

Pilot Learning Group

Round Table Action Learning

Session 4: Balancing operational and commercial interests in commissioning &

Session 5: Influences - Government, Media and Public Sector – the need for an evidence base

Introduction

The Academy for Justice (AJC) pilot learning group was established following a requirement to develop Learning Groups for members. The pilot learning group focuses on one key area of commissioning; provider development, that was seen by the AJC membership as important in improving learning.

The make-up of the pilot learning group consists of members of the AJC who come from public, private and voluntary sector backgrounds. The bringing together of people from all business sectors will significantly help in developing a better understanding of provider development and will ensure that any learning disseminated via the AJC is suitably informed. Whilst this mix of people from different sectors is beneficial, each member of the group is also committed to adopting an open approach to engaging in the pilot, exploring differing issues regardless of the sector they work in which will ensure any learning is not biased towards a specific market sector.

The inaugural meeting of the pilot learning group took place on the 24th February 2012 in Birmingham. Future activity will consist of a series of facilitated round table action learning sessions with a view to the sharing of experience and learning across the group and to report back to Academy for Justice Commissioning for wider dissemination.

There will be five round table events covering the following subject areas:

	Subject	Location	Date
1	Models of partnership working	Havant	April 2012
2	Localism	Norwich	June 2012
3	Procurement (Competitive Dialogue) - sharing of experiences	Wakefield	August 2012
4	Balancing operational and commercial interests in commissioning	Poole	October 2012
5	Influences - Government, Media, Public Sector – what is the evidence base?	Luton	December 2012

On completion of the round table sessions it is proposed to share the findings and experiences of the Pilot Learning Group with members at one of the formal AJC evening seminars early in 2013.

The outcomes from the action learning sessions 4 and 5 have been combined in a single report due to time constraints in assimilating the information and the focused content of each of the sessions.

Round Table Action Learning Session 4: Balancing Operational and Commercial Interests in Commissioning

The fourth round table action learning session focused on the competing commercial and operational pressures that commissioners face in designing and procuring services to meet the needs of offenders. The difficult fiscal climate has led the government to adopt a strategy of commissioning only those offenders services that have a proven track record of successfully changing offender behaviour. Whilst the group welcomed the reshaping of offender services in line with government strategy, they also identified a number of risks and tensions that, if not managed properly, could result in certain elements of the offender population not receiving the right level of support. These risks and tensions are discussed below:

Reduction in Funding and Funding Mechanisms

The reduction in available funding and the way in which funds are distributed are seen by the group as the biggest risks to operational performance and the successful delivery of offender service outcomes going forward. All representatives around the table agreed that a large majority of offenders lead chaotic lifestyles and have multiple needs, all of which will have to be addressed if their criminal behaviour is to be changed and they are to be integrated back into society. It was also recognised that no single organisation working alone can achieve this change in behaviour. Only local partnership working will deliver real change. Offender services therefore need to be designed to maximise cross sector community working and the skills and capabilities of local voluntary sector organisations need to be fully utilised.

Community based public sector organisations will in the future need to place greater emphasis on how their resources are deployed in order to maximise partnerships working across the public, voluntary and private sectors. However it was felt by many of the group that financial pressures are having a significant influence on government policy which in turn is forcing central government Commissioners to base their commissioning decisions largely on the commercial impact on their department's balance sheet. This approach is likely to lead to the letting of larger national contracts as these Commissioners move closer to a pure outsourcing model in order to maximise savings through increased purchasing leverage.

The tensions with the local community based model in this scenario are obvious and the DWP Work Programme was quoted as an example of how difficult it is to manage the passage of vital funding down to local community groups when contracts are let on a national scale and not managed effectively. It was also pointed out that at the time of writing, the Work Programme had yet to deliver any demonstrable improvement over the service it replaced whilst the payment by result sub-contracting mechanism had been a contributory factor in the demise of several smaller voluntary sector organisations.

Another concern raised by the group was the noticeable reduction in non-public sector funding to the voluntary and community sector. Traditional grant funding trusts and other sources of revenue generation are under significant pressure with less money to support voluntary sector activities. This is likely to lead to many more voluntary sector organisations closing their doors. Whilst it can be argued that this is a natural result of market dynamics and just like the public and private sectors, the voluntary sector will also need to become leaner and more efficient, there is one important difference and that is the negative impact to offenders, victims and other service users.

Many public sector organisations already rely on the skills and resources of the voluntary sector to deliver complimentary support to high, medium and low risk offenders. Most Integrated Offender Management (IOM) services, mentoring services, specified activities requirements, substance misuse programmes, general rehabilitations support and youth offender services are provided in part by voluntary sector organisations both inside prison and in the community. Many offenders become reliant on these organisations to support them as they transit back into mainstream society, so the loss of any organisation delivering this sort of provision is likely to have a negative impact on the number of offenders being successfully rehabilitated.

The group discussed several innovative ideas on ways to better manage funding mechanisms as a resolution to the issues discussed above. The most interesting of these was the potential to develop a personal offender budget mechanism which would allow the alignment of funding to meet individual offender need as assessed by Offender Managers. Early indications during the discussion suggested that this type of funding system could be linked to a suite of locally designed support services supplied by the voluntary and private sector which would provide a wraparound package designed to give maximum support and reduce the risk of reoffending. The discussions were quite complex leading to suggestion that this type of initiative could be the subject of a further roundtable event and clearly demonstrated the willingness by all sectors around the table to share innovative thinking.

