



National Audit Office



REPORT

# Improving resettlement support for prison leavers to reduce reoffending

Ministry of Justice, HM Prison & Probation Service

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## Key facts

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**58,915**

number of prison releases  
in 2021-22

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**2 in 5**

adults released from custody  
between April 2020 and  
March 2021 reoffended in  
the 12 months following their  
release, on average

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**£16.7bn**

the Ministry of Justice's (MoJ's)  
estimate of the costs of  
reoffending to society across  
all adult offenders identified  
in 2016 (in 2017-18 prices)

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- 76%** of prison leavers between April 2022 and February 2023 were in settled accommodation after three months, compared with 75% in 2021-22
- 25%** of prison leavers between April 2022 and February 2023 were employed after six months, compared with 17% in 2021-22
- 37%** of prison leavers with a substance misuse treatment referral were engaged in community-based treatment within three weeks of release in 2021-22, compared with 38% in 2020-21
- £550 million** funding allocated to the MoJ in the 2021 Spending Review to reduce reoffending, although it is currently reviewing its allocations due to the government's Efficiency and Savings Review
- £340 million** maximum total value of HM Prison & Probation Service's 131 Commissioned Rehabilitative Services contracts, which started between June 2021 and October 2022
- 1,762** out of 6,158 probation officer roles were unfilled as at December 2022, a vacancy rate of 29%

# Summary

## Introduction

**1** Prisons and probation services have two core purposes: to carry out the sentences given by the courts; and to rehabilitate people in their care and supervision to help them lead law-abiding and useful lives and to protect the public. In 2021-22, there were 58,915 releases from prison in total (including some people released more than once, see paragraph 1.2). Between April 2020 and March 2021, 38% of adults released from prison reoffended in the 12 months following their release (four percentage points lower than the previous year). Reoffending has significant costs to society. This includes direct financial losses to victims and the costs that the criminal justice system must meet, from running police investigations and court hearings, to holding offenders in prisons and ensuring their effective supervision in the community. In 2019 the Ministry of Justice (MoJ) estimated that reoffending across all adult offenders identified in 2016 had cost society £16.7 billion (in 2017-18 prices).

**2** HM Prison & Probation Service (HMPPS) is an executive agency of the MoJ. It carries out sentences given by the courts, in custody and in the community. It is responsible for operating public sector prisons, overseeing private sector prisons and the Probation Service in England and Wales. When people leave prison, HMPPS aims to protect the public by managing any risks they pose, and to reduce the chances of them reoffending by supporting their resettlement in the community.

**3** The COVID-19 pandemic created significant challenges for prisons and probation services. In March 2020, to limit the spread of COVID-19 through the estate, prisons curtailed normal regimes and restricted prisoners' access to staff. HM Inspectorate of Prisons reported that some prisoners were locked in their cells for more than 22 hours a day. Probation providers delivered more of their work remotely and some support services were curtailed. In February 2022, all legal COVID-19 restrictions ended, but prisons and probation services have not yet fully returned to normal.

**4** Prison leavers are more likely to reoffend if they are not resettled into the community, for example if they have nowhere to live, no job or other income, and have poor continuity of healthcare. HMPPS and its partners aim to minimise the risk of this through their resettlement work. While in custody, staff should regularly assess prisoners to understand their needs and risks throughout their sentences. Before someone leaves prison, there should be handovers between prison- and community-based staff. During and following a prisoner's release, support should be available to help them address known barriers to successful resettlement. These include:

- **housing:** homelessness and rough sleeping among prison leavers is a long-standing problem, with at least 11% of prisoners in 2021-22 released homeless. Barriers to finding settled accommodation can include a shortage of housing stock, delays in obtaining benefits, the high up-front costs of renting, and landlords' unwillingness to house people with criminal records;
- **employment:** prison leavers often find it difficult to find a job as employers may be reluctant to employ them. Many prisoners have lower educational attainment than the general population, may lack the skills and confidence to apply for a job and often leave prison lacking basic paperwork to secure a job such as a form of identification or a CV; and
- **healthcare:** prisoners experience a disproportionately higher burden of illness and poorer access to treatment, as well as problems with substance misuse. In 2018, the MoJ reported that 45% of prisoners needed treatment for substance misuse.

