Transforming Rehabilitation: Evaluating the Impact of Part-Privatisation in the Probation Services of the United Kingdom
การปฏิรูปงานแก้ไขฟื้นฟูผู้กระทำผิด: การประเมินผลกระทบจากการแปรรูปรัฐวิสาหกิจแบบบางส่วนในงานคุมประพฤติของสหราชอาณาจักร

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Abstract

This article critically examines the outcomes of Transforming Rehabilitation, a major reform that restructured probation services in the United Kingdom by outsourcing responsibilities to private entities. Designed to reduce recidivism, enhance operational efficiency, and inject innovation into offender management, the reform marked an unprecedented shift from traditionally state-led probation services toward privatization. Low- and medium-risk offenders were assigned to Community Rehabilitation Companies (CRCs), incentivized through contractual mechanisms such as Fee for Service and Payment by Results, while the National Probation Service (NPS) remained responsible for high-risk cases.

Findings reveal that the reform fell short of its goals. Private providers consistently failed to deliver comprehensive resettlement services, leaving offenders without crucial support during reintegration. Probation services suffered from a lack of innovation and diminished quality standards, due in part to insufficient pilot testing and flawed risk assessment processes. Financial pressures led to the collapse of several CRCs, undermining the program's stability and eroding public trust in rehabilitative approaches. This loss of confidence contributed to a growing preference for punitive sentencing over community-based rehabilitation.

The article proposes strategic adjustments to address these shortcomings. These include narrowing the scope of privatization to a supplementary role, reinforcing the NPS as the primary public provider, and reconfiguring financial incentives to encourage voluntary sector participation. Robust pilot programs and stronger regulatory oversight are recommended to ensure accountability, risk mitigation, and service quality. Ultimately, the study underscores the importance of maintaining public integrity in probation services while fostering sustainable partnerships that balance efficiency with rehabilitative outcomes.

Keywords: Transforming Rehabilitation, Privatisation, Probation Services

บทคัดย่อ

บทความนี้วิเคราะห์ผลลัพธ์ของนโยบาย “Transforming Rehabilitation” ซึ่งเป็นการปฏิรูปโครงสร้างงานคุมประพฤติในสหราชอาณาจักรโดยให้ภาคเอกชนเข้ามามีส่วนร่วมในการดำเนินงานภายใต้ความประสงค์ในการลดอัตราการกระทำผิดซ้ำ เพิ่มประสิทธิภาพในการปฏิบัติงาน และเสริมสร้างนวัตกรรมในการบริหารจัดการผู้กระทำผิด การปฏิรูปนี้ได้มอบหมายหน้าที่โดยให้บริษัทเอกชนที่เป็นผู้รับผิดชอบในการดูแลผู้กระทำผิดที่มีความเสี่ยงต่ำถึงปานกลางผ่านวิสาหกิจเพื่อการแก้ไขฟื้นฟูผู้กระทำผิดในชุมชน (Community Rehabilitation Companies) ในขณะที่หน่วยงานคุมประพฤติแห่งชาติ (National Probation Service) ยังคงรับผิดชอบผู้กระทำผิดที่มีความเสี่ยงสูง การประยุกต์ใช้เครื่องมือทางการเงิน เช่น “ค่าตอบแทนตามการให้บริการ” และ “การจ่ายเงินตามผลลัพธ์” ถูกนำมาใช้เพื่อดึงดูดการลงทุนจากภาคเอกชนและคาดหวังว่าจะเกิดนวัตกรรมด้านเทคโนโลยี

จากการศึกษาพบว่าผลการดำเนินงานตามแผนปฏิรูปไม่เป็นไปตามเป้าหมายที่กำหนด ผู้ให้บริการเอกชนไม่สามารถจัดทำบริการเพื่อสนับสนุนการกลับคืนสู่สังคมได้อย่างเพียงพอ ส่งผลให้ผู้กระทำผิดที่ได้รับการแก้ไขฟื้นฟูไม่ได้รับความช่วยเหลือ การให้บริการงานคุมประพฤติขาดความคิดริเริ่มใหม่ และมาตรฐานงานและคุณภาพลดลง ซึ่งสาเหตุหลักเกิดจากการขาดการทดลองนำร่องที่เพียงพอก่อนการขยายผล รวมถึงข้อบกพร่องในกระบวนการประเมินความเสี่ยง ปัญหาทางการเงินทำให้วิสาหกิจเพื่อการแก้ไขฟื้นฟูผู้กระทำผิดในชุมชนหลายแห่งล้มละลาย ผลกระทบต่อเสถียรภาพของงานคุมประพฤติและความเชื่อมั่นของประชาชนที่ลดลง จนกลายเป็นปัจจัยให้แนวคิดการลงโทษได้รับความนิยม ขณะที่แนวทางการแก้ไขฟื้นฟูผู้กระทำผิดในชุมชนถูกลดบทบาทลง

บทความเสนอแนวทางแก้ไขที่สำคัญ ได้แก่ การจำกัดบทบาทของภาคเอกชนให้เป็นเพียงผู้สนับสนุนงานคุมประพฤติ เสริมสร้างความแข็งแกร่งให้กับหน่วยงานคุมประพฤติแห่งชาติในฐานะผู้ให้บริการในการจัดทำงานคุมประพฤติ และการออกแบบเครื่องมือทางการเงินใหม่ที่สร้างแรงจูงใจและส่งเสริมการมีส่วนร่วมของภาคีเครือข่ายและภาคประชาชน นอกจากนี้ บทความยังเสนอแนะให้มีการนำร่องอย่างเป็นระบบเพื่อให้สามารถประเมินความเสี่ยงได้อย่างแม่นยำ และสร้างกลไกการกำกับดูแลที่มีประสิทธิภาพ เพื่อรักษาคุณภาพบริการและสร้างความเชื่อมั่นต่องานคุมประพฤติอย่างยั่งยืน

คำสำคัญ: การปฏิรูปงานแก้ไขฟื้นฟูผู้กระทำผิด, การแปรรูปรัฐวิสาหกิจ, คุมประพฤติ

1. CHAPTER I – Introduction

The emergence of the probation system can be attributed to the overreliance on custodial sentences, which were traditionally employed as instruments of deterrence and retribution within criminal justice policy. However, such punitive measures were not conducive to genuine reform. In contemporary criminal policy, there has been a paradigmatic shift toward rehabilitating offenders and fostering behavioural change. Accordingly, imprisonment should primarily serve as a mechanism for reform rather than mere punishment. Probation offers a constructive alternative, allowing offenders to avoid incarceration by complying with structured supervision, such as regular reporting to probation officers and participation in community service programs. This approach promotes self-awareness, encourages behavioural improvement, and mitigates the risk of disproportionate sentencing. Probation serves as both a test and an opportunity for offenders to engage in meaningful change, enabling successful reintegration into society and reducing the likelihood of recidivism.

In 2013, the United Kingdom government introduced a structural reform initiative titled *Transforming Rehabilitation*, which sought to address longstanding challenges within the probation system. Central to this initiative was the extension of post-release supervision to offenders sentenced to less than twelve months, alongside the implementation of "through the gate" resettlement services designed to support reintegration from custody into the community. The plan also called for increased monitoring of short-term offenders and encouraged the inclusion of expertise from voluntary organizations and community stakeholders in the rehabilitation process. The delivery of these reforms was entrusted to private entities known as Community Rehabilitation Companies (CRCs). Despite the initiative's ambitious objectives, most notably the reduction of reoffending, the program faced significant criticism and was ultimately deemed unsuccessful[1], prompting further reassessment of probation policy and its administration.

Although probation reform was intended to enhance the efficiency of the criminal justice process, its implementation inadvertently contributed to a rise in reoffending among supervised individuals. The failure of the *Transforming Rehabilitation* initiative, driven by part-privatization efforts, underscored the inability of private providers to fulfil

[1] Gwen Robinson, "Can Probation Be Rehabilitated?," *The Howard Journal of Crime and Justice* 62, no. 2 (2023): 265, accessed 23 July 2025, https://onlinelibrary.wiley.com/doi/full/10.1111/hojo.12504

the operational expectations set by the Ministry of Justice. Community Rehabilitation Companies (CRCs), entrusted with delivering probation services, were unable to meet contractual obligations or deliver outcomes as promised.

