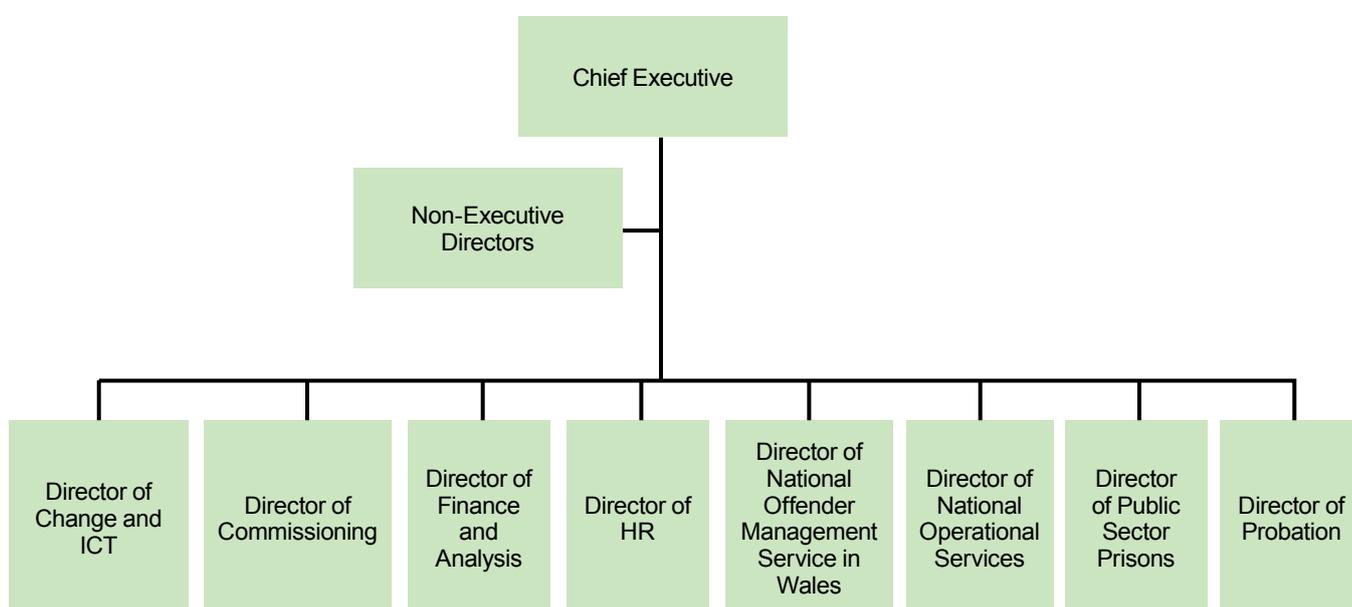
- The National Probation Service (NPS) - responsible in the community for carrying out risk assessments of all offenders and for the direct management of those offenders who pose the highest risk of serious harm to the public and who have committed the most serious offences;
- Public sector prisons – 105 prisons which provide around 82 per cent of prison places;
- 21 Community Rehabilitation Companies (CRCs) – responsible for delivering community requirements for medium and low risk offenders;

- Private sector providers – operating 14 prisons under contract and providing other significant services including prisoner escorts and electronic monitoring of offenders; and
- Partnerships – with a range of public and social sector partners, including police, local authorities, health and education providers, and with a wide range of organisations in the voluntary and social enterprise sector.

During 2014/15 the agency will also be contracted by the Youth Justice Board to provide 1,120 commissioned beds for young people (under 18) and by the Home Office to provide more than 1,430 places at four Immigration Removal Centres (IRCs).

Following a fundamental reorganisation in 2010/11 and the implementation of the new probation arrangements, our structure provides clarity and accountability for the different functions of the Agency.

NOMS Structure



Historic Context

Crime has been falling since the mid 1990's. The last few years have also seen a shift in the demand for both community and custodial services. Following two decades of strong increases in workload, we have seen demand stabilise for community services, and lower levels of demand for prison places during 2012 and into 2013.

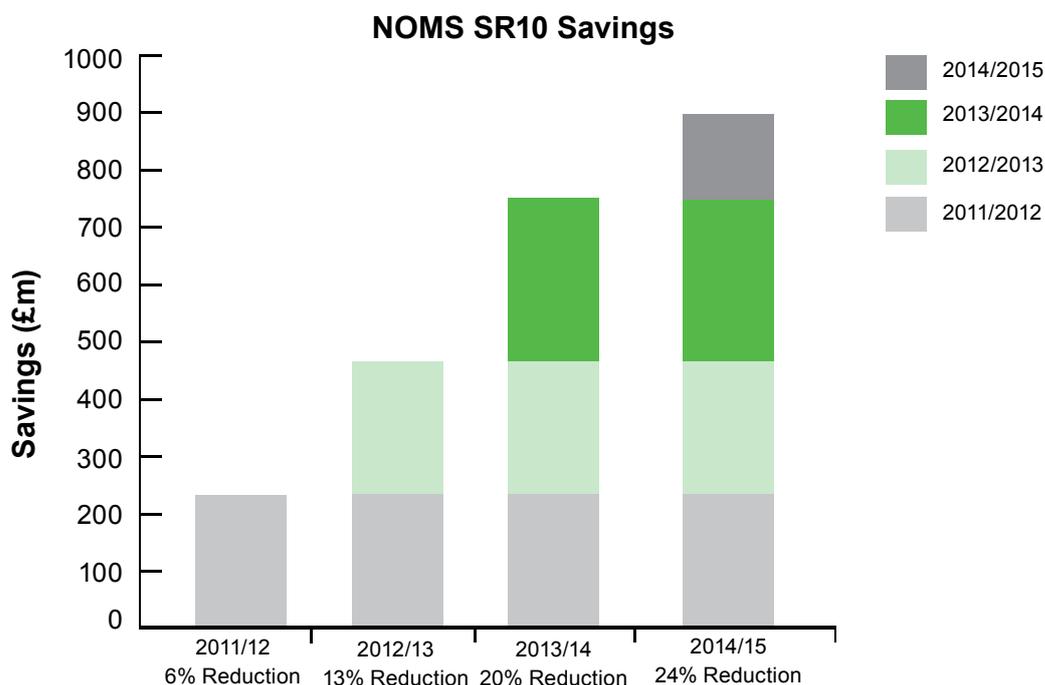
Between 1993 and 2008 the number of offenders supervised by the Probation Service almost doubled (up 93 per cent) from 126,000 at the end of 1993 to 243,400 in 2008. However, since this peak in 2008, the number of offenders under Probation Service supervision has fallen by 10 per cent to 222,200 at

the end of September 2013. Importantly, at the same time there have been changes in the caseload mix, resulting in a re-balancing of our caseload with increases in more complex work.

As of September 2013 the probation caseload comprised of 111,000 offenders on court orders in the community, 70,600 on pre-release supervision, and 40,700 offenders on post-release licence. The overall decline in caseload since 2008 has included a fall in the number of offenders on community orders and rising numbers on post-release licence, although this appears to be levelling off with a two per cent fall in the post-release caseload between September 2012 and 2013.