**5** Many different organisations across government have responsibilities for prisoners' resettlement (**Figure 1**). In December 2020, the government established the Cross-Government Reducing Reoffending Board (the Board) to identify opportunities to reduce reoffending.

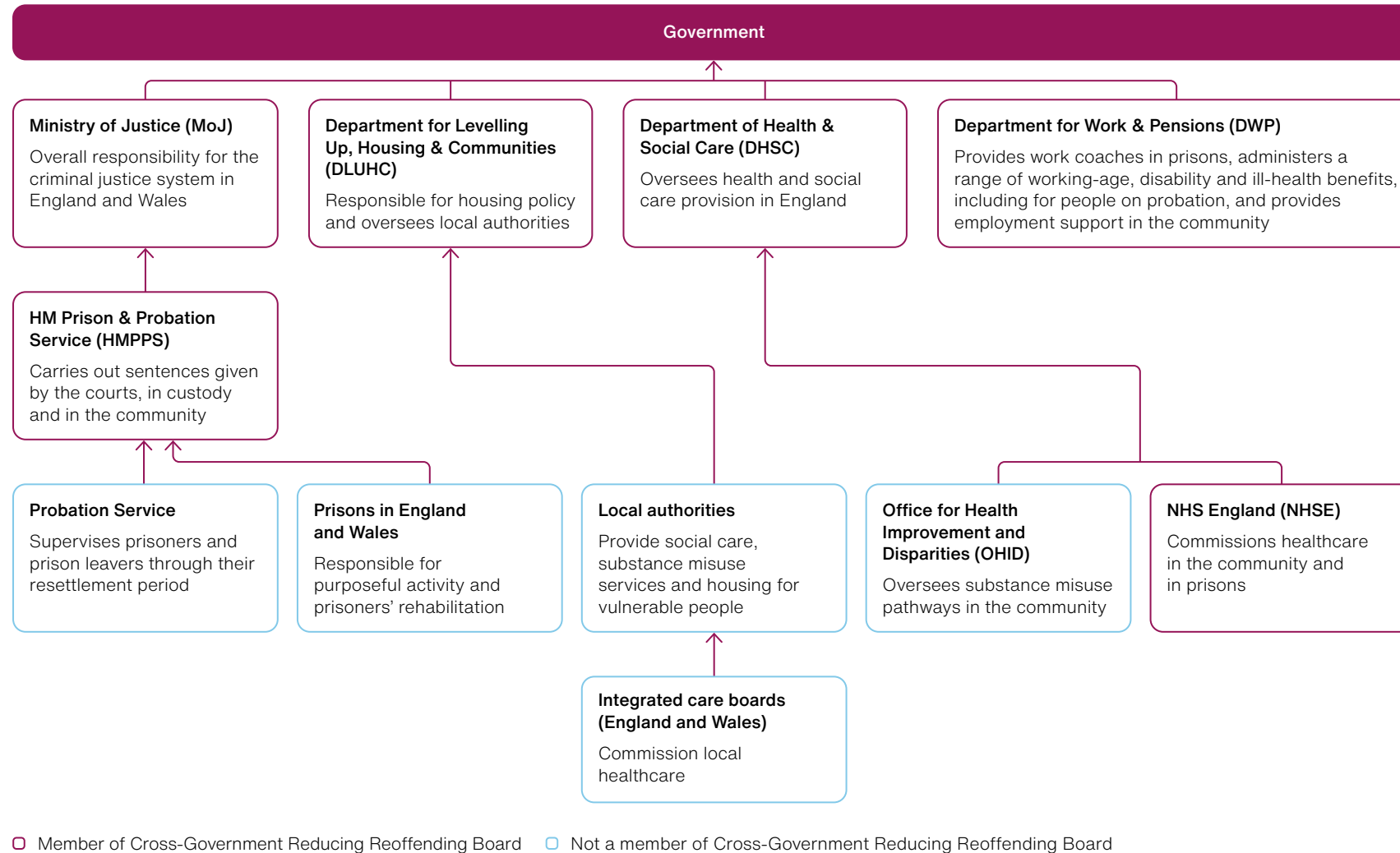
**6** HMPPS has implemented two major reorganisations of probation services in the past nine years. In 2014, the government contracted out probation services for low- and medium-risk offenders to Community Rehabilitation Companies (CRCs) who were also responsible for delivering resettlement services. In July 2018, the MoJ decided to terminate these contracts. We published several reports on these changes.<sup>1</sup> In May 2019, the MoJ announced its decision to create a new public sector Probation Service. In June 2021, around 7,000 staff from CRCs and their supply chains transferred either to the new service or to organisations it had commissioned to deliver services to offenders (Commissioned Rehabilitative Services, or CRS).