This article examines the probation reform under *Transforming Rehabilitation* as a case study in criminal justice privatization. It explores the historical context that shaped the English probation system, the policy rationale behind the reform, and its actual impact on offender outcomes and institutional coherence. The discussion begins with an overview of probation's conceptual foundations and its place in penal theory. It then critically assesses the design, execution, and consequences of Transforming Rehabilitation, including public-private dynamics and shifts in supervisory practice. The article concludes by reflecting on the broader implications of England's experience with probation privatization, not as a policy model to be exported, but as a cautionary narrative of reform complexities within modern criminal systems.

2. CHAPTER II – Criminal Policy Prior to Proposing of Transforming Rehabilitation

2.1. Change of Penal Policy from Deterrence and Retribution to Rehabilitation

The evolution of punishment in England reveals a profound transformation in criminal justice philosophy. Historically, punitive measures such as torture, pillory, incarceration, and capital punishment were central to penal policy, primarily serving objectives of deterrence and retribution. These practices were rooted in the belief that inflicting physical suffering would discourage criminal behaviour and serve societal revenge.[2] However, beginning in the 18th and 19th centuries, a shift emerged toward rehabilitative justice. Reformers advocated for more humane treatment of offenders, emphasizing behavioural transformation and social reintegration. This paradigm shift led to the gradual abolition of brutal punitive methods and highlighted the limitations of retributive and deterrent, based policies, which often failed to reduce recidivism and inflicted lasting psychological harm on offenders. The recognition of these shortcomings laid the groundwork for the introduction of probation as an alternative to incarceration and

[2] Old Bailey Proceedings Online, "Crime and Justice - Punishment Sentences at The Old Bailey - Central Criminal Court," accessed 19 August 2019, https://www.oldbaileyonline.org/static/Punishment.jsp

contributed to the abolition of the death penalty. Probation reflected a growing commitment to individualized supervision and support, aiming to restore offenders as functional members of their families and communities.[3]

2.2. The Beginning of Probation Service in Great Britain

The probation system in England traces its origins to the 10th century, when King Athelstan enacted laws exempting individuals under fifteen from the death penalty. Under Common Law, young offenders were placed under familial supervision and required to promise lawful conduct. As noted by Kearney and Skehill[4], Athelstan is considered an early figure in probation history. However, these measures were grounded in moral and religious norms rather than legal precedent, distinguishing them from the modern statutory framework of probation.

2.2.1. Reform in the 19th Century

In the 19th century, Matthew Davenport Hill and Mary Carpenter emerged as influential reformers, advocating changes in the criminal justice system and contributing significantly to the establishment of probation services in the UK.[5] The Youthful Offenders Act of 1854 marked a legislative shift, authorizing courts to impose probationary conditions, such as directing young offenders to educational institutions rather than prisons, aiming to mitigate the adverse effects of incarceration on juvenile development.[6] A subsequent key development involved the Church of England Temperance Society, a religious charitable organization that actively promoted rehabilitation and moral restoration. In 1876, Frederic Reiner, a church affiliate, addressed concerns over an offender's vulnerability before the court and initiated financial support by donating five shillings for aid in the police court, then part of the summary jurisdiction system with nine branches: Bow Street, Westminster, Marylebone, Marlborough Street, Worship Street, Clerkenwell,

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[3] UK Parliament, "Reforming Prisons, Reforming Prisoners," accessed 23 July 2025, https://www.parliament.uk/business/publications/research/olympic-britain/crime-and-defence/reforming-prisons-reforming-prisoners

[4] N Kearney and C Skehill, *Social Work in Ireland: Historical Perspectives* (Institute of Public Administration, 2005), 81.

[5] Aurélie Baudry-Palmer, "Addressing Juvenile Anti-Social Behaviour in Victorian England: Mary Carpenter and the Reformatory Schools," in *Anti-Social Behaviour in Britain: Victorian and Contemporary Perspectives*, ed. Sarah Pickard (Hampshire, England: Palgrave Macmillan, 2014), 115-127

[6] John Stack, "The Provision of Reformatory Schools, the Landed Class, and the Myth of the Superiority of Rural Life in Mid-Victorian England," *History of Education* 8, no. 1 (1979): 33.

Thames, Tower Bridge, and Lambeth.[7] In response, the church appointed two missionaries to mediate between the court and offenders, particularly in districts such as Southwark, Lambeth, and the Mansion House. During this period, minor offences like public drunkenness were frequently targeted by church-led efforts to promote moral conduct and encourage social rehabilitation.[8]

Probation was conceptualized and implemented by volunteer missionaries rather than through formal state mechanisms. It lacked the institutional permanence seen today, functioning instead as an unofficial avenue of support. The church played a pivotal role by deploying police court missionaries to assist offenders, particularly those struggling with alcoholism, offering psychological and practical guidance aimed at rehabilitation. This early form of intervention laid the groundwork for the First Offender Probation Act of 1877, which formally recognized probation as an alternative to incarceration.[9] The value of probation extended beyond mere exemption from imprisonment, encompassing the offender's care, supervision, and reintegration into society through behavioural correction. Despite constraints in time and resources that limited widespread assistance within police courts during that period, the charitable organizations involved exhibited remarkable commitment and efficacy. Their reformative efforts yielded commendable results that should not be overlooked.[10]

Initially, the missionaries were tasked with supporting young offenders, but their role gradually expanded to include adult perpetrators under supervision. Their responsibilities encompassed a range of rehabilitative efforts, including monitoring offenders, mediating marital disputes, and providing assistance within police courts to individuals in custody. Missionaries also supported troubled youth through home visits, maintaining surveillance records, and facilitating employment opportunities for offenders. Over time, accommodations were established for rehabilitated individuals, offering essentials such as shelter, clothing, and tools to encourage a renewed start. Eventually,

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[7] *The Encyclopaedia Britannica*, 11th ed. (New York: Encyclopaedia Britannica, 1911), s.v. "Police Court."

[8] Guardian, "Timeline: A History of Probation," accessed 27 January 2019, https://www.theguardian.com/society/2007/may/02/crime.penal

[9] David Scott, *Penology* (SAGE Publications, 2008), 136-145, accessed 23 July 2025, http://sk.sagepub.com/books/penology

[10] Suphat Phoophanichjaroenkul, "The Role of the Probation Services in the Development of England and Wales' Nineteenth-Century Criminal Justice System," *Thammasat Journal of History* 11, no. 1 (2024): 19–35, accessed 23 July 2025, https://so05.tci-thaijo.org/index.php/thammasat_history/article/view/269553.

police courts acknowledged the missionaries' official function: presenting factual accounts or personal circumstances of the accused, thereby contributing to a more nuanced judicial understanding.[11]

In 1893, a total of 753 individuals were discharged without punishment, with only 39 cases resulting in prosecution. One notable example is E. Welby Pugin, an architect convicted of a libel offence punishable by a six-month prison term and a fine of £500. Instead of enforcing this penalty, the judge invoked recognizances, requesting Pugin to maintain peace and exhibit good behaviour. This decision was made under the authority of the Summary Jurisdiction Act of 1879. Section 16 of the Act granted judges discretionary power to evaluate the severity of a crime and determine whether formal punishment was warranted. If deemed nonserious, the judge could dismiss the case entirely, release the offender conditionally, with or without sureties, or require the offender to present themselves before the court when summoned and to maintain appropriate conduct.[12]

2.2.2. Reform in the 20th Century

The Probation of Offenders Act 1907 formally recognized the London Police Court Missionaries as court officers, marking their transformation into what would later be known as probation officers. Under the Act, courts were empowered to suspend sentencing and release offenders under Recognisance for a duration ranging from one to three years, on the condition that they remain under the supervision of a probation order.

According to 1913 statistics[13], 137 individuals were placed on probation, of whom only 17 were returned to prison due to unresolved behavioural issues. A mere 12 individuals awaited sentencing, including just nine women. This framework proved to be highly effective in reducing recidivism, with only a marginal proportion of offenders reoffending during that period.

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[11] Auerbach S, *Missionaries, Moral Advocacy, and the Transformation of Police Court Procedure in London, 1876-1930* (Studio for Law and Culture, 2010), 18-19.

[12] Ibid.

[13] Robert Hanser, *Introduction to Corrections* (SAGE Publications, 2018), 213.