The prison population has almost doubled since 1993, up by 41,800 or 94 per cent from 44,200 in June 1993 to 86,000 in June 2012. During 2012 and into 2013, the prison population began to fall due to a falling remand population and a continued decline in the number of under 18s in custody. In the second half of 2013 the prison population increased, due to a rise in the remand population. The population as at 31 December 2013 was 84,163, a small rise of around 400 (less than one per cent) since 31 December 2012. Over recent months the prison population has risen above published projections. We will be managing this closely in 2014/15 to ensure we have sufficient accommodation to hold those committed by the courts.

Since becoming an Agency in 2008 we have improved our services and delivered significant efficiencies and achieved substantial cost reductions. Over the first three years of the current SR period (2011/12 – 2013/14) the Agency has achieved savings totalling almost £750m (representing a 20 per cent saving against the SR baseline). A further £149m savings are planned for 2014/15, representing a total reduction in cost of 24 per cent. During this period we have maintained intervention programmes that are key to turning around and changing offenders lives. To do this we have continued to use and target our resources sensibly.



The savings have been achieved by clearly specifying service requirements across both community and custodial provision; benchmarking costs and making efficiencies; the effective use of competition to stimulate innovation and by the systematic application of efficient cost models across community and custodial provision, the closure of uneconomic prisons and the restructure of HQ directorates.

Over this period we have made significant changes to the way our work is delivered in custody, in the community and in our HQ. These changes are outlined in the sections below including the introduction of benchmarking in public sector prisons, our HQ restructure and the Transforming Rehabilitation reforms.

For example, we have now completed our fundamental offender management IT programme to provide systems across prisons and probation. These provide the foundation capabilities for our Transforming Rehabilitation reforms.

A key feature during SR10 has been the changes to delivery of services in the community. During 2012 we consulted on future provision in the community in the consultation *Punishment and reform: effective probation services*. Subsequently, the Department's approach to rehabilitation changed. This new approach was set out in the publication of the *Transforming*

Rehabilitation consultation in January 2013. In May 2013, the Department published "*Transforming Rehabilitation: A Strategy for Reform*" – the Government's response to the consultation. In 2014/15 we are implementing these important reforms, transforming the way in which offenders are managed in the community in order to bring down reoffending rates. More detail on this and our reforms in custody are included in the sections below.

At the same time as delivering these reforms, we have also achieved significant improvements in operational performance. For example: an improvement in the enforcement of breaches and licences from 53 per cent in 2001/02 to 95 per cent in 2012/13; a reduction in the number of escapes from prison from 26 in 2001/02 to two in 2012/13; and a reduction in absconds from 1,310 in 2003/04 to 204 in 2012/13.

Looking Ahead

During the next 12 months our priority will be delivering our core operational services in the community and in custody while we will deliver the most wide-ranging reform programme in our history. In this challenging year we will:

- Maintain probation delivery and safe, secure and decent prisons within the agreed specifications;
- Deliver far-reaching reforms right

across our business – in the community, in custody and in HQ; and

- Complete our SR10 savings programme, delivering a 24 per cent reduction in Agency costs across the period – nearly £900m.

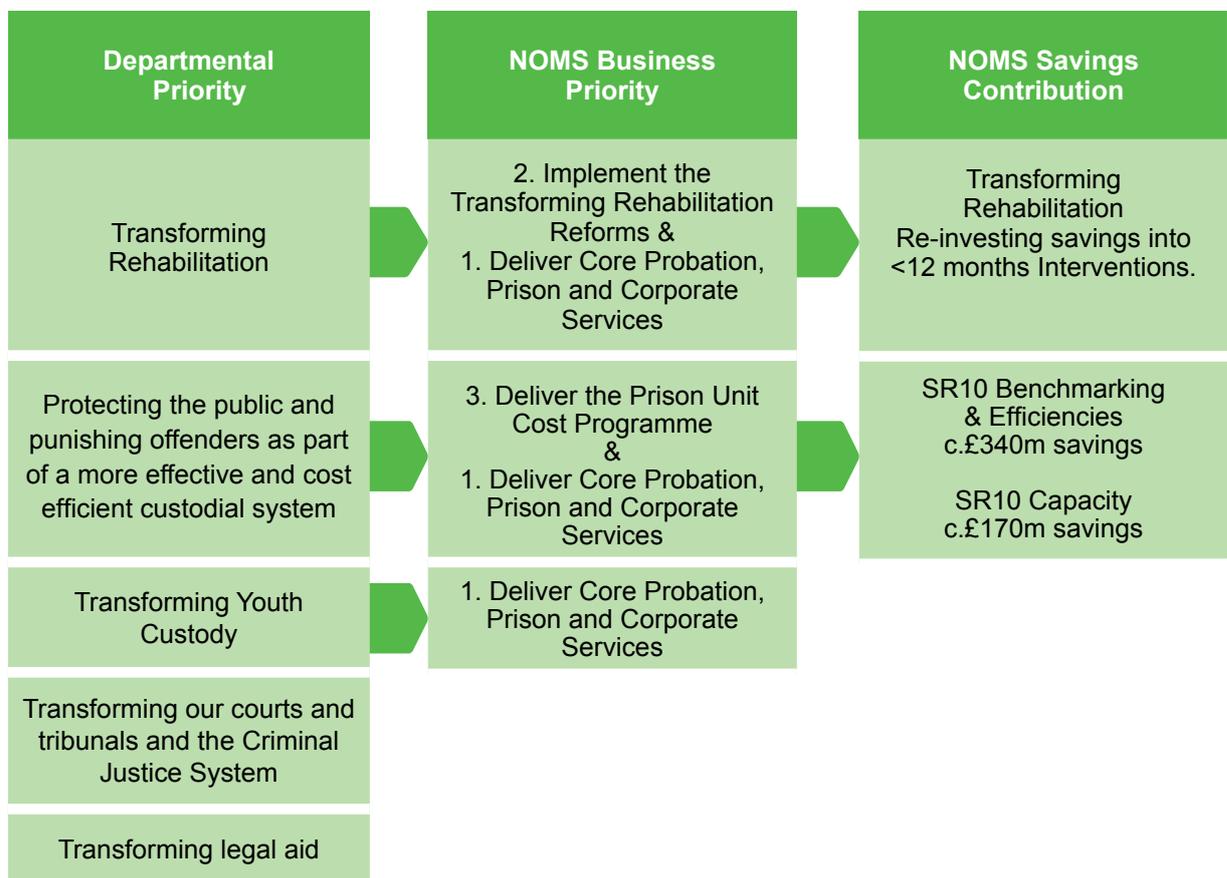
Strategic context

As an Agency of the MoJ the NOMS strategic direction is defined by the

Ministry’s strategic vision for reform, which is to create a more effective, less costly and more responsive justice system for the public.

To deliver this, MoJ is making changes to the things that it does and the way that it does them. The current phase of its reform programme is focused around five priorities. These priorities and how they map to the NOMS Business Priorities is outlined below:

Priorities



This Business Plan sets out the important part we will play in delivering these priorities in 2014/15. Our work forms part of the Government's wider public service reform agenda and we will work closely with MoJ colleagues to deliver our objectives.

