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**National Audit Office**

# Submission to the Review of Offender Learning

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We apply the unique perspective of public audit to help Parliament and government drive lasting improvement in public services.

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The National Audit Office scrutinises public spending on behalf of Parliament. The Comptroller and Auditor General, Amyas Morse, is an Officer of the House of Commons. He is the head of the National Audit Office which employs some 900 staff. He and the National Audit Office are totally independent of Government. He certifies the accounts of all Government departments and a wide range of other public sector bodies; and he has statutory authority to report to Parliament on the economy, efficiency and effectiveness with which departments and other bodies have used their resources. Our work leads to savings and other efficiency gains worth many millions of pounds: £890 million in 2009-10.

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# Summary

## Obtaining better VFM from Offender Learning

**1** This submission summarises what the National Audit Office believes to be the fundamental issues that need to be addressed to improve VFM from the low level found by our work and that of the Public Accounts Committee in two reports in 2008.

**2** Both these reports were critical of the services provided to offenders, finding weaknesses in the allocation of resources, the performance of providers and the evidence for effectiveness both in the design and delivery of the Offender Learning and Skills Service (OLASS). Although remedial steps were put in place following our and the PAC's report, we note from your call for evidence that many of the wider issues remain actual. We believe that the recommendations made both by us and the Public Accounts Committee are still useful in designing the future shape of the service.

**3** In summary, based on the evidence presented in part 2 below, we believe there are four high priority issues which remain to be resolved if OLASS is to improve its efficiency and effectiveness. These are as follows:

- Clarifying the **policy goals** for offender learning. Is the focus on acquiring life skills as an end in themselves, as a purposeful activity or as a means of reducing re-offending?
- **Planning** the service to be delivered, including assessing the level of need amongst offenders in different parts of the Criminal Justice System and matching provision against this. Better planning could extend to mean the creation of a common curriculum that allows offenders to continue education when they are moved between prisons, or in community educational establishments when their sentence ends.
- **Delivering** an agreed level of service, including holding providers to account against meaningful measures of quality.
- **Evaluating** the effectiveness of what is delivered in terms of agreed outcomes, as related to the policy goals.

Our core management cycle puts this in pictorial form:

**Figure 1**

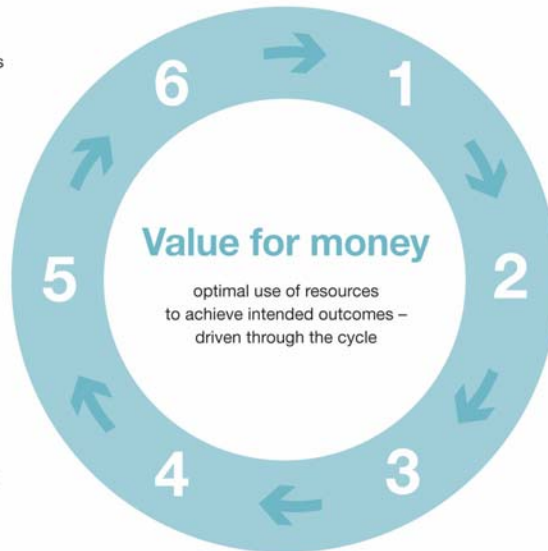
Core management cycle to ensure value for money

**Core management cycle**

**6 Feedback**  
amends priorities and informs future strategy and planning

**5 Evaluation**  
of implementation against strategic goals

**4 Measurement**  
of quality, delivery, costs and user experience against benchmarks and targets



**1 Strategy**  
based on evidence with clear policy goals

**2 Planning**  
with agreed priorities, resources, management information and program management in place

**3 Implementation**  
with good financial management, risk management, governance controls in place

Source: National Audit Office

## 6 Summary Submission to the Review of Offender Learning

4 A number of the bodies involved in delivering Offender Learning have changed since our reports were published. The table below gives the names of the organisations that now perform their functions.

<b>ORGANISATION IN 2008</b>	<b>SUCCESSOR IN 2010</b>
Learning and Skills Council (LSC)	Skills Funding Agency (SFA)
HM Prison Service (HMPS)	National Offender Management Service (NOMS)
Department of Innovation, Universities, and Skills (DIUS)	Department for Business, Innovation and Skills (DBIS)

5 Should you have any further questions about the issues raised here, please do not hesitate to contact:

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# Part One

## The sources of poor VFM in offender learning and skills

**1.1** This Part outlines the findings arising from the NAO's Value for Money study on the Offenders' Learning and Skills Service (OLASS), which was carried out in 2007-08, and published in March 2008.<sup>1</sup>

**1.2 Overall, we found that the value for money of OLASS across almost all aspects of delivery was below what it could achieve.**

**1.3 Following its creation in 2005, OLASS's effectiveness had been adversely impacted by problems left over from the previous system.** These included:

- a. the fact that levels of provision at individual prisons were not necessarily linked to current learning and skills needs;
- b. that some contracts were not designed to reward outcomes; and
- c. that there was insufficient management information about whether policy objectives were being achieved.

