




Executive Decision Report

<p>Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken</p>	<p>Cabinet</p> <p>Date of decision: 14 January 2013</p>	
	<p>Councillor Fiona Buxton, Cabinet Member for Adult Social Care, Public Health and Environmental Health</p> <p>Councillor Rock Feilding-Mellen, Cabinet Member for Civil Society</p> <p>Date of decision (i.e. not before): 7 January 2013</p> <p>Forward Plan reference; 03911/13/C/A</p>	
	<p>Councillor Nicola Aiken, Cabinet Member for Children, Young People & Community Protection</p> <p>Councillor Anthony Devenish, Cabinet Member for Public Health and Premises</p> <p>Councillor Rachael Robathan, Cabinet Member for Adult Services</p> <p>Date of meeting or formal issue: 7 January 2013</p>	
<p>Report title (decision subject)</p>	<p>THE IMPLEMENTATION OF THE TRI-BOROUGH ADULT REDUCING REOFFENDING SERVICE</p>	
<p>Reporting officer</p>	<p>LBHF: Executive Director for Environment, Leisure and Residents Services and Tri-Borough Executive Director of Adult Social Care</p> <p>RBKC: Director of Strategy and Local Services and Tri-Borough Executive Director of Adult Social Care</p> <p>WCC: Strategic Director of Street Management and Tri-Borough Executive Director of Adult Social Care</p> <p>Public Health: Director of Public Health</p>	

Key decision	Yes
Access to information classification	Public

1. EXECUTIVE SUMMARY

- 1.1. The report seeks approval for the implementation of a 2 year pilot to tackle adult reoffending across the Tri-borough, targeted predominately toward those offenders who have been sentenced to fewer than 12 months in custody – known as Short Sentenced Prisoners (SSPs). The report asks for a realignment of grant funding from the Mayor's Office of Policing and Crime (MOPAC) and Public Health, previously assigned to the Drug Interventions Programme, for the establishment of a Tri-borough Reducing Reoffending Service, as described in the Community Budgets business case recently approved by Government.
- 1.2. The service model has been designed on the basis of a realignment of both MOPAC and Health funding that has in previous years been employed to commission the Drug Interventions Programme (DIP).
- 1.3. The Drug Interventions Programme (DIP) was introduced in 2003 by the Home Office. Its principal focus is to reduce drug-related crime through effective engagement with problematic drug users, (heroin and crack cocaine users) and to refer them into appropriate treatment and support. Individuals who are arrested for acquisitive crimes, or identified as potential drug users with a substance misuse need, are drug tested in police custody and if positive, are required to be assessed for drug treatment. Non compliance with the assessment is an offence. DIP staff also work at local magistrate courts and within prisons to ensure that drug using offenders are linked in to treatment services, whether in the community or prison. Treatment services for all substance users, including offenders, are funded separately through the pooled treatment budget from the Department of Health.
- 1.4. The new programme will mean that offenders will no longer receive support through the Drug Interventions Programme. However, new measures will be introduced that will ensure that all offenders in Police custody will be offered drug testing and a preliminary health screening. This will increase the numbers of offenders identified at an earlier stage in both their substance misusing and offending patterns. All offenders receiving sentences of over 12 months will continue to be supported by the Probation Service. These measures will broaden access for all offenders (including those that would have otherwise accessed DIP services) to appropriate specialist services to support improvements across a number of domains including substance misuse and offending.
- 1.5. This change in approach is very much in line with national and regional policy, and in practice means that (i) we will be targeting resources at offenders who are more predisposed towards rehabilitation and resettlement and (ii) taking a more cohesive approach to their needs including substance misuse; not just class A drugs as per the previous Drug Interventions Programme model.
- 1.6. The proposed new service model aims to achieve a 10% reduction in the offences committed by the SSP cohort across the Tri-borough. A completed cost benefit analysis indicates that this reduction in offences will achieve a £25 million saving over a 5 year period, realised through the reduction in the cost of the

offences, impact on the community and a significant reduction in court and custody costs. The table below shows a breakdown of the fiscal and economic benefits over a 5 year period.