Success will also be dependent on effective partnerships with a wide range of key stakeholders at the local and the national level. Our key relationships at the national level include those with the Department for Work and Pensions, the NHS, Department of Health, Public Health England and Wales, the Department for Business Innovation and Skills, Skills Funding Agency and the Welsh Government in respect of their devolved responsibilities. At the local level, we will work alongside the

newly formed CRCs and with Police and Crime Commissioners, the Police and Local Authorities to break the cycle of reoffending in our communities. Partnerships with providers of health, education and employment services in prisons will be vital to our success.

MoJ Operating Model

NOMS operates under an Agency Framework governing our relationship with the MoJ. The framework document sets out the arrangements for the governance, accountability, financing, staffing and operation of the Agency and is agreed between the Secretary of State and the NOMS Chief Executive. The framework document is approved by the Chief Secretary to the Treasury.

3. NOMS Business Priorities and Delivery Commitments

During 2014/15 we will be delivering far-reaching reforms in the community and in custody and will be welcoming around 9,000 new staff into the Agency with the formation of the NPS. This will be a challenging year and it will be particularly important for us to remain focused on continuing to deliver our key operational services. We will maintain our focus on protecting the public and reducing reoffending and our responsibility to enforce the orders of the courts.

In probation, we will ensure that the mobilisation of the NPS does not adversely impact on the delivery of the orders of the courts or our commitment to protect the public and reduce reoffending. To achieve this we will sequence and prioritise change, providing staff and managers with the opportunity to adapt to new processes and organisational structures within the NPS.

Key to achieving our priorities in prisons will be maintaining safety, decency and security. An integral part of our approach in prisons is providing governors with the flexibility to make adjustments to the way and the pace at which change is being introduced and using professional judgement to make dynamic assessments of the stability of prisons. These arrangements underpin our confidence in being able to implement these reforms successfully.

We set out our vision for future delivery

of offender management in the 2013/14 Business Plan. In 2014/15 we will be implementing that vision. This will be very tough and we do not underestimate how difficult this will be, but it is absolutely necessary as we seek to improve services and reduce costs:

- The newly created NPS and more efficient public sector prisons ensure that there remains a **strong viable public sector provision** both in probation and in prisons – to guard public interest and to ensure robust and effective public protection is maintained;
- With the creation of CRCs and the outsourcing of works and facilities management services in public sector prisons the public sector will be smaller. We will now be working alongside a **larger and more diverse provision of services** by private, voluntary and social sector partners to drive innovation and transform rehabilitation outcomes; and
- **Unit costs across all sectors have been and will continue to be reduced.** This will be achieved through the implementation of the most efficient operating models, including benchmarking of public sector prisons, making effective use of the market and using ‘payment by results’, where appropriate, to incentivise a focus on outcomes.

We will ensure that the quality of the services we provide sustains our commitment to achieving our principal purposes of protecting the public and reducing reoffending; whilst delivering services at a lower unit cost.

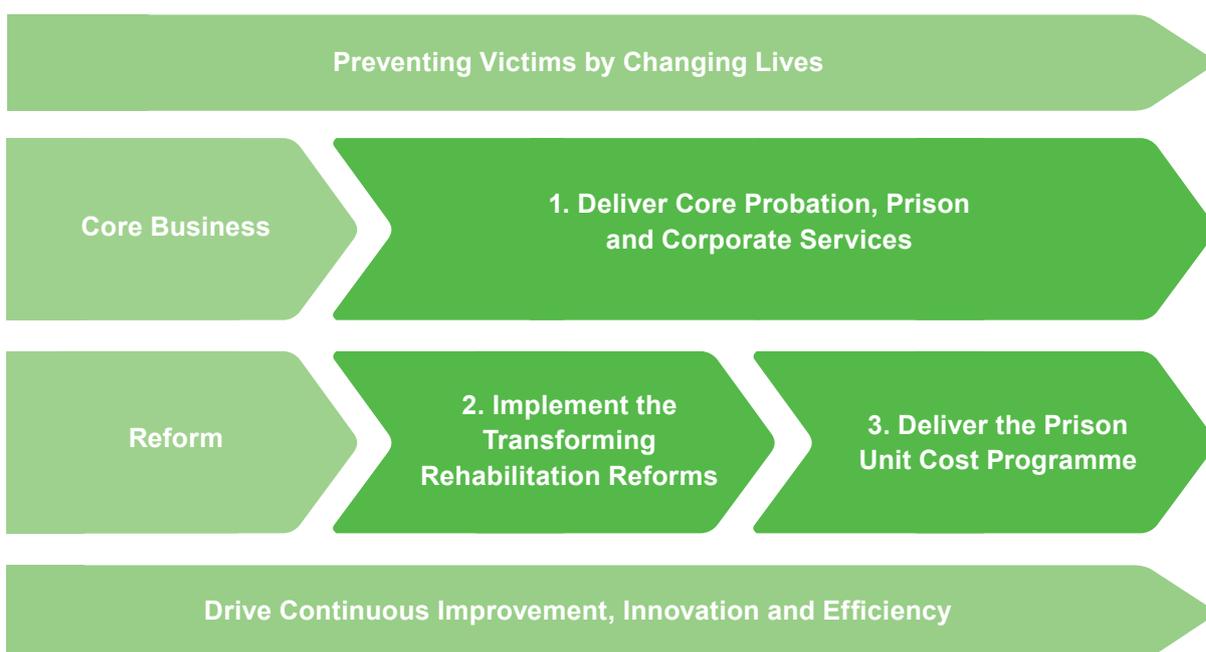
A particular focus will be on getting best value for money through payment by results mechanisms reflected in the Transforming Rehabilitation reforms.

On day one, practices and resourcing will vary across the NPS, reflecting current practice in Trusts. For reasons of both efficiency and effectiveness, we will set a clear direction of transfer for the NPS towards a benchmarked common optimal way of working,

with implementation a priority for the forthcoming year.

Key to our approach to reducing cost in prisons has been to ensure that we meet the high standards of operational delivery our service specifications set out. The challenge of the change is not a question of efficiency or effectiveness, it is a challenge of achieving both. Benchmarking in prisons will ensure sufficient provision is made to enable the delivery of rehabilitative regimes safely, decently and securely.

We will work closely with colleagues in the MoJ to achieve these reforms. Our key priorities for 2014/15 are:



The detail behind these priorities is set out in the following sections.

1. Deliver Core Probation, Prison and Corporate Services

In what will be a demanding year as we deliver our reforms, we remain focused on delivering our key operational services. We will continue to focus on protecting the public and reducing reoffending and our responsibility to enforce the orders of the courts.

The public need to have confidence that the punishment and orders of the courts are delivered.

'NOMS Commissioning Intentions 2014' clearly spells out priority areas for providers and highlights, based on the best possible evidence, the need to focus resources as efficiently and effectively as possible.

Probation

The Transforming Rehabilitation reforms provide a unique opportunity to extend service provision to those sentenced to under 12 months in custody through a restructure of probation services. Our overriding priorities in implementing these reforms continue to be public protection, reducing re-offending and ensuring that the sentences of the courts are carried out.