Nevertheless, early probation practice was heavily influenced by religious doctrine. Probation officers lacked formal training, and prevailing rehabilitative strategies emphasized church attendance and abstention from alcohol.[14] The cooperation between state institutions and voluntary organizations, notably the Church of England Temperance Society, was central to probation efforts during this era.

Over time, the "advise, assist, and befriend" ethos was introduced[15], fundamentally reshaping the probation officer's relationship with the offender. This model brought officers closer to the individuals under supervision, forming the foundational philosophy of modern probation services in the UK. It has long been recognized as part of the profession's ethical and organizational culture. The 1907 rules outlined twelve core responsibilities of probation officers. The twelfth explicitly stated that officers should, when appropriate, "advise, assist, and befriend" the offender.[16] This guiding principle fostered trust and openness, enabling probation officers to engage meaningfully with individuals and address the underlying causes of criminal behaviour.

2.2.3. Reform in the 21st Century

In 2000, the Criminal Justice and Court Services Act restructured the probation system by renaming it the National Probation Service for England and Wales. The reform consolidated 54 probation commissions into 12 local probation boards[17] and placed the organization under the jurisdiction of the Home Office, which assumed responsibility for full funding.[18]

A major development followed in 2004 with the formation of the National Offender Management Service (NOMS), a unified body integrating prison and probation services. This reform replaced probation boards with probation trusts[19] and introduced opportunities for private sector involvement in service provision. The intent was to foster

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[14] L Gelsthorpe and R Morgan, *Handbook of Probation* (Taylor & Francis, 2013), 30.

[15] Criminal Justice Act 1948, Sch 5 3(5).

[16] Jake Phillips, "Probation Workers' Practice and Practice Ideals in A Culture of Control," accessed 13 August 2019, https://core.ac.uk/download/pdf/42337565.pdf

[17] Legislation.gov.uk, "Criminal Justice and Court Services Act 2000 Explanatory Notes," accessed 19 February 2026, https://www.legislation.gov.uk/ukpga/2000/43/notes/division/5/1?view=plain

[18] Charles Hanson, "A Short History of the Probation Service," accessed 13 August 2019, https://insidetime.org/a-short-history-of-the-probation-service/

[19] National Probation Service, *Consolidated Accounts of the Local Probation Boards 2008–2009 Presented to the House of Commons Pursuant to Schedule 1, Para 17(5) of the Criminal Justice and Court Services Act 2000* (London: Ministry of Justice, 2019), accessed 18 August 2019, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/247546/0582.pdf

competition and enhance the quality and efficiency of probation-related services. Despite these structural changes, the delivery model of that era remained distinct from the contemporary Transforming Rehabilitation plan. The public sector retained primary accountability for reducing recidivism, while the private sector functioned chiefly as a service provider under state oversight. Subsequently, the Offender Management Act 2007 proposed an end-to-end offender management system, aiming to consolidate probation processes into a unified framework for increased convenience and operational efficiency. This laid the groundwork for later reforms under the Transforming Rehabilitation initiative.[20]

2.3. Concept of Privatisation

Globalization and the proliferation of borderless information technology have compelled leaders in both public and private sectors to reassess foundational concepts and redesign work processes.[21] These transformations aim to optimize cost-efficiency, improve quality, enhance service speed, and respond more directly to the evolving needs of clients, or, in the case of government agencies, citizens. Organizations considered forward-thinking must abandon outdated protocols and institutional inertia, instead embracing innovation in operational design. This paradigm shift in management is observable across global contexts.

Within the privatization framework, whether broadly applied or system-specific, three core considerations emerge: business ownership, governmental control, and funding sources. These components intersect with issues of governance, market mechanics, and resource allocation. Fundamentally, the "function" of privatization is to replace certain state roles with market mechanisms, thereby increasing efficiency and responsiveness in resource distribution.[22] Importantly, business transformation may occur without altering ownership structures; this is characterized as a functional substitute for privatization, wherein private entities act in lieu of the state. Such arrangements often require regulatory flexibility and promote administrative autonomy alongside market competition.[23]

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[20] House of Commons Justice Committee, "The Role of the Probation Service, HC 519, 2010–12," accessed 23 July 2025, https://publications.parliament.uk/pa/cm201012/cmselect/cmjust/519/51904.htm.

[21] Nassima Debab, "Globalization and Privatization: Two Faces...One Coin," *International Research Journal of Finance and Economics* 74 (2011): 7.

[22] Robert e Pool, "Privatization," accessed 13 August 2019, https://www.econlib.org/library/Enc/Privatization.html

[23] Asian Development Bank, "An International Parley on 'Privatization'," *The American Journal of Economics and Sociology* 44, no. 3 (1985): 257.

Historical policy expectations have also influenced public sector constraints, administrative processes, fiscal limitations, and human resource inefficiencies frequently hinder adaptation to technological and market shifts. Rapid changes in service and product markets demand agile responses, but some governmental organizations struggle to meet these demands. Moreover, the expansion of governmental responsibilities, such as national defence, public order, education, health, and welfare, imposes a significant burden on fiscal capacity.[24] Consequently, governments often find it necessary to offload certain responsibilities by restructuring institutions, diversifying operational models, and exploring alternative funding mechanisms.

Multiple nations have already implemented successful public sector reforms, prompting others to follow suit in order to remain globally competitive. Notable examples include President Bill Clinton's "Reinventing Government" initiative in the United States, Australia's "Reform the Public Service" project, and the United Kingdom's continued efforts to enhance administrative efficiency.

2.3.1. Privatisation in the United Kingdom

Since 1968, the United Kingdom has implemented continuous reforms aimed at enhancing the efficiency of its civil service. Key developments include,[25]

(1) In 1968, the government adopted the recommendations of the Fulton Committee. These reforms modified the structure of public agencies, introduced systems for administrative inspection, and promoted the development of knowledge and skills among civil servants to match job responsibilities.

(2) In 1979, the Efficiency Unit was established. Its mandate was to monitor agency performance, assess operational costs, and reduce bureaucratic size.

(3) In 1982, the Financial Management Initiative was launched. It required government departments to use budgetary planning as a tool for evaluating effectiveness. Public sector managers at all levels were obligated to define job objectives, set performance indicators, outline scopes of responsibility, provide appropriate training, and ensure sound information management practices.

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[24] James Ferris and Elizabeth Graddy, "Contracting out: For What? With Whom?," *Public Administration Review* 46, no. 4 (1986): 350.

[25] Catherine Haddon, "REFORMING THE CIVIL SERVICE The Efficiency Unit in The Early 1980S and The 1987 Next Steps Report," accessed 13 August 2019, https://www.instituteforgovernment.org.uk/sites/default/files/publications/Efficiency%20Unit%20and%20Next%20Steps.pdf

(4) In 1988, the Next Steps project was introduced. This reform promoted efficient resource use by allowing ministries to set up Executive Agencies. These agencies were designed to be compact, with administrative autonomy and managerial flexibility. Employees retained their civil servant status, but the agencies operated according to business-oriented principles within ministerial oversight.

(5) In 1991, the Citizen's Charter was implemented. This initiative focused on improving public service delivery. It enabled citizens to file complaints when services failed to meet minimum standards. The Charter also encouraged market testing and allowed private entities to take on roles traditionally performed by the state.

(6) Finally, in 1994, the government introduced the Efficiency Plan. Departments were required to submit budget proposals detailing planned improvements, methods of implementation, and measurable success benchmarks.

2.3.2. Privatisation in the Criminal Justice System

2.3.2.1. Private Finance Initiative

The Private Finance Initiative represents a method of subsidizing public infrastructure projects through a collaboration between the government and the private sector. It enables the government to deliver public services without making substantial upfront investments.[26] This approach shifts the financial burden to private entities, aiming to enhance service quality and maintain assets in ways that benefit taxpayers through increased value. This initiative is widely applied in sectors such as education, correctional services, housing, and healthcare. In cases like the National Health Service, private funding is used to cover the initial design, construction, and ongoing maintenance costs. The government repays these costs through annual instalments, effectively treating the private sector's funding as a loan. Private entities manage the infrastructure and generate profits under this arrangement. The United Kingdom has utilized this model for over twenty-five years. Currently, seven hundred active projects collectively hold a value of sixty billion pounds. Of this, thirteen billion pounds are concentrated in healthcare-related investments.[27]

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[26] John Appleby, "Making Sense of PFI," accessed 13 August 2019, https://www.nuffieldtrust.org.uk/resource/making-sense-of-pfi#what-is-pfi

[27] House of Commons Committee of Public Accounts, "Private Finance Initiatives Forty-Sixth Report of Session 2017–19," accessed 13 August 2019, https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/894/894.pdf

In criminal justice, the initiative has played a critical role in prison infrastructure development. England, Wales, and Scotland have experienced high crime rates despite efforts to divert offenders through probation and community service. Existing prisons have deteriorated significantly in both hygiene and security, prompting the government to explore alternatives. The cost of constructing new facilities and caring for inmates proved prohibitive, leading to privatization.[28] Private prisons in England and Wales began with smaller facilities such as Buckley Hall, which opened in 1992. By 1995, the government approved the use of private finance initiatives for prison development under the Design, Construct, Manage and Finance model, referred to as DCMF Prisons. Contracts granted to private companies operate under the following terms;[29]

(1) The operational period spans twenty-five years. After this, the government may renew the contract or assign it to a new provider at its discretion.