<sup>1</sup> Comptroller and Auditor General, *Transforming Rehabilitation*, Session 2015-16, HC 951, National Audit Office, April 2016; Comptroller and Auditor General, *Investigation into changes to Community Rehabilitation Company contracts*, Session 2017-2019, HC 676, National Audit Office, December 2018; Comptroller and Auditor General, *Transforming Rehabilitation: Progress Review*, Session 2017-2019, HC 1986, National Audit Office, March 2019.

**Figure 1**

Responsibilities for prisoners' resettlement across government

Responsibility for providing resettlement support to prison leavers is shared across government



**Note**

1 Wales has distinct healthcare arrangements from England.

Source: National Audit Office analysis of departmental strategies, outcome delivery plans and Accounting Officer System Statements

**7** By July 2022, HMPPS had awarded 131 CRS contracts to support offenders' needs for accommodation, education, training, employment, finance, benefits, debt, substance misuse and personal wellbeing. HMPPS expects its personal wellbeing contracts to help offenders in areas such as building positive relationships, developing legitimate lifestyles and engaging with community-based services (see Appendix Two for further information). In November 2021, the government announced £550 million of new investment over three years to reduce reoffending, of which £484 million is for adult offenders. Funding is subject to change as the MoJ considers the potential impacts of the government's Efficiency and Savings Review. HMPPS is investing the majority of its funds through a wide range of new discretionary services, initiatives and roles to complement its existing statutory service provision and improve prisoners' resettlement. The MoJ also secured £120 million of the £900 million allocated to government to deliver the government's 10-year drugs plan.

### **Scope of this report**

**8** This report examines:

- government's effectiveness in resettling prison leavers (Part One);
- the factors affecting service performance (Part Two); and
- what needs to be addressed to improve resettlement services in the future (Part Three).

**9** Our report examines resettlement arrangements for adult prison leavers in England and Wales with a focus on services relating to prison leavers' accommodation, employment and substance misuse treatment outcomes. We did not examine the resettlement of children and young people and did not review support for offenders sentenced in the community in detail.

**10** While we examine how HMPPS managed the transition of resettlement services to its new arrangements, we did not audit its overall approach to unifying probation services in detail. This report refers to both prison leavers and offenders as some of government's services and initiatives are available to all offenders, including those sentenced in the community. Where data are not captured for prison leavers specifically, we have used data across all offender types.