Probation providers, initially Trusts, and then CRCs or the NPS, will continue to provide and enforce a variety of interventions and community sentence options for the courts for dealing with

offenders in the community, and also for post prison release rehabilitation.

We will gradually transition to the new model to support smooth transfer and continuity of service levels. We will work with Trusts to adopt new operating processes through April and May, and move to new governance arrangements in June.

We will also be working closely with other local partners to support the effective bedding in of the new arrangements. Our priorities for Probation in 2014/15 are to:

- Maintain effective services and performance standards;
- Ensure smooth transition to NPS and CRC arrangements;
- Introduce effective contract management for CRCs; and
- Effective mobilisation of new contracts following share sale.

During this period of change our focus remains on managing risk and public protection, reducing re-offending and ensuring that the orders of the courts are carried out.

For details of our reform programme in the community please see the section 'Implement the Transforming Rehabilitation Reforms'.

Prisons

The context of change

2014/15 will be another year of significant change. Public Sector Prisons will continue to play a very important role in the NOMS and MoJ Programmes to reform public services and deliver efficiencies. The main features of the change we will manage involve:

- Consolidating the introduction of 'new ways of working', which phase one of the benchmark enables, in local and category C prisons;
- Commencing the implementation of phase two of the benchmark in all other prisons;
- Implementing phase three of the benchmark to enable the delivery of 'through the gate' resettlement services in designated resettlement prisons as part of the wider reform of probation services which the Transforming Rehabilitation Programme will introduce; and
- Designing phase four of the benchmark to implement a range of projects that will support the previous benchmark releases.

Fundamental to our successful management of the scale and pace of this change will be maintaining and sharpening our focus on delivering safe, decent and secure prisons. This focus is also critical to helping us achieve our principal objectives to protect the

public, to reduce reoffending and to carry out the orders of the court. The commitments set out in this Business Plan are underpinned by the agreements Public Sector Prisons have reached with the NOMS Commissioners based on Commissioning Intentions. The details of these agreements are contained in the Service Level Agreements for each prison and region.

Our priorities

Our operational priorities in 2014/15 to ensure safe, decent and secure prisons are:

- Safety: we are committed to ensuring that prisons remain safe for everyone by continuing to focus on maintaining good order and control and by reducing violence, self-harm and substance misuse.
- Security: we aim to improve our high performance through physical, procedural and dynamic security arrangements appropriate to the risks different categories of prisoners pose. Our priority security work is set out below:
 - i. We will create and commence implementation of a strategy to reduce the threat presented by serious organised criminals in prisons in line with the Government's serious and organised crime strategy, with NOMS leading on the work on

- prisons and lifetime management. The work will be developed and implemented with the National Crime Agency and law enforcement agencies; and
- ii. Implementing the findings of the Prime Minister's Extremism Task Force both in terms of strengthened security arrangements and more targeted interventions.
- Public Protection: in addition to fulfilling our statutory obligations under Multi-Agency Public Protection Arrangements (MAPPA) and our work to support the Parole Board, this year:
 - i. We will implement recommendations from the Review into Release on Temporary Licence (RoTL);
 - ii. We will continue to support the work of other criminal justice agencies in tackling serious organised crime; in managing the risk posed by those convicted or charged with Terrorism Act 2000 (TACT) and related offences; and in managing those prisoners who demonstrate extremist behavior in custody or in the community; and
 - iii. Through the Offender Management Change Programme (OMCP) we will oversee the development of a revised Offender Management (OM)

Model, with an enhanced role for probation offender managers in custody. NOMS was already developing that Model but paused development, to ensure that it would be compatible with the emerging Transforming Rehabilitation Programme. Qualified probation offender managers will work alongside prison offender supervisors in Offender Management Units to deliver offender management to all offenders in custody, through effective sentence planning and relevant interventions, to address offenders' risk and needs. OMCP dovetails with the establishment of the NPS and the creation of CRCs, and by means of Through the Gate, CRCs will be directly engaged in resettlement activity prior to and in preparation for the release of the offenders for which they will be responsible. In addition, we have established a NOMS Sex Offender Management Board to look at all aspects of the management, treatment and resettlement of sex offenders.

Decency: we will

- i. Use capital allocations to improve living and working conditions; and
- ii. Promote the most effective staff-prisoner relations using Cambridge University's analysis

of 'staff professionalism' as a fundamental determinant of the quality of prison life. This will build on 'pro-social modeling' initiatives which include the 'Every Contact Matters' concept that is part of benchmarking.

Our continuous improvement, innovation and partnership priorities in 2014/15 are:

- To develop the capability of our workforce within our leaner and flatter management structure. This will ensure that:
 - i. First line managers and those undertaking supervisory roles have the competence and confidence to perform their new roles; and
 - ii. Governors are well supported in performing two centrally important features of their role – providing 'operational grip' and 'moral leadership'. Work on the 'role of the governor' will also enable and support governors to rise to the challenge of leading and managing partnerships in the complex delivery landscape in which we operate.
- To plan implementation of the estate reconfiguration project, the outcomes of which will include the creation of resettlement prisons to enable the 21 CRCs to deliver 'through the gate'

resettlement services to prisoners during the first three months before release. The project will also establish specialised sex offender referral and treatment centres;

- To implement the recommendations of the Women's Estate review as part of a new benchmark for women's prisons;
- To review prisons' 'corporate services' function in the light of the Finance Review (see Corporate Services section below);
- To support work to compete facilities management services, including preparatory work for implementation from November to March;
- To work with Local Government, the Department of Health and NHS partners to make preparations for the implementation of the Care Bill;
- To continue work on ICT applications which enable (a) prisoners to take more responsibility and (b) visits to prisoners to be booked through digital technology; and
- Following Alison Liebling's (Professor of Criminology at the University of Cambridge), recent work, each High Security Estate prison will develop a three year strategy for developing a rehabilitative culture.

Our priorities in working for external commissioners in 2014/15 are:

- To restructure the management of the young people's estate to enable us to enhance provision in response to the Government's 'Transforming Youth Custody' proposals (see section on 'Youth Justice' on page 18) and strengthen the delivery requirements of our Service Level Agreement with the Youth Justice Board; and
- To increase our IRC provision by re-roling HMP The Verne to become an IRC which we will operate on behalf of the Home Office's Immigration Enforcement Directorate

Core Prison Services Delivery Commitments	Delivery Date
Commencing the implementation of Phase two of the benchmarking programme	April 2014
Reconfigure the prison estate to provide resettlement prisons	From October 2014
Consolidating the introduction of 'new ways of working' in local and Category C (Phase one) prisons	March 2015
Designing Phase four of the benchmark to implement a range of projects that will support the previous benchmark releases	March 2015
With the National Crime Agency, create and commence implementation of a strategy to reduce the threat presented by serious organised criminals in prisons	March 2015
Implement the findings of the Women's Estate Review	Ongoing
Implementing recommendations from the Review into Release on Temporary Licence	Ongoing
Applying and implementing phase three of the benchmark to enable the delivery of 'through the gate' resettlement services as part of the wider reform of probation services, which the Transforming Rehabilitation Programme will introduce	Ongoing
Reduce incidents of death, self harm and violence	Ongoing
Develop new and refine existing programmes and interventions to reduce the risks of re-offending by prisoners with the most challenging behaviours	Ongoing
Provide prison places to meet the needs of the courts in a way which offers best value for money	Ongoing
Increase the number of hours and numbers of prisoners working in prisons	Ongoing

NOMS in Wales

This new directorate will ensure that all offender management services in Wales are better integrated across the whole of the offender journey. NOMS in Wales will ensure that opportunities for end-to-end commissioning and joint commissioning of services are maximised to enable economies of scale, seamless delivery and continuous improvement. The Director of NOMS in Wales will:

- line manage the NPS in Wales;
- have direct responsibility for the prisons in Wales; and
- represent NOMS to the Welsh Government and local partners, working with them to support an integrated system of delivery that complements the Welsh Government's strategic programme.