(2) The private company follows specifications determined solely by the government.

(3) Prisoner treatment must align with judicial decisions and remain under governmental oversight.

(4) Operations are subject to periodic inspections. Unsatisfactory results may lead to contract termination and reassignment, even before the original term expires.

Regarding human rights protection, the government does not impose conditions on private contractors concerning budget, operating expenses, or prison management enhancements. This creates uncertainty about prisoners receiving care that meets established standards, given the private sector's focus on minimizing costs. To ensure operational safety and accountability, the government employs several oversight mechanisms.[30]

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[28] Independent Monitoring Boards, "Breaking Point: The Impact of a Crumbling Prison Estate on Prisoners," accessed 23 July 2025, https://imb.org.uk/news/breaking-point-the-impact-of-a-crumbling-prison-estate-on-prisoners

[29] Peter Gould, "Private Prison Drive," accessed 13 August 2019, http://news.bbc.co.uk/1/hi/in_depth/business/2001/ppp/1529465.stm

[30] National Preventive Mechanism, "Protocol Between the Ministry of Justice as the Department and HM Chief Inspector of Prisons," accessed 19 February 2026, https://assets.publishing.service.gov.uk/media/63298b38e90e07372911c341/hmip-protocol-revised_framework.pdf

(1) The Independent Monitoring Board, formerly known as the Board of Visitors, comprises community representatives appointed by the Home Secretary. These individuals inspect prison welfare and can access facilities barring security or safety concerns. They are invited to observe and assess responses to significant incidents.

(2) The Prison and Probation Ombudsman operates independently and is appointed by the Home Secretary. This entity investigates prisoner complaints and has the authority to access prison records, documents, and external data from relevant organizations, contingent on prisoner consent.

(3) Her Majesty's Chief Inspector of Prisons retains the autonomy to inspect facilities and report directly to the Home Secretary on prisoner treatment, prison conditions, and other assigned matters.

2.3.2.2. Contracting Out

Contracting out refers to the arrangement in which the government engages private entities to deliver services directly to the public. Under this model, government agencies or state enterprises allocate expenditures to private service providers to fulfil designated public functions. In essence, the government hires private contractors to act as producers, and this practice has become increasingly prevalent due to its flexible operational benefits. Furthermore, such contractors need not be private commercial entities; non-profit organizations and foundations may also fulfil these roles. The effectiveness of contracting out depends significantly on transparent procurement processes. Fair bidding and open competition are essential in selecting providers who offer the lowest cost while meeting contractual obligations. When these mechanisms function properly, contracting out can yield substantial benefits to the public sector. Importantly, this approach predates broader privatization efforts. Traditional examples include government contracts for escalator maintenance or training services provided to civil servants by external parties.[31] In many cases, contracting out involves intermediate services that support the production of final goods or outcomes. For instance, the Department for Transport often contracts private builders to develop highway infrastructure.[32] Such arrangements demonstrate that the privatization process can accommodate large-scale production of services historically managed by the state.

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[31] House of Commons Committee of Public Accounts, "Contracting Out Public Services to The Private Sector Forty-Seventh Report of Session 2013–14," accessed 13 August 2019, https://publications.parliament.uk/pa/cm201314/cmselect/cmpubacc/777/777.pdf

[32] Gerhard Glomm and Fabio Méndez, "Privatization, Deregulation, and Capital Accumulation," *Southern Economic Journal* 75, no. 4 (2009): 976.

The British criminal justice system adopted contracting out within its probation services through the Transforming Rehabilitation initiative. This initiative began in 2010, when the government proposed a strategy to reform rehabilitation services by enlisting independent providers to help reduce reoffending rates. The Ministry of Justice announced plans to open the probation market, inviting new private sector investment. This move marked an expansion of private involvement in criminal justice, following the earlier privatization of prison operations. The new direction emphasized increased participation from private entities, volunteers, and communities in offender rehabilitation. Compensation for these services would follow the Payment by Results (PbR) model, where payment is tied to performance outcomes.[33]

On May 9, 2013, the Ministry of Justice formally launched Transforming Rehabilitation as a reform strategy. The rationale presented by the then-Minister of Justice centred on the rising rate of reoffending and the significant public expenditure associated with probation services. The reforms aimed to enable private sector involvement in public service provision, introduce competition in probation supply chains, and enhance operational efficiency. Five critical elements underpinned the reform; [34]

(1) **Extension of Rehabilitation Services:** Rehabilitation was expanded to include individuals released after short prison sentences of less than one year. Previously, these offenders were released without supervision or rehabilitative support.

(2) **National Resettlement Network:** A coordinated network of local prison resettlement services was established across the country to assist with reintegration.

[33] Jacqueline Beard, "Contracting Out of Probation Services," accessed 13 August 2019, https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06894

[34] Ibid.

(3) **Increased Third-Sector Participation:** The reform encouraged the involvement of volunteer organizations, charitable foundations, and private companies with prior experience in criminal justice services. These services included drug rehabilitation, psychological support, and counselling.[35] For example, London and Thames Valley Community Rehabilitation Companies had already provided services such as training, accredited behavioural programs, and therapy sessions.[36] Following the reforms, these entities transitioned into lead service providers, becoming part of eight Community Rehabilitation Companies operating nationwide. Their scope extended beyond isolated services to include full-scale probation management.

(4) **Payment by Results Model:** Under PbR, service provider compensation depended directly on their ability to reduce reoffending rates. This performance-linked mechanism aimed to foster accountability and incentivize effective service delivery.

(5) **Creation of the National Probation Service:** A new public body, the National Probation Service, was established in each locality to manage high-risk offenders. This agency replaced the former Probation Trusts and worked alongside private providers **(Figure 1)**. The Offender Management Act 2007 empowered the Minister to authorize private operation across 21 geographical contract areas in England and Wales **(Figure 2)**. Private service providers selected through this process were required to establish entities known as Community Rehabilitation Companies, responsible for managing low, and medium-risk offenders.

[35] Cabinet Office, "2010 To 2015 Government Policy: Social Enterprise," accessed 18 August 2019, https://www.gov.uk/government/publications/2010-to-2015-government-policy-social-enterprise/2010-to-2015-government-policy-social-enterprise

[36] London Community Rehabilitation Company, "Introducing the London Community Rehabilitation Company," accessed 19 February 2026, https://www.minutes.haringey.gov.uk/documents/s58630/Introducing%20the%20London%20Community%20Rehabilitation%20Company.pdf



Figure 1 Geographic areas of the 7 National Probation Services[37]

[37] National Probation Service, "National Probation Service England and Wales Divisions Map," accessed 19 August 2019, https://www.gov.uk/government/publications/national-probation-service-england-and-wales-divisions-map



Figure 2 Geographic areas of the 21 Community Rehabilitation Companies[38]

[38] National Probation Service, "Community Rehabilitation Company England and Wales Area Map," accessed 18 August 2019, https://www.gov.uk/government/publications/community-rehabilitation-company-england-and-wales-area-map

3. CHAPTER III – Analysing and Evaluating Transforming Rehabilitation

3.1. An Approach

3.1.1. Reducing Reoffending Rates

As previously mentioned, the Ministry of Justice introduced multiple reform measures to enhance the probation system. These included resettlement services "through the prison gate" to assist the transition of prisoners back into society, the oversight of short-term offenders under probation supervision, and the involvement of voluntary sector experts and community organizations in the justice process. However, the primary focus of the reform centred on engaging private service providers to reduce recidivism, considered the core objective of Transforming Rehabilitation.