## Key findings

### Performance of offender management and resettlement services

**11 Available data indicate a decline in the quality of resettlement services in recent years.** HM Inspectorate of Prisons and HM Inspectorate of Probation (‘the Inspectorates’) inspect prisons and probation services, respectively. Prison inspection ratings have declined in recent years. HM Inspectorate of Prisons rated 30% of prisons as ‘good’ for ‘rehabilitation and release planning’ in 2019-20 before falling to only 3% in 2021-22. No prison had been rated as ‘good’ for these services in 2022-23. On probation, HM Inspectorate of Probation changed its approach to inspection, so its ratings before and after unification are not directly comparable. It rated 13 of the 14 CRCs it inspected as ‘outstanding’ or ‘good’ for their resettlement services prior to unification. In 23 regional inspections following HMPPS’s creation of the new Probation Service, it has rated only one local delivery unit as ‘good’ for its service delivery. This service delivery rating covers prisoners’ resettlement but also a broad range of other offender management and supervision activities (paragraphs 1.7 to 1.9 and Figures 3 and 4).

**12 HMPPS is not consistently preparing prisoners for their release.** In 2022, HMPPS found that of 98 prisoners it sampled, almost one-fifth had no contact with their probation officer in the community before their release; handovers between prison and probation staff were poor; and almost one-third of prisoners’ resettlement plans did not sufficiently identify their needs. Its sample was taken during temporary restrictions in place due to the COVID-19 pandemic but provides “a factual assessment of current delivery” to help guide future improvements across the Probation Service. In November 2022, the Inspectorates found that HMPPS’s Offender Management in Custody model, an approach intended to improve coordination during prisoners’ sentences and resettlement in the community, was complex and poorly understood by staff. It also found that staff shortages were undermining public protection work, information-sharing and relationship-building (paragraphs 1.10 and 1.11).

**13 HMPPS cannot demonstrate that its new CRS contracts are making a positive difference to offenders, and its baseline audits revealed poor performance.**

HMPPS has awarded 131 CRS contracts to support offenders' rehabilitation, including prison leavers' resettlement. It holds providers to account against two administrative measures but does not systematically monitor all providers' activities or offenders' outcomes. HMPPS audited 28 of its highest-value contracts, which started in June 2021. It completed these between June and September 2022 and rated:

- the quality of the Probation Service's referrals to providers as 'amber/red' or 'red' in 25 contracts (89%), where delivery did not meet standards in 'some regards' or 'failed' to meet standards;
- the sufficiency of CRS providers' delivery to address offenders' needs as 'amber/red' or 'red' in 19 contracts (68%); and
- the quality of CRS providers' communication with probation staff as 'amber/red' or 'red' in 13 contracts (46%).

Common problems included: a lack of clarity on reasons for referrals; insufficient activities to meet offenders' complex needs; and inadequate assurance of the work providers had delivered caused by poor record-keeping and limitations in HMPPS's IT system. HMPPS identified good practice in some personal wellbeing contracts and the one women's services contract it audited. It has work underway to improve performance across its contracts. HMPPS acknowledges that there is limited evidence on whether its contracts are improving outcomes for offenders. It plans to complete evaluation work by February 2025 (paragraphs 1.3, 1.4, 1.27 to 1.29, 3.11 and Figure 9).

**14 The government's performance in improving prison leavers' outcomes linked to reducing reoffending has been mixed.**

HMPPS, the MoJ and the Office for Health Improvement and Disparities (OHID) monitor prison leavers' outcomes in areas including accommodation, employment and substance misuse treatment. Available data show a mixed picture, where accommodation outcomes have remained stable, employment outcomes have improved and substance misuse treatment outcomes have remained poor. For example, between April 2022 and February 2023:

- 76% of prison leavers were in settled accommodation after three months of release compared with 75% in 2021-22; and
- 25% of prison leavers were in employment after six months of release compared with 17% in 2021-22.

In addition, in 2021-22, 37% of prison leavers in England with a substance misuse treatment referral were engaged in community-based treatment three weeks after release, compared with 38% in 2020-21 (paragraphs 1.12, 1.24 and Figure 5).