Importantly, as part of the programme to modernise our prisons, work to construct a new 2,100 place prison in Wrexham, North Wales will begin in summer 2014. The prison is scheduled to be fully operational by late 2017. The new prison will be the first in North Wales, giving offenders from the region the opportunity to be held closer to their home areas, which we know helps reduce reoffending.

NOMS in Wales will be delivering the key prison (public and private) and community delivery commitments set

out above, in Wales. This includes benchmarking in public sector prisons and the Transforming Rehabilitation reforms. The Directorate will work with the Welsh Government and devolved agencies to maximise opportunities for joint commissioning and ensure that co-commissioned services in custody, 'through the gate' resettlement services and services in the community are aligned with the new delivery landscape, thereby enabling offenders to access services which support their rehabilitation.

Background

The NOMS in Wales directorate will be established in 2014/15 because of the distinct differences arising from devolution: in Wales, the Welsh Government has responsibility for delivering a wide range of public services including health, education and social services; there is a legal requirement for all public services to be delivered bilingually in Welsh and English; and some services are funded differently to England. Criminal Justice is not devolved but achieving our overarching aims of public protection and reducing re-offending depend significantly on close working relationships with partners throughout Wales, both devolved and non-devolved.

Youth Justice

Under existing arrangements, NOMS is commissioned by the Youth Justice Board to provide places for young people along with providers of secure training centres and secure children's homes.

In January 2014, the Government announced its intention to implement a different model in the future with a far greater emphasis on education. This will see the building of a pathfinder 'secure college' as well as improving existing education provision. The secure college model represents a different way of delivering services which extends beyond the services currently offered by NOMS. It will cater for young people from the age of 12.

Within NOMS, and as part of the Transforming Youth Custody programme of work, a standardised core day has been implemented, which will support planned enhancements to the education provision and focus education at the centre of delivery in each under 18 Young Offenders Institution (YOI). We are also undertaking an analysis of the existing organisational culture across the under 18 estate with the aim of contributing to the Government's long term vision for the reform of the youth justice system for offenders under-18 years of age. We have completed a review of our

managerial structures and have begun to benchmark staffing structures in each under 18 YOI, which will support education delivery and ensure that we continue to offer value for money.

We are taking significant steps to improve resettlement and ensure that progress achieved in custody is built upon on release. We have started work to review how sentence planning and casework within YOIs can promote a clear focus on resettlement from day one. There is clear scope for closer links to be forged with the young person's home area, and to make effective use of release on temporary licence where appropriate.

Competition for enhanced education provision in YOIs is underway, which will see new education contracts managed by the Youth Justice Board. The new contracts will provide 30 hours of education per week for all young people and will be led by a senior member of the education provider organisation, who will be a core component of the YOI senior management team, reporting directly to the Governor. We will continue to work with the YJB to deliver new education contracts and will work closely with the winning bidders to implement the new service as seamlessly as possible.

Corporate and other Core Services

The primary function of our Corporate Services is to support our operational services. Our HQ provides Finance, HR and ICT support to enable greater efficiency and cost savings across the Agency. This work includes supporting and enabling the Agency to deliver against its reform priorities under the Rehabilitation Programme, making prisons more cost effective and helping identify and deliver savings opportunities including continuing savings from our substantial workforce reform programme for directly employed staff. Key milestones are outlined in the table on page 20 including our priority IT projects and the implementation of a new finance function model in public sector prisons.

We also perform a vital role in relation to the removal of those foreign national offenders who have no right to remain here. We work closely with the Home Office both at operational and policy making levels to ensure that foreign national offenders are effectively managed and that decisions to remove a prisoner are made in a timely manner enabling prisoners to be removed at the earliest possible opportunity. There were over 4,600 foreign national offenders removed in 2013. We will continue to ensure effective co-operation at all levels.

Prisoner transfer is one of the methods through which prisoners can be removed. The Government is committed

to negotiating prisoner transfer agreements wherever this is possible. Where required NOMS will negotiate agreements, as directed by the Ministry of Justice, and will ensure that each agreement is effectively implemented. We will work with the Home Office to identify foreign national offenders within scope of transfer and will ensure that effective casework arrangements are in place. In 2014/15 we expect to see a significant increase in the number of prisoners who are transferred under prisoner transfer arrangements through the implementation of the EU Prisoner Transfer Agreement, and the bilateral compulsory transfer arrangements with Albania and with Nigeria.

In addition, we perform a vital function in relation to the management of restricted patients and the release and recall of offenders. Additional workload in these areas has been absorbed whilst budgets and resources decrease. For example the number of parole reviews requiring consideration is expected to increase from around 4,800 in 2011/12 to nearly 6,800 in 2014/15. Over the same period we will have reduced the cost of our HQ by 37 per cent.

Our HQ also performs a significant support function for Ministers and in responding to public requests for information. In 2013 for example we answered 978 Freedom of Information requests and received 899 Ministers' cases. We expect similar volumes in 2014/15.

Further details on our Corporate Services functions are included in the Resources section and our key Corporate Services milestones are outlined below.

Corporate Services Delivery Commitments	Delivery Date
Deliver the NOMS 2013-14 Annual Report and Accounts with an unqualified audit opinion	June 2014
Conduct an assessment of strategic threats facing NOMS	June 2014
Implementing the ICT enablers for the Transforming Rehabilitation Programme	From June 2014
Implement new finance function model in Public Sector Prisons	July 2014
Delivery of NOMS ICT Services (transformation of the ICT services supplied to NOMS through a refresh of ICT infrastructure and applications)	Autumn 2014
Improve staff engagement results as measured in the NOMS staff survey	December 2014
Complete national rollout of Digital Visits Booking System	March 2015
Implement the Strategic Partner Gateway to deliver data integration capability to join up our existing systems and to enable digital working with partners across the offender management supply chain	March 2015
Reduce staff absence working days lost down to 9 days	March 2015
Implement the new staff Performance Management policy and process and develop line manager interventions in support of the NOMS Capability Plan	March 2015
Reduce time taken to recruit and train new staff, re-engineer the recruitment process and look at options for a possible bank of Prison Officers as part of a flexible pool of available resources	March 2015
Improve handling and reduce costs of litigation work	Ongoing
Ensure that policies and processes are constructed in ways which ensure fairness to all offender groups	Ongoing
Work with the Home Office to facilitate the removal of foreign national offenders and negotiate with foreign Governments the creation and implementation of Prisoner Transfer Agreements	Ongoing

Contract Management

A key issue for the Agency and wider Department is improved contract management. The Department has been taking action to address the management of electronic monitoring contracts and to review all aspects of contract management across the Department. This follows concerns in the summer of 2013 about significant anomalies identified by the Department in the billing practices of Serco and G4S under the electronic monitoring

contracts. The Justice Secretary asked Tim Breedon – the lead non-executive director of the Department – to oversee a review of the way the Department’s major contracts are being managed. This review has now concluded and we will work with the Department in taking forward the recommendations of the review.