Private providers were entrusted with the majority of the probation caseload, supervising approximately 70% of all offenders.[39] This central role led the Ministry of Justice to develop financial incentives aimed at encouraging these providers to actively pursue reductions in reoffending rates. The payment structure was divided into two principal mechanisms: Payment by Results (PbR) and Fee for Service.

(1) **Payment by Results (PbR):** Under this scheme, service providers were compensated based on their effectiveness in lowering recidivism. The payment amounts varied according to the number of offenders for whom reoffending was successfully reduced. PbR had already been used in other sectors of British public services, such as the National Health Service (NHS).[40] Within the NHS, PbR became a notable feature of public health policy under privatization frameworks such as the Private Finance Initiative, and it had proven relatively successful in incentivizing performance.

(2) **Fee for Service:** This payment method rewarded service providers for fulfilling contractual obligations and delivering designated services. Compensation was granted if the providers met established minimum standards, thereby ensuring a baseline of service delivery even in cases where performance outcomes were less favourable.

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[39] Alan Travis, "Two Companies to Run More Than Half of Privatised Probation Services," accessed 18 August 2019, https://www.theguardian.com/uk-news/2014/oct/29/justice-probation-contracts-private-companies

[40] Louise Marshall, Anita Charlesworth and Jeremy Hurst, "The NHS Payment System: Evolving Policy and Emerging Evidence," accessed 18 August 2019, https://www.nuffieldtrust.org.uk/files/2017-01/2014-nhs-payment-research-report-web-final.pdf

Beyond financial incentives, the Ministry recognized the importance of safeguarding against unintended consequences in service delivery. Specifically, policymakers were concerned that providers might disregard the more challenging cohorts, those with chronic patterns of offending, due to the difficulty of achieving measurable success.[41] To mitigate this, the Ministry linked cohort composition directly to performance evaluation, ensuring that all offenders received equitable treatment and that the interests of victims were upheld.

Nonetheless, despite the good intentions behind these reforms, several unforeseen complications emerged. The structured payment schemes, while designed to motivate service delivery, also introduced risks. If private providers failed to meet targeted outcomes, the repercussions extended beyond corporate performance to the broader criminal justice system. This is particularly critical in public service contexts where societal welfare is at stake.

Further compounding these challenges was the government's overly optimistic projection of the private sector's capacity to curb reoffending. Overestimating this potential led to inflexible contractual frameworks and unrealistic expectations.[42] Consequently, numerous providers faced financial difficulties, with some experiencing severe losses and ultimately ceasing operations. This had cascading effects, including widespread job layoffs and disruption of offender rehabilitation services.

3.1.2. Offender Management

Historically, the United Kingdom's probation service operated as a highly specialized governmental body, distinct in its function and depth of involvement. Probation officers served as offender managers, providing intensive supervision through comprehensive assessments, structured behavioural monitoring, and well-targeted interventions.[43] This end-to-end management encompassed both offenders serving

[41] Alys Brown, "Are the U.K.'s Payment-by-Results Programs Right for U.S. Prisons?," *Emory International Law Review* 33, no. 1 (2018): 191, accessed 19 February 2026, https://scholarlycommons.law.emory.edu/cgi/viewcontent.cgi?article=1213&context=eilr

[42] Carol Hedderman, "Payment by results: Hopes, fears and evidence," accessed 18 August 2019, https://mmuperu.co.uk/bjcj/wp-content/uploads/sites/441/2020/08/BJCJ_11.2-3_Hedderman.pdf

[43] Dorothy Newbury-Birch and others, "Alcohol Screening and Brief Interventions for Offenders in the Probation Setting (SIPS Trial): A Pragmatic Multicentre Cluster Randomized Controlled Trial," *Alcohol and Alcoholism* 49, no. 5 (2014): 541.

community sentences and those in custody, including their transition before and after release. Coordination with other government entities formed a critical component of the probation officer's role, ensuring seamless oversight across the criminal justice landscape.

The advent of the Transforming Rehabilitation initiative brought significant changes to this offender management structure, particularly through the bifurcation of services between the public National Probation Service (NPS) and newly established private Community Rehabilitation Companies (CRCs). Under the revised system, the NPS assumed the initial responsibility of assessing offenders' risk levels. Offenders deemed low to medium risk were transferred to CRCs for ongoing supervision, while high-risk individuals remained under the purview of the NPS. This bifurcation altered the flow and continuity of offender management **(Figure 3 and 4)**.

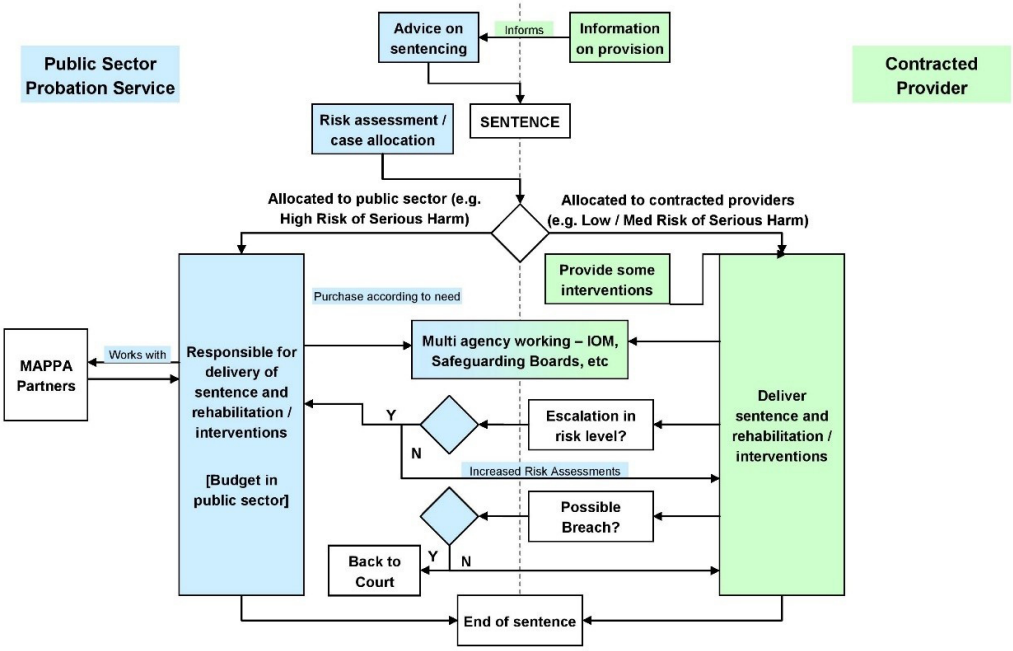


Figure 3 Community Order Offender Management Diagram[44]

[44] Ministry of Justice, "Transforming Rehabilitation a Strategy for Reform Response to Consultation CP(R)16/2013," accessed 18 August 2019, https://consult.justice.gov.uk/digital-communications/transforming-rehabilitation/results/transforming-rehabilitation-response.pdf

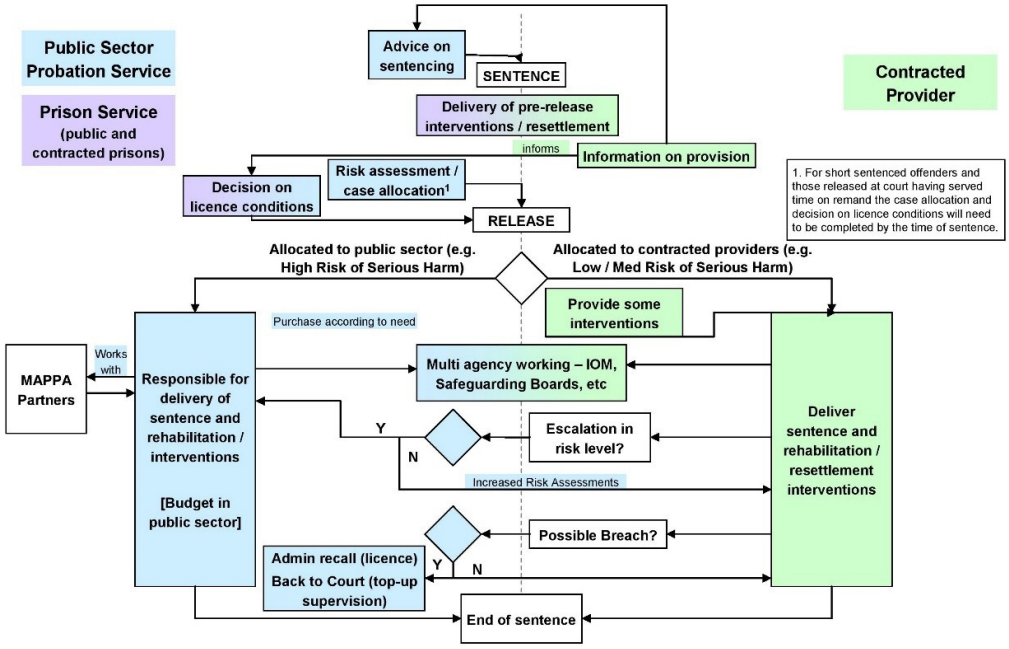


Figure 4 Licence Case Process Offender Management Diagram[45]