**15 HMPPS does not know why different groups of prison leavers have very different resettlement outcomes.** HMPPS and the MoJ monitor how outcomes for prison leavers vary between groups. For example, in 2021-22: 8% of female prison leavers were employed after six months compared with 18% of male prison leavers; 11% of black or black British prison leavers were employed after six months compared with 18% of white prison leavers; and 16% of prisoners serving sentences of less than 12 months were homeless on release compared with 5% of those serving sentences of two years or more. HMPPS has not performed analysis to identify the causes of this variation (paragraph 1.13).

**16 HMPPS is introducing new approaches to improve outcomes for offenders, including prison leavers.** In July 2021, HMPPS launched a new accommodation service in five probation regions, to provide up to 84 nights of accommodation for offenders at risk of homelessness. By 16 February 2023, HMPPS had accommodated 5,210 offenders, mostly prison leavers. Early monitoring suggests outcomes for securing accommodation on the first night of release are better in regions with the service compared with those without it. HM Inspectorate of Probation reported that the service is working well, although securing accommodation once placements has ended remains difficult. By March 2023, HMPPS had introduced employment leads, responsible for improving prisoners' employability, in all eligible prisons. It is too early to know if prisons with an employment lead have helped to achieve better employment rates than prisons without one (paragraphs 1.17, 1.18, 1.20 and 1.23).

## Factors influencing performance

**17 HMPPS reorganised resettlement services in challenging circumstances, and it retained most staff during the transition.** HMPPS took a prudent approach in designing its new resettlement model, learning from previous arrangements. It clarified where CRCs' previous responsibilities for offender management and resettlement would sit in the future. HMPPS unified probation services quickly and in challenging circumstances during the COVID-19 pandemic. Ahead of unification, HMPPS did not understand how many staff were involved but now estimates that of the 748 staff who spent most of their time on resettlement work prior to unification, at least 78% (580) transferred to HMPPS following unification (paragraphs 2.2 and 2.3).

**18 Severe staff shortages, high caseloads and high sickness absences, particularly in the Probation Service, are negatively affecting support for prison leavers.** In December 2022, 1,762 out of 6,158 probation officer roles were unfilled, a vacancy rate of 29%. Across prisons and probation regions, there are high levels of sickness absence. In 2022, HMPPS found many probation staff were managing more than 70 cases, against a suggested case load of 30 to 60. For the probation officer grade in March 2023, 104 out of 113 of HMPPS's probation sub-regions with available data (92%) were operating at or above 100% of their operational capacity. Staff vacancies and high caseloads have had a detrimental impact on support for prison leavers. For example, essential handover meetings between prison and probation staff and prisoners did not happen as intended in around half of cases between April 2022 and January 2023 (paragraphs 2.6 to 2.9 and Figure 10).

**19 HMPPS awarded 110 new CRS contracts from the first day of unified probation services, prioritising the services it offered in the short term.** HMPPS took a phased approach to letting CRS contracts. It did so because it had tight deadlines and constrained internal resources to run the procurements and was concerned about prospective providers' capacity to bid for contracts during the COVID-19 pandemic. In addition, feedback from regional probation directors indicated that probation regions were better suited to procure some types of contracts given existing relationships and local variation. Therefore, HMPPS prioritised procuring 110 contracts centrally where it considered services should be available universally: accommodation; employment, training and education; personal wellbeing; and women's services. Probation regions have taken forward procuring remaining contracts. As at January 2023, eight and six of HMPPS's 11 probation regions (excluding Greater Manchester) have finance, benefits and debt and substance misuse contracts in place, respectively (paragraphs 1.3, 1.4 and Figure 14).

Work required to improve prison leavers' outcomes

**20 HMPPS has a clear vision for resettlement services and has plans to improve delivery, but it needs to align services better and improve communication with staff.** HMPPS's review of resettlement services in July 2022 concluded it had a clear vision for resettlement services. However, its plan to deliver that vision was not clear to staff and its complex and fragmented delivery model for resettlement did not support its vision. Some local staff reported finding it difficult to absorb the high volume of change communicated by the centre of HMPPS. HMPPS's subsequent improvement plans show that it has a clear understanding of the problems it needs to fix. However, given the many different MoJ and HMPPS teams responsible for resettlement, HMPPS needs to be clear with staff on how policies, projects and internal reviews align and contribute to improving outcomes (paragraphs 3.2 to 3.4).