**1.4 Since prisons saw Offender Learning primarily as a means of occupying prisoners rather than of improving their skills levels, OLASS had found it difficult to alter the level of provision at individual prisons, even when needs had changed.** Until this fundamental tension between incompatible policy goals was resolved, the NAO believed it would not be possible to achieve significantly better value for money. OLASS and NOMS need to take a realistic attitude and assess:

- a. how much activity that is purely purposeful can be moulded to meet both that and the learning/skills requirement in order to satisfy both.
- b. how much expenditure on learning is actually going to be available.
- c. assess what the cost of learning would be by meeting the highest priority groups/locations first until all available resource is taken up.
- d. restrict OLASS spend to existing learning that is evidence based as useful, plus what extra can be afforded that is similarly likely to be useful.

<sup>1</sup> The report can be viewed in full at [www.nao.org.uk/publications/0708/meeting\\_needs\\_the\\_offenders.aspx](http://www.nao.org.uk/publications/0708/meeting_needs_the_offenders.aspx).

**1.5 Apart from basic skills education, there was little evidence about what specific kinds of Offender Learning activity had the greatest impact on improving employability and reducing re-offending.** The Department did not know what mix of courses would be most effective, either at a broad national level or locally.

**1.6 OLASS had not found a way to hold service providers to account for the attendance at class of offenders in custody.** Instead, providers were paid on the basis of the number of hours of teaching delivered, irrespective of attendance levels or learning outcomes. This was because of the many different potential reasons for non-attendance that were beyond the providers' control: inter-prison movements; court appearances; and legal visits, to name but a few. At the time of the study, it was intended that new contracts, to be let from 2009 onwards, would have better measures of effectiveness and levers for accountability. It would be good to assess, as part of the review, whether the new contracts have improved accountability and cost effectiveness.

**1.7 A large number of offenders did not finish courses once they had started them.** According to our analysis of actual learning and skills records, approximately one third of courses begun in custody were not completed. In about half of cases the prisoner could not complete the course because he or she was moved to another establishment and records did not transfer or there was no way of dovetailing what was being provided at different institutions. This represents a waste of resources.

**1.8 We estimated that uncompleted courses could be costing the system as much as £30 million a year.**

**1.9 There was little standardisation in the courses offered at different prisons, making it hard for offenders to pick up courses when they were moved.**

**1.10 We identified that prisoners' records often did not follow them when they were moved and that learning and skills providers at PFI prisons had even greater problems accessing data than average.**

**1.11 Central Government did not have enough management information to monitor the effectiveness of OLASS, although a considerable amount of useful data was available locally.** At the time of the audit, the then Learning and Skills Council was unable to say what proportion of offenders were meeting their personal learning needs, nor what impact learning and skills provision had on employment and re-offending rates.

**1.12 Learning and skills providers adopted many different approaches to identify individual offenders' needs and plan how to address them.** Of 1,600 learning plans we reviewed, one third did not specify the courses to be undertaken and fewer than half recorded progress made.



**1.13 Since participation in learning and skills work is voluntary for adult offenders, we found that efforts to motivate, incentivise and engage offenders were likely to be crucial to success.** In some prisons at the time of our audit, offenders on education were paid less than offenders doing work, thereby creating a *de facto* disincentive for them to improve their skills.

## Part Two

### Issues to be addressed to improve the VFM of offender learning and skills

#### NAO Recommendations from 2008

**2.1** Following our consideration of the evidence and the conclusions we reached, we made the following recommendations about how the provision of Offender Learning could be improved. As part of the review, it would be useful to know whether these recommendations have been addressed and what effect they have had.

**2.2 On the setting of objectives, we recommended that:**

- a. **Offender Learning resources be systematically reallocated, both in custody and the community, on the basis of need.** We expected such reallocations to begin in the new contracts that were due to start in August 2009, but acknowledged that they would have to be phased in to minimise the risk of disruption in prisons; and
- b. **the tensions between meeting the learning and skills needs of individual offenders and the Prison Service's duty to occupy prisoners in purposeful activity be resolved.** Specifically, we recommended that all OLASS partners explicitly recognise the multiple objectives and prioritise them.