According to operational protocols (as referenced in Figures 3 and 4), CRCs were contractually obligated to refer cases back to the NPS if an offender's behaviour changed substantially or presented an elevated risk of harm. While CRCs managed routine contact and oversight for non-high-risk cases, the escalation mechanism ensured that dangerous developments were reassigned to public sector authorities.[46]

Further responsibilities remained with the NPS, notably its coordination with the Multi-Agency Public Protection Arrangements (MAPPA). MAPPA draws together agencies including the Police, Her Majesty's Prison and Probation Services to function as the Responsible Authority in each MAPPA Area.[47] The framework applies to offenders who exhibit specific characteristics warranting enhanced supervision, categorized as follows:[48]

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[45] Ibid.

[46] Ibid.

[47] Ministry of Justice, "Multi-Agency Public Protection Arrangements (MAPPA) Annual Report 2017 To 2018," accessed 18 August 2019, https://www.gov.uk/government/statistics/multi-agency-public-protection-arrangements-mappa-annual-report-2017-to-2018

[48] Home Office, "Guidance on Part 2 of the Sexual Offences Act 2003 (Accessible Version)," accessed 23 July 2025, https://www.gov.uk/government/publications/guidance-on-part-2-of-the-sexual-offences-act-2003/guidance-on-part-2-of-the-sexual-offences-act-2003-accessible-version

Category 1: Registered Sexual Offenders Individuals convicted of sexual offences who are subject to statutory notification requirements under the Sexual Offences Act 2003. These obligations include regular updates to police authorities regarding personal details, residency, and travel, serving as key mechanisms for public protection and offender monitoring.

Category 2: Violent Offenders and Certain Unregistered Sexual Offenders This group includes individuals sentenced to imprisonment or detention of 12 months or more for violent offences, particularly those listed under Schedule 15 of the Criminal Justice Act 2003, or subject to hospital orders. It also encompasses sexual offenders whose crimes do not trigger registration under the standard notification regime but who nonetheless warrant elevated supervisory attention.

Category 3: Other Dangerous Offenders Comprises individuals who do not fall within Categories 1 or 2 but whose behaviour presents a current and significant risk of serious harm. Qualification for this category requires demonstrable links between previous offending patterns and future threat potential, assessed through professional judgment and often necessitating coordinated multi-agency intervention under frameworks such as MAPPA.

Category 4: Terrorist and Terrorist Risk Offenders Includes persons subject to notification obligations under Part 4 of the Counter-Terrorism Act 2008, as well as those assessed by responsible authorities to pose a credible risk of involvement in terrorism-related activity. Supervision under this category typically involves enhanced scrutiny and may intersect with national security protocols.

In practice, the MAPPA framework's use of Category 3 reflects an important shift in offender management from static labels toward a flexible, behaviour-based model. While Categories 1 and 2 rely on defined legal thresholds, registered sex offenders and violent offenders sentenced to 12 months or more respectively, Category 3 is reserved for individuals who, although not qualifying under statutory criteria, present a demonstrable and current risk of serious harm. This classification is uniquely reliant on dynamic assessment, allowing professionals to intervene early where patterns of behaviour, lifestyle factors, or risk escalation indicate a need for enhanced supervision. This decision-making process hinges on sophisticated risk assessment tools. The Offender Assessment System (OASys), widely used across the UK, evaluates a combination of static and dynamic criminogenic needs. These include accommodation stability,

employment and education status, relationships, mental health, substance use, lifestyle and associates, thinking and behaviour, and attitude toward offending. Importantly, these are modifiable over time and sensitive to context, homelessness, untreated trauma, or unaddressed addiction, for instance, may represent significant risk multipliers in one case but not in another. OASys helps practitioners quantify these influences and craft responsive, individualized supervision plans. Conversely, individuals with low-level or non-violent offenses, such as minor theft or traffic violations, are typically not seen as high risk unless contextual factors (e.g., escalation, unmanaged mental health conditions, repeated breaches) suggest otherwise.

The management of offenders under public protection arrangements is stratified into three levels of supervision, each reflecting the intensity and nature of multi-agency collaboration required to implement effective risk management plans. These levels are not static; individuals may transition between them in response to changing circumstances, risk profiles, or intervention needs.[49]

Level 1: Ordinary Management pertains to offenders who are deemed suitable for supervision by a single agency, typically their supervising officer from probation, prison, or police services. While the level of oversight may be routine, this classification does not exclude information sharing between agencies. Tools such as the Violent and Sex Offender Register (ViSOR) and established communication pathways enable inter-agency updates and ensure continuity in risk awareness across services.

Level 2: Active Multi-agency Management is designated for offenders whose risk profiles necessitate the structured involvement of multiple agencies. These individuals require jointly developed risk management plans, implemented through regularly convened Multi-Agency Public Protection (MAPP) meetings. The emphasis is on coordinated action, allowing professionals from various sectors, such as housing, health, social services, and law enforcement, to contribute to monitoring and support strategies that reduce the likelihood of serious harm.

Level 3: Senior-led Multi-agency Management mirrors the collaborative structure of Level 2 but introduces a higher degree of strategic oversight. These cases typically involve offenders presenting complex or exceptionally high risks, warranting the involvement of senior officials to authorise specialized interventions. Such

[49] Ibid.

measures may include covert surveillance operations, allocation of secure or specialist accommodation, or direct managerial guidance in critical decision-making. Senior oversight ensures that resources are appropriately scaled and ethically managed in sensitive, high-stakes scenarios.

The restructuring of probation services, from a unified public entity to a dual-sector model, had a direct impact on offender management. Previously, a single organization provided integrated supervision with continuity, speed, and cohesion. After the organizational separation, gaps in coordination between NPS and CRCs began to surface.[50] A major consequence of Transforming Rehabilitation was a breakdown in communication and data sharing across agencies. Technical failures in ICT systems burdened both the National Probation Service (NPS) and Community Rehabilitation Companies (CRCs), creating duplicated work, missed deadlines, and fragmented case management. For example, Victim Liaison Officers in the NPS had no direct access to victim data held by CRCs, prompting delays and serious safeguarding risks. Senior probation staff reportedly spent extensive time transferring cases and correcting information gaps, reflecting significant inefficiencies.[51]

These issues extended beyond NPS and CRC relations, affecting wider criminal justice partnerships. Breach procedures became sluggish and uncoordinated, contributing to a rise in prison recalls. Likewise, transitions from custody into community settings lacked coherence due to fractured management.

Finally, the courts were impacted by a decline in the quality and quantity of pre-sentence reports. Fragmented data from CRCs compromised judicial decision-making, limiting confidence in sentencing options and weakening overall offender oversight. These coordination challenges undermined operational consistency and were among the key factors contributing to inefficiencies in CRC performance.