**21 Building on its understanding of barriers to prison leavers' employment, HMPPS has introduced a range of new roles and initiatives.** Employment initiatives are primarily overseen by the New Futures Network, the team in HMPPS which facilitates contact between prisons and employers. The Department for Work & Pensions (DWP) also provides support through its network of prison work coaches who can advise prisoners on employment and support them to make claims for Universal Credit. HMPPS found that identifying suitable candidates in prisons for interviews was a significant challenge to successful employment so has begun to introduce new initiatives such as a digital job matching system and dedicated specialists to actively find candidates for roles. Although the work is still at an early stage, HMPPS has made good progress in filling roles and establishing new functions. In addition, it told us emerging feedback is positive, with employers reporting they are finding it easier to employ prison leavers (paragraphs 1.21 to 1.23 and Figure 7).

**22 HMPPS, NHS England (NHSE) and DWP have been slow to improve the collection and sharing of prison leavers' data, which limits their ability to provide appropriate support and monitor outcomes.** HMPPS and NHSE have been slow to improve information-sharing arrangements despite recommendations from us and the Committee of Public Accounts in 2017. The NHS operates an informed consent approach, whereby patients must provide consent for their health information to be shared. Although current legislation does allow for some access, prison and probation staff have historically not necessarily known whether someone has been referred for drug treatment on release. DWP also does not collect data on the number of prisoners it has supported, the type of support it has provided or whether prison leavers found employment as a result. Moreover, DWP cannot track prisoner leavers' progression through the benefits system as its IT system does not have relevant identification markers (paragraphs 1.22, 2.11 and 2.12).

**23 The Board has not fully clarified accountability arrangements for improving prison leavers' outcomes.** Establishing the Board was a positive development to improve joint working and information-sharing. The Board has identified which departments have a role in improving accommodation and employment outcomes, but not substance misuse. It has not set out a detailed governance structure or performance reporting arrangements across departments' work. Given the substantial investment of taxpayers' money and the complex systems underpinning government's delivery arrangements, clarifying accountability arrangements would help departments to improve coordination and embed stronger incentives for improvement (paragraph 3.13).

**24 The MoJ and HMPPS have started to evaluate the impact of the new initiatives but HMPPS needs to do more to understand the effectiveness of its investment to improve prisoners' employment outcomes.** HMPPS does not yet have a mature evidence base for the impact of its new areas of investment, and its evaluation plans may not provide the evidence it needs. For example, on its new accommodation service (paragraph 16), HMPPS plans to compare outcomes with control groups in late 2023 to test the initiative's impact. Its evaluation plans for employment initiatives are still in the early stages. It currently has limited employment-related impact evaluations planned to determine whether recent improvements are a consequence of its efforts or would have happened anyway (paragraphs 3.9 and 3.10).

**25 While HMPPS has a good understanding of the overall costs of probation services, it does not have a robust estimate for the costs of resettlement services.** Isolating the costs of resettlement services is challenging. Services are delivered in prisons, but also by the Probation Service and CRS providers in the community, where probation officers and CRS providers have wider responsibilities beyond resettlement. HMPPS cannot distinguish the separate costs of supporting prison leavers only. Without this, it cannot demonstrate whether it is using public money effectively or identify potential efficiency savings (paragraphs 3.16, 3.17 and Figure 13).