**2.3 On the monitoring and management of performance, we recommended that:**

- c. **the then Learning and Skills Council hold providers to account over the terms of their existing contracts,** especially where those contracts obliged providers to document individual learning plans, including results of assessments, qualifications being studied towards, records of progress and records of regular reviews; and
- d. **from 2009 onwards, the then Learning and Skills Council draw up new contracts for offender learning and skills provision that reward providers for progress made by offenders, rather than for inputs.**

**2.4 To improve cost-effectiveness, we recommended that:**

- e. **the then Learning and Skills Council gather robust evidence to fill the knowledge gap about what mix of learning and skills provision was likely**

**to have the greatest impact on increasing employability and reducing re-offending.** We attached a high priority to this recommendation; and

- f. **OLASS develop a management information system to enable it to monitor centrally whether policy objectives were being met.**

**2.5 Specifically with regard to custody, we recommended that:**

- g. **OLASS define a core curriculum to be in place at all custodial establishments to assist prisoners when they are moved;**
- h. **the Prison Service, at an establishment level, give regard to the importance of offenders completing courses, all else being equal, when deciding which prisoners to transfer; and**
- i. **the then Learning and Skills Council expedite work to develop an IT system that would allow offenders' records to move with them through the justice system.** We recommended a particular focus on PFI prisons, where the problems of information sharing were greatest.

## PAC Recommendations from 2008

**2.6** The Public Accounts Committee took evidence on the basis of the NAO report in May 2008. Following this, it published a report with its own conclusions and recommendations in October 2008.<sup>2</sup> In many cases, the Committee made similar recommendations to the NAO, but this section summarises those that covered new ground.

**2.7** Under the Osmotherly Rules, the Government is obliged to respond formally to recommendations made by parliamentary Select Committees, stating whether it accepted them and, if so, what it intended to do about them. Its response in this case was made through a Treasury Minute in December 2008, which can be viewed at:

[www.official-documents.gov.uk/document/cm75/7522/7522.pdf](http://www.official-documents.gov.uk/document/cm75/7522/7522.pdf).

**2.8 On the setting of objectives, the PAC further recommended that:**

- a. **all of the delivery partners—the Department for Innovation, Universities and Skills, Learning and Skills Council, and National Offender Management Service—should sign up to agreed funding priorities and work towards redistributing provision so that it better matches current needs. HM Prison Service should identify now where there may be a need for investment in classroom space or prison work areas, to allow for a managed redistribution of resources without disrupting prison regimes.**

<sup>2</sup> The Public Accounts Committee report can be viewed in full at [www.publications.parliament.uk/pa/cm200708/cmselect/cmpublic/584/584.pdf](http://www.publications.parliament.uk/pa/cm200708/cmselect/cmpublic/584/584.pdf).

The delivery partners should commit to joint performance targets so that decisions made at the frontline are consistent with the agreed priorities.

**2.9 On the assessment of individuals' needs, the PAC found that:**

- a. a quarter of prisoners have no screening or assessment for learning and skills needs, despite this being a requirement of OLASS. It may not be possible for assessments to be carried out in all cases, for instance, where offenders have very short sentences. However, if assessments are not carried out, it will be difficult to identify which offenders are most in need of the Service. The OLASS partners should either carry out an assessment or document the reasons why an assessment could not be carried out. The National Offender Management Service should instruct the Probation Service to meet the existing requirement to screen all offenders serving community sentences. Following screening, the Probation Service should make referrals to providers where the results of screening indicate a need, and training is likely to increase an individual's employment prospects.

**2.10 On the monitoring and management of performance, the PAC further recommended that:**

- a. when contracts are renegotiated in 2009, the LSC should make payments to providers conditional, in part, on increasing attendance on courses by those offenders who need them, and on the progress that those individuals make. Contracts must specify minimum acceptable standards for offender engagement and course completion.

**2.11 To improve cost-effectiveness, the PAC further recommended that:**

- a. the delivery partners should develop evidence-based, intensive programmes, aimed at getting offenders serving sentences under 12 months into local employment on release or signposting them towards further training in the community; and
- b. to show the extent to which interventions including learning and skills had helped offenders to get a job, the partners should share information about those offenders supervised by the probation service, including those supervised on release from custody. For those offenders who are not supervised by the probation service, the delivery partners should carry out research, on a sample basis, to measure the effectiveness of different interventions in helping offenders get a stable job.