In 2014/15 our key focus will be successful contract management of the newly formed CRCs and the new arrangements for electronic monitoring.

Contract Management Delivery Commitments	Delivery Date
Assurance of existing contracts and other NOMS actions following the Ministry of Justice contract management review	April 2014
Introduce the arrangements for CRC oversight, including recruitment into key senior leadership roles	June 2014
Build Contract Management Capability: <ul style="list-style-type: none"> • Build capability to account manage CRCs based on Rehabilitation Programme design; • Prepare NOMS for mobilisation of Rehabilitation Programme contracts 	Autumn 2014
Electronic monitoring re-compete service commencement	December 2014

2. Implement the Transforming Rehabilitation Reforms

During 2014/15 we will be working to take forward the implementation of the Probation and Transforming Rehabilitation reforms. As part of those reforms, we have established the Directorate of Probation. We will be welcoming around 9,000 new staff into the Agency with the formation of the NPS.

In June 2014 the new arrangements come into force. All high risk offenders and Multiple Agency Public Protection cases (MAPPA) will be supervised by probation staff under a new NPS reporting to the Director of Probation in England and the Director of NOMS in Wales. In addition to this, CRCs have been set up to work with medium and low risk offenders. We have appointed Chief Executives to the CRCs and these will be held under public sector ownership within the Directorate of Probation until they transfer to new providers.

New arrangements will allow us to extend statutory supervision and support to offenders released from short custodial sentences for the first time. Preparation for the delivery of this important new work is now underway.

During April and May of 2014, we will be working closely with Probation Trusts to help them deliver their services

until their contracts terminate and finalise arrangements for transferring responsibility to NPS and the CRCs.

Community Rehabilitation Companies

We will support the set up and establishment of the new CRCs which will supervise medium and low risk offenders. We will manage CRCs and oversee governance during the interim period leading up to share sale. We will support the procurement exercise to move the CRCs from public ownership to private, voluntary or social sector ownership by 2015.

A key role will be supporting the transition of CRCs to post share sale arrangements. During this time we will be drawing on lessons learned from our previous experiences of contract management. We will be building the capabilities of our staff in order to strengthen our contract management skills so that we are in a good position at the point of CRC share sale for ongoing management of CRCs.

National Probation Service

The new NPS within NOMS comes into existence in June 2014 and the probation staff advising courts and dealing with high risk offenders will become part of the NOMS family.

Our priority is the smooth transfer in and induction of probation staff to NPS on June 1 and the bedding down of

the new organisation. We will work in conjunction with NOMS HR, NOMS Communications and the Rehabilitation Programme to ensure that probation business continues effectively and that staff are equipped with the tools and information necessary to do their work.

We will also be supporting the recruitment of new probation specific jobs within NOMS and we will structure the mechanism for monitoring the NPS (workforce planning, effectiveness of service delivery). Delivery targets which were set by Probation Trusts last year will apply to both work covered by the NPS and the CRCs.

Transforming Rehabilitation and Community Delivery Commitments	Delivery Date
Mobilise new operating processes	April - May 2014
Transfer of probation staff to NPS and CRCs	June 2014
Manage CRCs from 1st June 2014 until the mobilisation of new contracts following share sale	From June 2014
Induction of probation staff in NPS and CRCs	April - July 2014
Establishment of a new structure and governance for the Directorate of Probation	April - October 2014
Implement mandatory polygraph testing of sexual offenders on licence in the community	October 2014
Design and manage the NOMS Commissioning Framework and integrate with the Transforming Rehabilitation reforms	Ongoing
Ensure provision of sentencing advice to courts and delivery of services for high risk offenders and allocation to appropriate services, both during the first two months of the quarter whilst still under Trust management and then ongoing under new arrangements	Ongoing
Working with other government departments, their agencies and Welsh Government to ensure that co-commissioned services in custody and the community align with the new Transforming Rehabilitation delivery landscape and offenders are able to access appropriate mainstream services which support their rehabilitation	Ongoing
With the NHS, deliver new offender personality disorder services in custody, the community and health settings	Ongoing

3. Deliver the Prison Unit Cost Programme

Between 2009/10 and 2012/13 prison unit costs (direct prison costs only) have reduced in real terms by 10 per cent per place and eight per cent per prisoner. This is a considerable achievement and reflects our relentless approach to making efficiencies. But we are doing more. We are confident that the changes being implemented in 2014/15 will maintain or improve the services we offer whilst further reducing cost.

This is a challenging agenda but we are determined to maintain safety, security and decency and improve regimes to reduce reoffending. This is being done by ensuring that there are consistent models for service delivery across all public sector prisons - ensuring that all prisons can provide a good quality regime at lower cost. HM Prison Service will continue to deliver the core custodial functions in prisons but Facilities Management and 'through the gate' resettlement services (including innovative community-based services reaching into prisons) will be subject to market competition across all public sector prisons. This will enable us to accelerate efficiencies and will deliver an overall reduction in spend over the financial years of 2013/14 to 2015/16 in public sector prisons with ongoing annualised savings of £306m (15 per cent) against a 2012/13 baseline.

The Prison Unit Cost Programme will drive the necessary changes. This consists of four inter-related work streams:

- **Delivering the public sector benchmark** to ensure that public sector prisons operate in a new way to deliver improved regimes at less cost. This new way of working has been implemented in all category B Local and category C training prisons (phase one) in 2013/14. Phase two, which includes the High Security Estate, category B trainers, Women's Estate and YOIs holding under 18s will be implemented during 2014/15. In addition, public sector prisons will implement delivery of 'through the gate' resettlement services, in support of Transforming Rehabilitation outcomes and ensure the smooth transition of National Probation staff following the restructure of the Probation Service;
- **Restructuring the prison estate** to open new efficient places at lower cost, including the opening of four new houseblocks;
- **Competing services** to maintain the momentum of our reform work to open up the delivery of public services. This will include competing works and facilities management services across all public sector prisons, with contract award and mobilisation starting in 2014/15; and

- **Specification and commissioning benchmarking** is based on meeting the agreed NOMS operating specifications, in addition there is an annual cycle to ensure we are commissioning the right services and targeting the right offenders

Prison Unit Cost Programme Delivery Commitments	Delivery Date
Contract award of works and facilities management services in prisons	November 2014
Complete implementation of Phase 2 of the benchmarking programme	March 2015
Delivery of new accommodation units at The Mount, Parc, Peterborough and Thameside prisons	Various - all operational by April 2015