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[50] Clinks, "Change & Challenge: The Voluntary Sector's Role in Transforming Rehabilitation," accessed 18 August 2019, https://www.clinks.org/sites/default/files/2018-10/clinks_track-tr_changechallenge_final-web.pdf

[51] Napo, "The Impact of "Transforming Rehabilitation" on the Probation Service: A Briefing for Parliamentarians," accessed 28 July 2025, https://www.napo.org.uk/sites/default/files/BRF06-15%20The%20impact%20of%20TR%20on%20the%20Probation%20Service.pdf

3.1.3. Establishment of Community Rehabilitation Companies

3.1.3.1. Challenge of Fostering Competition

As part of the Transforming Rehabilitation initiative, two new organizations were formed: The National Probation Service (NPS) and the Community Rehabilitation Companies (CRCs), with offender risk level used as the primary criterion for service allocation. Offenders classified as high-risk made up approximately 30% of the total caseload and remained under the supervision of the public sector, namely the NPS. In contrast, the newly established private entities, the CRCs, were responsible for managing low, and medium-risk offenders, comprising the remaining 70% of the caseload. The NPS was officially established on 31 May 2014, followed by the CRCs on 1 June 2014. Employees of the former Probation Trusts were redistributed between these two agencies.[52]

When bidding commenced in September 2013, the Ministry of Justice received considerable interest, with more than 800 private organizations[53] and 399 voluntary sector entities expressing intent to participate.[54] Following the first stage of the procurement process, only 30 bidders were shortlisted across 21 geographic contract areas, illustrating the narrowing of the field through stringent assessment procedures.[55] Upon announcement of the final selection on 18 December 2014, eight bidders were chosen. Of these, seven were private sector firms, and only one, ARCC Voluntary Consortium, represented the voluntary sector **(Figure 5)**.[56]

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[52] Napo, "Parliamentary Bulletin 4," accessed 18 August 2019, https://www.napo.org.uk/parliamentary-bulletin-4

[53] HC Deb 27 February 2018, Vol 636, Cols 260WH.

[54] David Ainsworth, "Ministry of Justice Announces Bidding Competition for Transforming Rehabilitation Programme," accessed 18 August 2019, https://www.thirdsector.co.uk/ministry-justice-announces-bidding-competition-transforming-rehabilitation-programme/policy-and-politics/article/1212641

[55] National Offender Management Service, "Probation: Landscape Review HC 1100 SESSION 2013-14 5 MARCH 2014," accessed 18 August 2019, https://www.nao.org.uk/wp-content/uploads/2014/03/Probation-landscape-review.pdf

[56] Comptroller and Auditor General, "Transforming Rehabilitation HC 951 SESSION 2015-16 28 APRIL 2016," accessed 29 July 2019, https://www.nao.org.uk/wp-content/uploads/2016/04/Transforming-rehabilitation.pdf

Despite its deep expertise and longstanding engagement in criminal justice, the voluntary sector played a minimal role in the final outcome of the bidding process. While two major voluntary organizations partnered with CRCs, the majority of the sector was relegated to subcontractor status. As of 2016, there were approximately 1,433 volunteers working within criminal justice organizations across the UK. However, just 11%, or 159 organizations, provided direct services to CRCs as subcontractors.[57]

This limited participation stemmed from financial and structural constraints. The payment frameworks and risk-sharing models were not designed to accommodate smaller firms or voluntary organizations lacking substantial capital or administrative infrastructure. Thus, only large voluntary entities had the capacity to act as lead providers. Small organizations, despite their expertise, were effectively excluded from leadership roles in service delivery due to prohibitive barriers to entry.

Furthermore, evidence suggests that the same private companies secured contracts across multiple regions.[58] This undermined the initiative's foundational goal of enhancing competition for optimal service quality and efficiency. Even for private firms, entering the bidding process proved challenging unless they possessed substantial financial resources and could absorb the risks inherent in large-scale contractual obligations. Small firms, whether private or voluntary, faced identical obstacles and were largely shut out of the opportunity to participate meaningfully.

[57] Clinks, "Change & Challenge: The Voluntary Sector's Role in Transforming Rehabilitation."

[58] Russell Webster, "Limited Competition for New Probation Market," accessed 19 August 2019, http://www.russellwebster.com/tr-limited-competition/

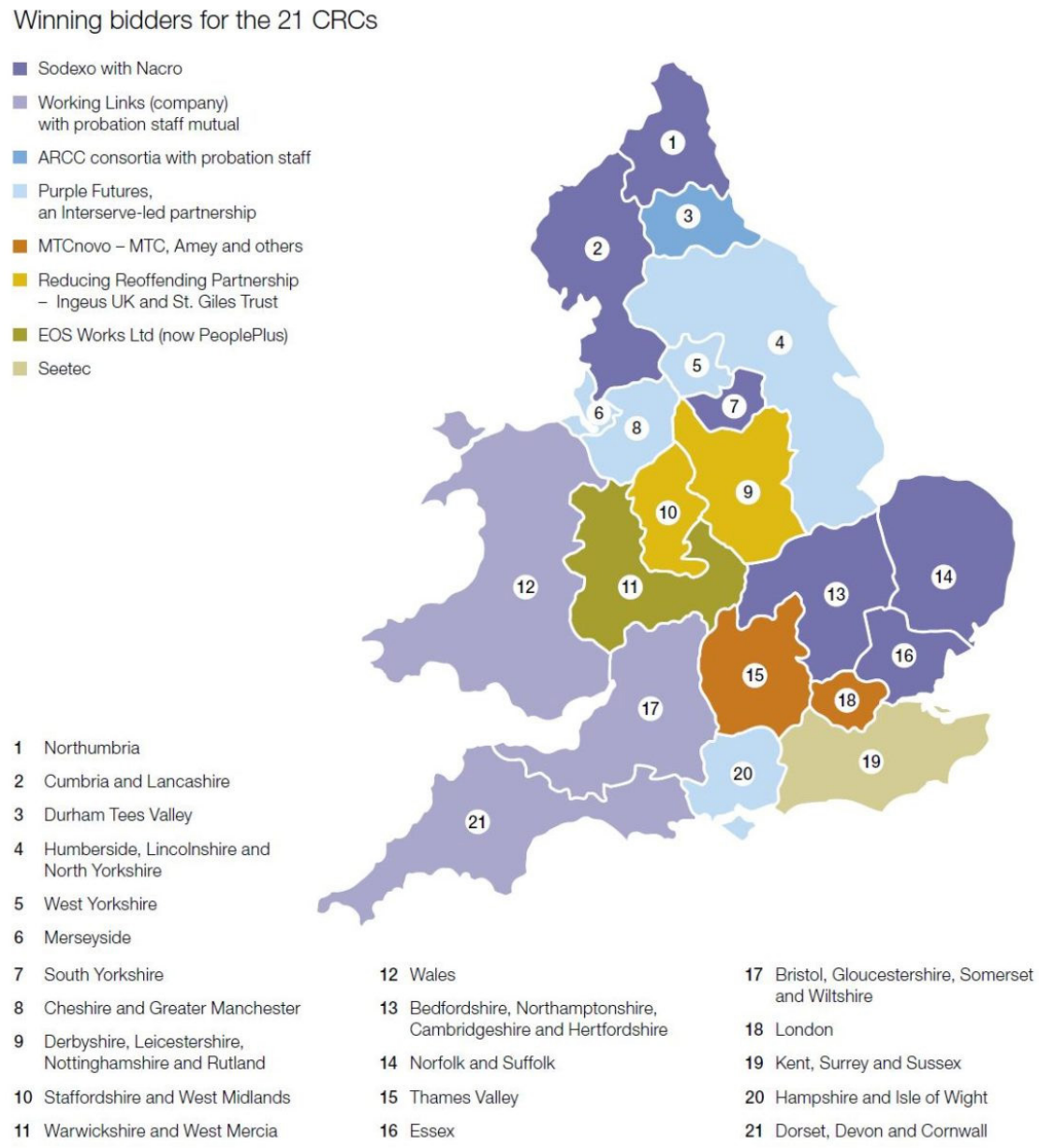


Figure 5 Eight winning bidders for 21 geographical contracted areas[59]

[59] Russell Webster, "Transforming Rehabilitation Resource Pack," accessed 18 August 2019, http://www.russellwebster.com/transforming-rehabilitation-resource-pack/

3.1.3.2. Incentive

Under the contractual framework of Transforming Rehabilitation, payments to Community Rehabilitation Companies (CRCs) were divided into three categories: Fee for Service, Payment by Results, and Fee for Use.[60]

First, Fee for Service represented the primary form of payment. The government disbursed this payment to CRCs for successfully delivering offender-related activities outlined in the rehabilitation program. The Ministry estimated a total allocation of £2.5 billion for this category over the contract period, amounting to approximately 82% of the total value. These services included offender supervision tasks such as training programs and resettlement services. Payment was calculated based on the volume of specific activities, referred to as Offender Supervision Requirements. These requirements entailed duties such as monitoring individuals under community sentences[61] and suspended sentence orders as mandated by the courts. However, despite the volume-based model, Fee for Service payments underperformed due to a consistent decline in the application of community-based sentences. Statistical data from 2015 indicated the issuance of 91,224 community orders, which decreased to 77,810 in 2017, a 15% reduction.[62] Suspended sentence orders also fell from 46,515 to 42,520, a 9% decline. This downturn was attributed to judicial scepticism toward CRCs' capabilities, which in turn negatively impacted company revenues.[63] Moreover, this payment scheme inadvertently altered probation practice by shifting the focus toward contractual compliance, often at the expense of individualized behavioural intervention and relationship-building between probation officers and offenders.