Savings		Financial Year					Total
		Yr1	Yr2	Yr3	Yr4	Yr5	
		2013/14	2014/15	2015/16	2016/7	2017/8	
Discounted Savings (£m)	Communities and the Economy	1.2	2.3	2.2	2.1	2.1	9.9
	CJS Savings	1.8	3.5	3.4	3.3	3.1	15.1
	Total	3.0	5.8	5.6	5.4	5.2	25.0

2. RECOMMENDATIONS

- 2.1. That approval be given to the implementation of a new service model for a 2 year pilot period to reduce reoffending incidents by adult prisoners sentenced to fewer than 12 months in custody.
- 2.2. That approval be given to agree to release the funds from the Mayor's Office for Policing and Crime and from Public Health grant to support the 2 year pilot programme,¹ subject to sufficient funds being allocated to the Tri-borough.
- 2.3. That approval be given to the decommissioning of the current approach to the delivery of the Drug Interventions Programme across the Tri-borough.
- 2.4. That approval be given to the new governance arrangements to oversee the implementation of the two year pilot of a Tri-borough Reoffending Board attended by senior officers and partner agencies which will report into all three separate community safety partnerships to ensure robust performance management and accountability across the Tri-Borough.
- 2.5. That Westminster City Council act as the lead commissioner for the implementation of the Reducing Reoffending Service as set out in this report.

3. REASONS FOR DECISION

- 3.1. **Importance of shifting focus and resources to SSPs**
- 3.2. Short sentenced prisoners have a negative impact on communities; their main offence types are those visible to the local community, such as theft, burglary and motor vehicle offences. The 'revolving door' of SSPs returning to the community adds to negative feelings of safety and to the perception that the current system is not working. A shift in focus to these offenders will also offer better value for money as it will aim to reduce reoffending incidents before an offender becomes

¹ All costs have been achieved by taking into account a 12% reduction in grant funding year-on-year. Sensitivity analysis has been conducted which shows that even with a 30% cut, the two year pilot is still affordable.

prolific and before their offending worsens and they are sentenced to a longer custodial sentence.

3.3. Agreement of funding

- 3.4. It is recognised that funding from MOPAC and Department of Health via Public Health has yet to be formally committed. Notification of Public Health allocation is expected in early January 2013. MOPAC still awaits the notification from the Home Office of the final settlement figure which is anticipated in late December, although confirmation of total funds for Tri-borough will only be announced following submission of a business case in February and upon agreement of the proposals which is due to take place in mid to late March. However, in order to establish a service in the next financial year, the decommissioning process and procurement process needs to begin in early 2013, therefore approval is required in January 2013 to enable these processes to begin.
- 3.5. Following advice from Procurement officers in Westminster City Council, it is proposed that the service specification in the invitation to tender will include a funding range for the new service model, to allow for flexibility should funding for the new service be less than expected.
- 3.6. There is a lack of clarity as to whether funding will be released on an annual basis or whether funding could be secured over three years (conversations have taken place with MOPAC about this but there has been no official confirmation), however, the procurement process will allow for annual break clauses to ensure there is no risk to the local authorities.
- 3.7. Once funding settlements have been agreed and we are clear on the allocation of funds to the Tri-borough from MOPAC and Public Health, Cabinet Members will be asked to approve the exact levels of funding proposed to fund the new service. This will be based on the service model costings and the proportions required from each borough will take into account data anticipated in January which will give a more detailed picture of the number of short sentenced prisoners in each borough.

4. BACKGROUND

- 4.1. The Tri-borough authorities were successful in becoming one of four national pilots to work in collaboration with central government to develop whole place community budget proposals between April and October 2012. As the only whole-place pilot in London, the three authorities have fundamentally rethought public service delivery in a number of areas – shifting focus away from silo's, organisational constraints, geographical boundaries and ring fenced budgets to focus on outcomes for people and place. The result is a set of practical and deliverable propositions that set out smarter ways of working to tackle a range of complex social and economic issues.

- 4.2. The Reducing Reoffending business case proposed the shift of discretionary spend on adult reoffending services across the Tri-borough from those receiving over 12 months in custody to those receiving 12 months or less in custody; this included decommissioning DIP in its current form. The new model helps the Community Safety Partnerships to deliver on their statutory duties to reduce reoffending.
- 4.3. The six Cabinet members from across the Tri-borough were briefed in Cabinet Member meetings and via Cabinet Member briefing notes prior to submission of the business case on 31st October 2012. A Tri-borough meeting of Community Protection Lead Cabinet Members took place on 18th September where it was agreed by the three Councillors to submit the Reducing Reoffending business case as part of the Community Budgets offer in October. Separate meetings have taken place with Councillors Robatham, Buxton and Ginn who agreed to the submission of the business case.
- 4.4. Senior officers have been consulted across Public Health, Adult Services Commissioning and through a full consultation process with each borough's community safety partnership.
- 4.5. Positive feedback has been received from Whitehall for the reducing reoffending business case. The analysis is considered to be robust and the proposal deliverable.
- 4.6. Work now needs to commence on preparing for implementation and therefore approval is sought for the recommendations listed in this Cabinet Member Report.