4. Resources

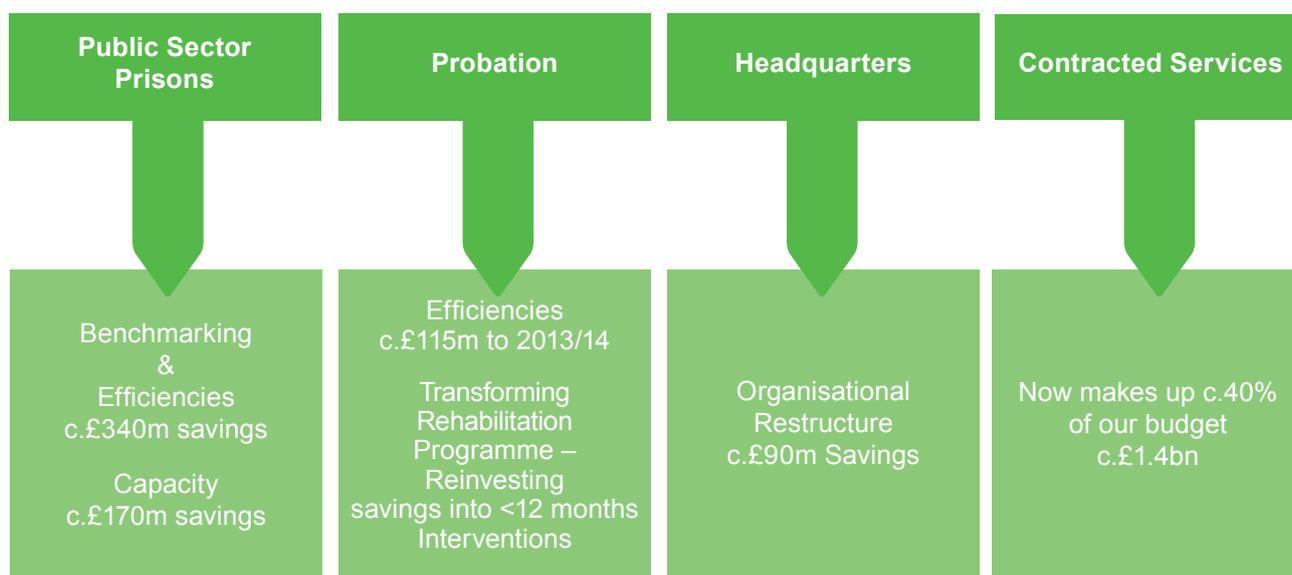
Finance

Since the start of the SR, we have successfully delivered c£750m cashable savings against the 2010/11 Baseline Budget Position. By the end of 2014/15 we will have saved nearly £900m. This unprecedented level of savings has been achieved at the same time as delivering the fundamental reforms mentioned above. At the end of 2013/14 we had reduced our budget by around 20 per cent since the start of the SR. This will rise to **a reduction of 24 per cent by the end of 2014/15.**

Savings Delivery over SR10	2011/12	2012/13	2013/14	2014/15
PSP efficiencies and benchmarking	99	80	84	75
Probation efficiencies*	60	30	26	*
Capacity management programme	37	8	88	37
Organisational Restructure	41	23	22	6
Contracted Spend		60	3	6
Other Savings	-8	45	50	25
Total	229	246	274	149
Cumulative Total	229	475	749	898

*Probation will be restructured in 2014/15 under the Transforming Rehabilitation reforms with savings reinvested to extend supervision to prisoners serving sentences under 12 months.

We have taken a wide-ranging strategic approach to meet the financial challenge we have set ourselves. During the SR period, our approach has and will continue to achieve significant cost reductions right across our business.



Over the past three years we have made significant savings across all areas:

- In Probation there have been c.£115m savings (c13 per cent);
- Public sector prisons have delivered £263m savings (c13 per cent). £84m of this was delivered through benchmarking and efficiency in 2013/14 as part of the Prison Unit Cost Programme;
- In order to protect operational services as much as possible, we have undertaken a comprehensive organisational restructure of our HQ function, which has delivered £86m of savings; and
- A capacity management programme is in place to ensure the most effective use of the prison estate.

Since the start of the SR, we have opened new accommodation at a much lower unit cost. This has enabled us to reconfigure the estate and to close less efficient, uneconomic places across a number of prisons. Since the start of the SR we have saved c£133m in the last 3 years (£88m in 2013/14 as part of the Prison Unit Cost Programme), whilst maintaining overall prison capacity at 2010 levels.

The challenge to deliver significant cash savings continues into the final year of the SR. For 2014/15, NOMS has a resource savings target of £149m, which represents a four per cent cost reduction to be achieved during the year, taking our reduction across the SR period to 24 per cent.

Our 2014/15 savings plans include:

- £75m savings in public sector prisons through the continued delivery of the benchmarking and efficiency programme. This will achieve a total SR saving of 17 per cent in this area;
- In 2014/15 the capacity management programme will deliver a further c£37m gross savings, from the full year effect of savings from the closure of places in December 2013 and January 2014 and income from re-rolling The Verne to an IRC. The capacity management programme will deliver £170m gross savings by the end of the SR and will have closed over 7,000 places. A recent National Audit Office report highlighted that we have the most coherent and strategic prison estate strategy for many years, that we have managed change well and have achieved substantial cost reduction for the public; and
- The Organisational Review of Headquarters will deliver savings of £6m in 2014/15 and will total over £92m (or a 37 per cent reduction) across the SR period.

The fiscal resource budget for 2014/15 is £3,224m (excluding depreciation and transfers to other Government Departments). Our capital budget for 2014/15 is £26m. This funding is to cover areas of spend including basic maintenance and the replacement of specialist vehicles and security and

catering equipment. In addition to the delegated NOMS Budget, MoJ ICT and Estates have been allocated capital budgets which will cover investment related to our requirements and infrastructure.

Our People

We do not underestimate the significant impact that the organisational changes and Business Plan will have on staff across the Agency. Over the past 12 months the workforce has reduced due to the benchmarks being introduced across Public Sector Prisons. Moving forward, we will need to continue to work differently as we build the NPS to deliver the Agency's objective of preventing victims and reducing reoffending.

Our people have provided feedback through Board engagement events, line manager structures and the monthly and annual employee engagement surveys. We actively listen to staff and over the next 12 months we need to take further action to motivate and engage staff and improve the services we provide.

Welcoming around 9,000 probation staff into the new NPS for England and NOMS in Wales alongside introducing a reformed probation and prison model will result in a significant number of people working across a diverse range of services and in a complex and

changing environment. Working with the new National Probation Directorate, NOMS in Wales, and the Public Sector Prisons, the HR Directorate will continue to focus on our people through a whole system approach which aims to:

- Build and embed a new culture;
- Build and retain talent at all grades across all Directorates; and
- Improve capability through reforming the learning and development offer.

Over the next year our HR priorities will focus directly on resourcing to ensure we have the right staff, in the right place at the right time. Our HR Directorate will continue to support the Agency in reducing average working days lost through supporting staff, sharing best practice and empowering managers to instigate robust management of the attendance policy and process.