**26 HMPPS needs to plan for higher demand for resettlement services as the prison and probation populations are forecast to increase significantly.** As at end March 2023, the prison population was around 84,400. The MoJ forecasts that the prison population could reach between 93,100 and 106,300 by March 2027, increases of 10% and 26%. This is primarily due to the impact of police officer recruitment and longer prison sentences for serious offenders. The increased prison population will have a follow-on effect for the Probation Service, which will experience more demand for resettlement services. The MoJ's central estimate in its recent modelling work indicates that, while projections are uncertain, the Probation Service may need to supervise around 5,900 more prison leavers starting their supervision in the community by March 2025, an increase of around 10% compared with caseloads in September 2022 (paragraphs 3.18 and 3.19).

## **Conclusion**

**27** One of the core purposes of prisons and probation services is to prepare prisoners for release effectively and ensure their smooth resettlement into the community. However, HMPPS and its partners across government do not do so consistently. Within prisons, HMPPS does not provide sufficient activities to prepare prison leavers and those it does provide are not at the required standard. The Inspectorates have reported a significant deterioration in the quality of release planning and rehabilitation services in recent years. Moreover, HMPPS does not have good enough data on its CRS contracts to know whether they are making a positive difference.

**28** We observed a strong commitment among prison and probation staff to turning prison leavers' lives around, but performance has been hampered by staff shortages and high workloads. Accountability arrangements and dependencies between departments' work are unclear. In addition, data collection and information-sharing on prisoners' needs and outcomes, particularly on substance misuse treatment, is fragmented.

**29** HMPPS has had a turbulent few years, both because of its reorganisations and because of the impact of the COVID-19 pandemic on prisons and probation services. Consequently, performance has suffered significantly. However, it has now started to take some welcome steps to address unmet need. It needs to focus on improving the performance of its core services and develop its understanding of which initiatives make the greatest contribution to reducing reoffending. Resettlement services are under significant pressure now, and this looks likely to increase. Responding to higher demand soon means senior leaders will need to be prepared to take difficult decisions on whether some elements of resettlement support may need to be de-prioritised.

## **Recommendations**

**30** These recommendations are intended to support government in improving accountability and coordination, developing the evidence base and managing higher demand for resettlement services.

- a** To improve accountability, government bodies on the Board with primary responsibility for improving prison leavers' accommodation, employment and substance misuse treatment outcomes – MoJ, HMPPS, DWP, NHSE, the Department for Levelling Up, Housing & Communities and Department of Health & Social Care – should engage with relevant stakeholders and publish a report in early 2024-25 setting out:
- clear roles and responsibilities in the resettlement system across government departments, including governance and oversight arrangements;
  - interdependencies between departments' work;
  - their consideration of developing shared performance measures between departments to embed stronger incentives for improvement; and
  - progress on improving coordination and resolving barriers to collecting and sharing data.
- b** To evidence the impact of its Commissioned Rehabilitative Services, HMPPS should consider implementing a revised approach to its future set of contracts so that it enables providers to systematically report on outcomes achieved for offenders. Where appropriate, HMPPS should verify providers' reporting on outcomes achieved for offenders through validating supporting evidence.

- c** By April 2024, HMPPS and DWP should complete analysis to understand overlaps and gaps in services using high-quality data on what support its local staff are providing to prison leavers. They should use this information to provide assurance that government's delivery of employment, training and benefits support services do not unnecessarily overlap and exploit opportunities to achieve savings.
- d** By November 2023, MoJ and HMPPS should finalise evaluation plans for HMPPS's initiatives to improve prison leavers' access to employment. Where feasible, they should commit to comparing outcomes with control groups and use data and intelligence on trends in local and regional labour markets to isolate the impact of its initiatives.
- e** By April 2025, HMPPS should complete analysis to understand the causes of variation in resettlement outcomes for prison leavers across different demographic groups and areas of the country. It should use this analysis to inform future changes to resettlement services.
- f** Commencing by November 2023, MoJ and HMPPS should develop a long-term strategy to manage increased demand for resettlement services. This should be informed by their understanding of local prison- and community-based probation teams' capacity to accommodate higher caseloads. HMPPS should use this information to identify which areas of resettlement activity could be de-prioritised, streamlined or re-sequenced.