5. PROPOSAL AND ISSUES

- 5.1. **To implement a new service model for a 2 year pilot period to reduce reoffending incidences by adult prisoners sentenced to fewer than 12 months in custody.**
- 5.2. The Community Budget business case outlined a new service model for reducing reoffending across the Tri-borough. It proposed the shift of discretionary spend on adult reoffending services across the Tri-borough from those receiving over 12 months in custody to those receiving 12 months or less in custody. It was identified that reoffending across the Tri-borough has continued to increase in recent years. Short sentenced offenders are disproportionately likely to reoffend, with 52% reoffending within one year of release, compared to 39% for those sentenced to over 12 months. They are also disproportionately represented in the criminal justice system and often go onto commit more serious offences. They also have a significant impact on their local communities, committing crimes such as theft, vehicle offences and burglary.

- 5.3. The business case proposed the decommissioning of the Drug Interventions Programme, which is no longer a statutory requirement by the Home Office. Reducing reoffending is also one of three priorities for MOPAC, as outlined in their recent mission statement. Stephen Greenhalgh, Deputy Mayor for Policing and Crime, is keen for Tri-borough to implement the pilot, working alongside MOPAC, to trial it as a way of working differently between MOPAC and local authorities. MOPAC have allocated an officer to support the commissioning and implementation of the new service, and Tri-borough will report into the MOPAC reoffending performance group to support regional development in this area.
- 5.4. In its place, the Tri-borough will establish a Reducing Reoffending Service, which will cost £2 million in year 1 and £1.8 million in year 2. The cost is higher in year 1 allowing for commissioning, implementation and evaluation costs. The new service model will consist of the following:
- a reducing reoffending team, which will work with a cohort of short sentenced offenders within custody and into the community providing preliminary screening to all offenders going through custody suites and to identify health issues such as drug misuse, alcohol misuse, mental health and learning difficulties.
 - targeted interventions, both mainstream and specialist, bespoke to the needs of short sentenced offenders
- 5.5. The model seeks to reduce reoffending incidents by SSPs by 10%. A performance framework will be developed, in consultation with key stakeholders, including the Financial Investment Model steering group for London, which Tri-borough has been invited to sit on and the data management group led by MOPAC.
- 5.6. This model has been supported by our partners with both the Metropolitan Police Service (MPS) and Probation Service planning to realign resource to support the new service.
- 5.7. **To agree to release the funds from the Mayor's Office for Policing and Crime and from Public Health grant to support the 2 year pilot programme.**
- 5.8. The Reducing Reoffending model requires the realignment, at a reduced rate of funding than was previously committed from the Home Office via MOPAC and the Department of Health via Public Health to offenders on DIP. It will be redirected to the Reducing Reoffending Service focussing on early screening of all offenders and intensive support and supervision to SSPs.
- 5.9. The three boroughs have yet to receive confirmation from both MOPAC and Public Health on the 2013/14 grant allocation. Notification of Public Health allocation is expected in early January 2013. MOPAC still awaits the notification from the Home Office of the final settlement figure which is anticipated in late December, although confirmation of total funds for Tri-borough will only be announced following submission of a business case in February and upon

agreement of the proposals which is due to take place in mid to late March. The model developed in the Community Budget proposal has been based on a 12% reduction in grant, as per the previous financial year.

- 5.10. Sensitivity analysis on the costs of the service model has been completed, which sets out that a two year pilot is affordable, even if there is a 30% reduction in grant funding. Approval for the release of funds is only being asked of Cabinet Members if funding cuts do not exceed 30%.
- 5.11. The proposal requires all of the MOPAC funding previously committed to DIP and a smaller proportion of the Public Health funding, which will then be focussed on achieving the Public Health Framework Outcomes - (i) reducing reoffending, (ii) successful completion of drug treatment and (iii) people entering prison with substance use issues not previously known to community treatment.
- 5.12. It should be noted that DIP funding has always been focussed on referring offenders into treatment and rather than the actual drug treatment programmes.
- 5.13. **To decommission our current approach to the delivery of the Drug Interventions Programme across the Tri-borough.**
- 5.14. In order to release funds into the new Reducing Reoffending Service, the contractual arrangements for the delivery of the current DIP model need to cease and not be extended past the 30th September 2013 which is when the contract with Blenheim Community Drugs Project (BCDP) relating to the criminal justice elements come to an end in Hammersmith and Fulham and Kensington and Chelsea. However the contract for open access to treatment provision for substance misuse will continue.
- 5.15. In Westminster the criminal justice element of Westminster Drug's Partnership (WDP) contract will need to be decommissioned, as we are only 3 years into a 5 year contract, with annual break clauses. Clause 38.10 in the WDP contract states the service may be terminated or varied giving as long notice as possible if funding is decreased/stopped. The overall WDP contract for treatment provision will continue.
- 5.16. Across the Tri-borough, work will be carried out to ensure effective interim arrangements to be delivered by BCDP and WDP between 1 April and 30 September 2013. The commissioning and procurement of the new service will run in tandem with the revisions to the current substance misuse contracts, with the plan for the new provider to be appointed in August, and for the new service model to be fully operational in September 2013.
- 5.17. **To approve new governance arrangements to oversee the implementation of the two year pilot.**
- 5.18. A Tri-borough Reoffending Board attended by senior officers across Tri-borough and from partner agencies will report into all three separate Community Safety