Payment by Results

The government's desire to commission public services under a payment by results regime were seen by all of the group as having the potential to significantly increase the number of citizens (in particular the more difficult offender groups) becoming socially excluded. This has the potential in the medium and long term to drive up crime rates, increasing social unrest with the net result that the prison population increases – exactly the opposite effect to that required in a PBR model in the justice system.

The concept of payment by results models was not in itself seen as the underlining issues, more the way they are to be deployed and the types of models used. Early examples such as the Work Programme clearly demonstrate that unless the model and deployment mechanism are clearly thought through and thoroughly tested, there is a real danger that providers will cherry pick the more compliant services users in order to meet target thresholds that trigger stage payments. The group strongly recommended that central government Commissioners and politicians should proceed with caution when considering introducing payment by result

mechanisms, especially when adopting a third party investor model because of the cherry picking issue described above.

It was also felt that the investor model had significant similarities to PFI/PPP which whilst reducing public spending now would just mean government would have to pay later unless real cashable savings could be made by closing a prison. This is unlikely with the recent changes to sentencing policy on knife crime and two serious offences which are both likely to increase prisoner numbers.

Conclusion

This roundtable proved to be one of the more difficult sessions from which to come away with any real recommendations or conclusions. Whilst the group clearly identified tensions between operational and commercial priorities it was clear that strong arguments could be given in favour to either approach depending on what outcomes were trying to be achieved.

The group however all agreed that services user needs should be the foundation on which any commissioning decision is made and that need should remain central when deciding what type of service should be put in place. Commissioners should avoid at all costs the potential to commoditise offenders for example by assuming all low risk offenders will follow similar behaviour patterns or pose little risk to the public. Risk should always be seen as dynamic with low risk offenders often migrating to higher categories if they are not managed effectively or given the right level of support.

Commissioners should also resist designing a service that caters for cherry picking i.e. only a proportion of the offender population receive the support in order to meet commercially driven targets or payment triggers. Failure to do this will result in an increase in numbers of long term socially excluded offenders with the potential consequences described earlier in the paper.

Round Table Action Learning Session 5: Influences - Government, Media, and Public Sector – the need for an evidence base.

This round table session was a shortened event due to its proximity to the Christmas break and a number of the group having heavy work commitments. However it proved to be an interesting session with strong views being expressed by a number of participants and significant concern being raised around the power of the media to influence commissioning decisions.

Although the group discussed all areas of influence, the press and in particular the national newspapers seemed to be the one area of the media that all members of the group felt had the biggest influence on commissioning decisions. It was felt that the direct influence newspapers held over politicians because of their channel to the voting public often influenced policy and therefore departmental commissioning agendas. This was seen as a fundamental and significant risk to the future design and delivery of offender services as well as a weak basis from which to make commissioning decisions.

The prime concern was the lack of understanding by the newspapers of the impact such a powerful medium can have when they publish investigative stories and other events. It was felt that many newspapers took a sensationalist approach to reporting in their pages, often leaving out key information that would have provided the reader with a more informed understanding of events. This lack of informed reporting often leads to political knee jerk reaction in the form of poorly thought through policy. Even more important is the impact this type of press sensationalism has on service providers, especially the voluntary sector where uninformed negative press can have a massive impact on the level of public donations being received or grant funding being awarded.

All of this means that a risk averse culture to negative press has developed not only across the political spectrum but also within service providers leading to a cautious approach to the introduction of new and innovative services. The group was able to provide real life examples of voluntary organisations that had taken decisions not to proceed with innovative projects because of the risks that the newspaper press would publish negative headlines. Many of the group had also witnessed the use of the term 'is it Daily Mail proof' applied as a criteria for evaluating new initiatives in the public sector and although this was often a tongue in cheek phrase, it does support the suggestion that an underlying risk averse culture does exist.

The group strongly agreed that the television media generally reported events accurately in a neutral fashion. Local newspapers were also seen as a valuable asset in reporting on local community and public services but there was some concern that they were beginning to run with stories issued in the national newspapers, including some elements of the sensationalist reporting.

The group all agreed that social media was becoming the tool of choice for communicating widely with the public, particularly where negative press is applied. Many of the group already used this type of media to promote their organisations and to raise awareness of the good work they are doing. Whilst it was agreed that national newspapers would always hold significant influence it was also agreed that the power of social media would in time alter reporting habits because it would become common practice to challenge the sensationalist reporting using vehicles such as Twitter etc.

Conclusion

Although this was a shortened session, the group found it an extremely enjoyable subject to discuss. The concerns on the level of influence held by national newspapers over politicians were seen as a very real issue that will continue to influence policy decisions. However, because this form of media is also a prime vehicle employed by those same politicians to influence the voter it was also felt that politicians would not change their approach to policy development.

To shift the balance of influence away from the national newspapers the group felt that a change in culture would be required and most thought social media would be the catalyst to facilitate this cultural change.