We are developing a five year People Strategy that has the aspiration of defining what we want from our future workforce and how the HR Directorate will support staff and managers to deliver any changes required. The strategy will lead to specific multi-year activity that develops good people management practices and ensures decisions are made at the most appropriate level. Every role matters in making this work. This means professionalism, initiative and accountability at each level. It means

leaders and managers that really engage and develop individuals, and teams to help change the lives of offenders and keep the public safe.

Capability and performance management will be high on the HR agenda to support the People Strategy and ensure that as the levels of unprecedented organisational change continue to be introduced, staff are able to develop the right skills and capability, whilst feeling supported and fully engaged. A new Learning Operating Model is being worked on to ensure we are flexible, agile and meet the changing nature of the way we work and how we deliver our training. We are looking at introducing digital enhancements to the training offer with more blended learning to reduce the time spent away from the workplace.

Our HR priorities will continue to focus on managing successful TUPE (Transfer of Undertakings Protection of Employment) transfers, on managing voluntary exit schemes, and on the reconfiguration of the prison estate while ensuring staff are confident, can focus on reducing reoffending and maintain a safe, decent and secure working environment.

Working with the Ministry of Justice and wider Civil Service

Changes across the wider Civil Service will continue to impact on NOMS as well



as the wider Ministry of Justice. Our HR delivery plan works in parallel with this and supports the priorities of:

- Civil Service Reforms; pensions, terms and conditions, opportunities for development;
- Next Generation (HR2 reforms), including the development of the HR Justice Hub; and
- MoJ Shared Services Programme.

5. Equality

The Equality Act 2010 requires public authorities to publish equalities objectives, aimed at ensuring compliance with the public sector equality duty – to give due regard to the need to eliminate unlawful discrimination; to advance equality of opportunity and to foster good relations.

We are committed to fairness. We treat our staff properly and ensure equality of opportunity. We deliver our services fairly and respond to individual needs. We insist on respectful and decent behaviour from staff, offenders and others with whom we work. We recognise that discrimination, harassment and bullying can nevertheless occur and we take prompt and appropriate action whenever we discover them.

This section lists our objectives, which contribute to the broader MoJ equalities objectives.

We consulted on these objectives during 2011/12 and published them in our previous business plans. Our Equalities Annual Report 2012/13 (<https://www.gov.uk/government/publications/noms-offender-equalities-annual-report-2012-2013>) reports statistical information on outcomes for offenders across the various protected characteristics in the equalities legislation.

Our objectives remain as outlined below. **For each objective the relevant data will be collected and action taken where appropriate:**

Objective 1
Equalities Monitoring Data: Offenders

Objective 2
Equalities Monitoring Data: Staff

Objective 3
Disability: Prisoners with Learning Disabilities

Objective 4
Disability: Reasonable Adjustments for Staff

Objective 5
Commissioning and Contracted Services: Effective Management of Equalities Issues

Objective 6
Women Offenders: Improve Outcomes

6. Transparency

Future publications

2013/14 figures will be published in the NOMS Annual Report and Accounts to be published in June 2014 and in the Management Information Addendum to this report which will follow in July 2014. There are a number of other statistical publications planned for 2014/15. These are highlighted in the table below¹:

Publication title and period covered	Publication date
2014	
Safety in custody quarterly, to December 2013 and 2013 annual tables	24-Apr
NOMS Workforce Statistics, quarterly bulletin, to 31 March 2014	29-May
Safety in custody, quarterly bulletin to March 2014	31-Jul
National offender management service annual report 2013/14: management information addendum	31-Jul
The prison performance digest, 2013/14	31-Jul
Accredited Programmes, annual bulletin, 2013/14	31-Jul
Prison and probation trust rating system, 2013/14	31-Jul
Probation service health and safety accidents/incidents report 2013/14	31-Jul
NOMS Workforce Statistics, quarterly bulletin, as at 30 June 2014	28-Aug
MAPPa annual report 2013/14	30-Oct
Safety in custody, quarterly bulletin to June 2014	30-Oct
NOMS Prison Input Indicators 2013/14	30-Oct
NOMS Annual Offender Equalities Report 2013/14	13-Nov
NOMS Workforce Statistics, quarterly bulletin, as 30 September 2014	27-Nov
2015	
Safety in custody quarterly, to September 2014	29-Jan
NOMS Workforce Statistics, quarterly bulletin, as 31 December 2014	26-Feb

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

¹ Publication dates are as at 26 March 2014 and are subject to change. The latest schedule of planned publications is available at <https://www.gov.uk/government/organisations/ministry-of-justice/about/statistics#publication-schedule>

2012/13 outcomes are outlined below:

Delivering the Punishment and Orders of Courts	Outcome 2012/13
The percentage of orders and licences that are successfully completed ²	77%
Reductions in violence as measured by the violence management report;	No single measure
The percentage of prisoners held in crowded accommodation across the prison system ³	24.1%
The rate of self-inflicted deaths per 100,000 prisoners (3-year rolling average)	66
The rate of drug misuse in prisons as reflected by those testing positive in mandatory drug tests	7%
Public Protection	
The number of escapes from prison and prison escorts	2
The rate of escapes from prison and prison escorts as a proportion of the average prison population	0.002%
The number of escapes from contractor escorts	9
The rate of escapes from contractor escorts as a proportion of the throughput of prisoners	1 in 96,867 prisoner movements
Reducing Reoffending (supplementing the overarching impact indicators)	
The percentage of offenders in employment at termination of their sentence, order or licence	37.7%
The percentage of offenders in settled and suitable accommodation at termination of their sentence, order or licence	86.9%
Reducing Costs	
Cost per prisoner	
• Direct cost per prisoner	£26,139
• Overall cost per prisoner	£34,766
Cost per prison place	
• Direct cost per place	£27,675
• Overall cost per place	£36,808
Cost per pre-sentence report to courts ⁴	£210
Cost per community order / suspended sentence order ⁴	£4,305
Cost per offender supervised on licence post-custody ⁴	£2,620

² This measures the percentage of orders (community orders and suspended sentence orders) and post-release licences that are completed successfully by offenders under supervision by the probation service.

³ Crowding occurs when the number of prisoners in an accommodation unit exceeds the Certified Normal Accommodation in that unit.

⁴ Probation Trust Unit Costs will not be published for 2013-14. Due to changes to Probation in 2014, data of sufficient quality and validity will not be available to facilitate the calculation of input indicators.

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

	Outcome 2012/13
Staff sickness: average days per annum	10.41 AWDL ⁵
Proportion of Black and minority ethnic staff in the Agency	9.1%

We assess performance of individual prisons and Probation Trusts against these and other measures including outcomes from independent external inspections. Annual performance ratings for individual prisons and Probation Trusts are published under the MOJ Transparency Framework.

Note: 2012/13 figures published in the NOMS Annual Report and Accounts were published in July 2013, Prison Costs and Probation Trust Unit Costs were published in October 2013, and 2012/13 figures published in the NOMS Annual Offender Equalities Report were published in November 2013.

⁵ Average Working Days Lost





National Offender
Management Service