Partnerships to ensure robust performance management and accountability across the Tri-Borough.

- 5.19. The purpose of the group will be to oversee the successful implementation of the Tri-borough Reducing Reoffending service as well as providing strategic direction, advice and challenge to the development, implementation and delivery of all partnership activity aimed at reducing reoffending across the Tri-borough. Any necessary further formal decisions will be obtained through the correct formal channels.
- 5.20. A Tri-borough group will help to ensure the flow of data and information across the three boroughs and will reduce resource commitments for governance.
- 5.21. It is proposed that the Tri-borough Reoffending Board will also oversee Troubled Families and YOS reoffending data to ensure links and ways of working together are explored.
- 5.22. **To approve that Westminster City Council acts as the lead commissioner** for the implementation of the Reducing Reoffending Service.
- 5.23. It is proposed that Westminster City Council take the lead role in commissioning the service, with the Strategic Crime Commissioner and Senior Commissioner for Tri-borough Substance Misuse and Offender Care jointly commissioning the service. This is a continuation of the current situation where Westminster have led on the development of the new model for the duration of the Community Budgets programme, with support from Tri-borough colleagues who sit on the project and implementation group. Furthermore, Westminster City Council will receive the greatest proportion of MOPAC funding in 2013/14 and will host Public Health for the three boroughs.

6. OPTIONS AND ANALYSIS

- 6.1. There are three main options for Cabinet/Cabinet Members to consider, listed below, alongside the potential risks of not developing the Tri-borough Reducing Reoffending Service:

<p>a. Reject and continue to fund current DIP approach</p>	<ul style="list-style-type: none"> • Funding is reducing and is no longer being ringfenced to DIP; therefore the contracts will need to change.
	<ul style="list-style-type: none"> • The drug picture nationally is changing and current arrangements need to be changed to move away from a focus on solely Class A drugs and instead incorporate all drugs and alcohol issues.
	<ul style="list-style-type: none"> • Despite DIP having been in place for several years reoffending rates across the Tri-borough have continued to increase.

	<ul style="list-style-type: none"> • A stronger case for long-term funding and for a new financial model will be difficult to make unless Tri-borough revises DIP – potentially missing out on the opportunity to take part in payment by results (PbRs) nationally.
b. Fund nothing	<ul style="list-style-type: none"> • MOPAC require Local Authorities to submit a business plan which fits into their strategic priorities - reoffending is one of their three priorities so Tri-borough would need to demonstrate how we are meeting this priority locally. Reducing Reoffending is also a Public Health priority in the Public Health Framework. • It would remove Tri-borough from having any involvement or stake in new funding models/PbR approaches favoured by the government. • Treatment providers would not have referral mechanisms • It is a statutory duty for Community Safety Partnerships to formulate and implement a strategy to reduce reoffending.
c. Only release MOPAC funding for the new service (with Public Health continuing to fund a small scale DIP/custody referral service)	<ul style="list-style-type: none"> • There would not be enough resource to ensure an end to end approach from police custody, through prison and into the community • It would not be cost effective to run a small Reducing Reoffending service for SSPs and small custody referral service due to duplication and doubling up on commissioning and performance, plus multiple points of contact, assessment and referrals for offenders. • The 2 year pilot will develop an investment model which will reduce commitment from MOPAC and Public Health and realign investment with agencies benefitting from a reduction in reoffending, such as Ministry of Justice

6.2. For the reasons highlighted alongside the 3 options listed above, it is recommended that both MOPAC and Public Health funding is released for the

establishment of an end-to-end Reducing Reoffending Service. The work over the last 8 months, including analysis of data and funding, consultation and engagement with practitioners and service users, has ensured that we have selected the cohort which will help Tri-borough achieve the best outcomes in terms of reducing reoffending.

7. CONSULTATION

- 7.1. The Reducing Reoffending business case and new service model were devised following extensive consultation with practitioners, partner agencies, external stakeholders, MOPAC, Ministry of Justice, Home Office and service users. Versions of the business case have been circulated to all 6 Cabinet Members. Wider consultation has taken place at the Leader's Group. Key senior officers have also been briefed.

8. EQUALITY IMPLICATIONS

- 8.1. We anticipate positive equalities benefits for offenders in police custody suites as the new model will widen support from those with a Class A substance misuse issue to all offenders with drug and alcohol issues, mental health issues and learning difficulties. We are still in the process of trying to obtain personalised data on short sentenced offenders across the Tri-borough which will help provide a greater understanding of the size of the cohort and the needs of the cohort. Significant progress has been made with NOMS in obtaining data on SSPs across Tri-borough and further work will be carried out. No negative equalities implications are expected but equalities impact assessments will be carried out as part of the preparation for implementation.

9. LEGAL IMPLICATIONS

- 9.1. The process which is required to release the funds into the new service will have legal implications. The decommissioning process and timeframes will adhere to contractual arrangements with providers. Full consideration will be given to TUPE issues during decommissioning and commissioning of the new service.
- 9.2. The current RBKC/H&F contract with Blenheim CDP runs till the 30 September 2013. This will dovetail with the commissioning of the new service therefore reducing the impact of decommissioning. Westminster Drug Project has accepted contract variation from March 2013 in respect of the custody referral element of DIP.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. There are financial implications as Members are asked to agree to release the funds from the Mayor's Office for Policing and Crime and from Public Health grant to support the 2 year pilot programme.
- 10.2. Due to the length of time it will take to decommission DIP and commission the new service and to enable the service to be up and running for at least 6 months in 2013/14 so that performance can be reported back to funders, Members are asked to approve the allocation of funds prior to formal receipt of grant funding from MOPAC and Public Health. It is understood that this is risky in the sense that we are not completely clear on how much funding we will receive, as funding cuts are expected.
- 10.3. Once funding settlements have been agreed and we are clear on the allocation of funds to the Tri-borough from MOPAC and Public Health, Cabinet Members will be asked to approve the exact levels of funding proposed to fund the new service. This will be based on the service model costings and the proportions required from each borough will take into account data anticipated in January which will give a more detailed picture of the number of short sentenced prisoners in each borough.
- 10.4. The service model has been costed with an expected 12% cut in grant. The current service model would result in reduction in request for financial support from the Public Health allocation of £721,000 in 2013/14, when compared to current in year contribution. The table overleaf illustrates this reduced allocation, as well as giving an indication of the proportion required from the grant funding anticipated from MOPAC and Public Health. It also indicates the potential reduced cost of the new service model if funding levels from MOPAC and Public Health grant were to stay at current levels.

Borough	DIP allocation	2012/13 DIP allocation	2013/14 (with 12% expected reduction in grant)	2013/14	2013/14	Worst Case	Best Case
			grant contribution required	Cost of New Service	grant contribution required	2013/14 surplus	2013/14 surplus
		£'000	£'000	£'000	£'000	£'000	£'000
LBHF	MOPAC	308	271		271	0	37
	PTB	555	489		289	200	266
	Sub -Total	864	760		560	200	303
RBKC	MOPAC	259	228		228	0	31
	PTB	486	428		253	175	233
	Sub -Total	745	655		481	175	264
WCC	MOPAC	513	452		452	0	62

	PTB	964	848		502	347	462
	Sub -Total	1477	1300		953	347	524
Tri-Borough Total		3085	2715	1994	1994	721	1091

- 10.5. Calculations have also been made in order to understand the maximum level of grant reduction that would enable the service to still be financially viable over 2 years. Sensitivity analysis sets out that a two year pilot is affordable, even if there is a 30% reduction in grant funding. Approval for the release of funds is only being sought by Cabinet Members if funding cuts do not exceed 30%.
- 10.6. The Tri-borough Director of Finance for Adult Social Care comments that the cost of the proposals can be met from public health grant and MOPAC, based on a best and worst case scenario. Savings from the pilot, should it be successful, can be taken into account in future financial plans.

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Local Government Act 1972 (as amended) – Background papers used in the preparation of this report

Tri-borough Whole Place Community Budget – Reducing Adult Reoffending Across Tri-Borough, October 2012 (exempt)

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