Second, Payment by Results was introduced to shift performance accountability to CRCs. Under this model, providers were compensated based on their demonstrable success in reducing reoffending rates during a two-year post-implementation

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[60] Sam J Cole, "Library Briefing | Probation Services: Reforms and Proposed Future Changes," accessed 18 August 2019, http://researchbriefings.files.parliament.uk/documents/LLN-2018-0144/LLN-2018-0144.pdf

[61] A community sentence, also known as a community order, is a punishment that allows an offender to serve their sentence outside of prison under supervision. It is typically used for less serious crimes and often includes conditions like unpaid work or behavioural programs.

[62] Comptroller and Auditor Genera, "Investigation into Changes to Community Rehabilitation Company Contracts HC 676 SESSION 2017–2019 19 DECEMBER 2017," accessed 18 August 2019, https://www.nao.org.uk/wp-content/uploads/2017/12/Investigation-into-changes-to-Community-Rehabilitation-Company-contracts.pdf

[63] Ibid.

period. A total of £567 million was allocated to PbR payments across the contract lifecycle, representing 18% of the overall expenditure. Although the design sought to incentivize outcome-focused rehabilitation, most CRCs failed to achieve the anticipated reductions in recidivism. Notably, the effectiveness of PbR was constrained by factors beyond the providers' control. Reoffending is influenced by external support systems such as housing, employment services, psychological care, and drug rehabilitation. Without coordinated access to these public services, CRCs struggled to deliver transformative results.[64] The PbR model had previously been applied in the National Health Service, where funding was issued per patient depending on the complexity of treatment.[65] Yet in criminal justice, managing risk through PbR proved more challenging. Accurate risk appetite assessment by government agencies was essential, but relying solely on annual reoffending data was inadequate for calculating reliable payment baselines.

Third, Fee for Use served as a supplementary payment mechanism. It was utilized when CRCs were requested by the National Probation Service to perform services outside their standard remit, such as managing high-risk offenders. This payment category was optional and activated through specific government directives.

Each models carry distinct implications for innovation, accountability, and financial risk. **The Payment by Results (PbR)** model transfers financial risk from the government to service providers by tying payments to predefined outcomes, such as reduced reoffending. While this encourages innovation and accountability, it is complex to administer and risks service gaps if providers fail or prioritize easier cases. For private firms, PbR offers profit incentives for effective delivery but poses significant financial risk due to upfront investment without guaranteed returns. In contrast, **the Fee for Service** model pays providers for delivering specific tasks, regardless of results. It ensures predictable costs and easier oversight but may incentivize quantity over effectiveness, potentially leading to inefficiencies. For providers, it offers revenue stability but little motivation to innovate beyond fulfilling contractual obligations. The less common **Fee of Use** model links payments directly to service usage. It helps governments track utilization and control spending but risks budget overruns if demand spikes unexpectedly.

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[64] Ibid.

[65] NHS Digital, "Payment by Results," accessed 18 August 2019, https://digital.nhs.uk/data-and-information/data-tools-and-services/data-services/hospital-episode-statistics/payment-by-results

For providers, revenue aligns with demand and presents low risk per unit, though dependence on user uptake may discourage efficient case resolution. In summary, each payment model presents a unique balance of incentives and risks. PbR champions outcomes but demands robust oversight; Fee for Service ensures delivery but may sacrifice innovation; and Fee of Use aligns compensation with demand while posing budgetary volatility. Choosing the right model requires careful alignment with policy goals, administrative capacity, and the nature of the service in question.

Beyond operational challenges, the PbR system created structural barriers in the marketplace. Conducting probation services across 21 geographic areas required extensive capital and risk tolerance, restricting participation to large companies capable of absorbing financial uncertainties. Consequently, smaller private firms and voluntary organizations, despite possessing domain expertise, were excluded from lead provider roles.[66] Even when acting as subcontractors, volunteer organizations were often required to absorb portions of the contractual risk, further discouraging involvement. This contractual architecture hindered meaningful participation from qualified yet under-resourced entities, contradicting the reform's original goal of fostering broad stakeholder engagement in reducing reoffending.

3.2. Deconstructing Problems and Evaluating Reform Outcomes

3.2.1. The Incompetence of Community Rehabilitation Companies

3.2.1.1. Failures in Resettlement Services

Under the 2015 Transforming Rehabilitation programme, the Ministry of Justice introduced *Through the Gate*, a resettlement initiative aimed at supporting prisoners upon release. Managed by Community Rehabilitation Companies (CRCs), this service was intended to play a pivotal role in reintegrating ex-offenders into society, particularly those returning to communities that might exhibit initial hostility toward them. The programme's goals centred on behavioural reform and reducing the likelihood of recidivism through structured support.[67] However, *Through the Gate* fell markedly short

[66] Clinks, "Change & Challenge: The Voluntary Sector's Role in Transforming Rehabilitation."

[67] Criminal Justice Joint Inspection, "An Inspection of Through the Gate Resettlement Services for Prisoners Serving 12 Months or More a Joint Inspection by HM Inspectorate of Probation and HM Inspectorate of Prisons," accessed 19 August 2019, https://cdn.websitebuilder.service.justice.gov.uk/uploads/sites/19/2025/05/Through-the-Gate-phase-2-report.pdf

of its objectives. CRCs frequently failed to provide meaningful resettlement assistance, prioritizing contractual compliance over genuine rehabilitative engagement. A House of Commons investigation revealed that some prisoners were left without any CRC-provided services for over eight months.[68] Among 98 cases reviewed, only two individuals received any form of resettlement support under the programme. Such findings underscore the disconnect between policy intent and operational delivery, suggesting that CRCs were ill-equipped to integrate prison-based resettlement into coordinated offender management systems.

The root of this dysfunction lies in the payment structure that governed CRC operations. These companies were financially rewarded only when specific contractual conditions were met[69], leading them to adopt a risk-averse and box-ticking mentality.[70] Faced with severe financial pressure, CRCs focused narrowly on fulfilling performance metrics and service quotas rather than addressing the holistic needs of released individuals.[71] This contractual rigidity undermined the rehabilitative spirit of *Through the Gate*, transforming a potentially transformative programme into a bureaucratic exercise in procedural compliance. Personnel workload further compounded the issue. Staff were inundated with administrative obligations, leaving little time or capacity for meaningful engagement with offenders.[72] In such an environment, frontline workers often chose to focus on contractual tasks to avoid penalties, marginalising efforts to provide tailored support for reintegration. Moreover, CRCs systematically neglected critical components of post-release rehabilitation, such as education, vocational training, and employment assistance. Despite their theoretical role in facilitating access to these services, CRCs made no discernible effort to forge partnerships with local colleges or

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[68] Saville Roberts, L, "Through the Gate Resettlement Services, EDM. 52, 2017-19," accessed 19 August 2019, https://edm.parliament.uk/early-day-motion/50513/through-the-gate-resettlement-services

[69] Matt Tidmarsh, "*Transforming Rehabilitation*: Probation Practice, Architecture and the Art of Distributions," *Criminology & Criminal Justice* 21, no. 1 (May 2019): 85, accessed 23 July 2025, https://journals.sagepub.com/doi/abs/10.1177/1748895819848801

[70] Alan Travis, "Private Companies Could Pull Out of Probation Contracts Over Costs," accessed 19 August 2019, https://www.theguardian.com/society/2017/mar/21/private-companies-could-pull-out-of-probation-contracts-over-costs

[71] Matt Tidmarsh and Ian D. Marder, "Beyond Marketisation: Towards a Relational Future of Professionalism in Probation After Transforming Rehabilitation," *British Journal of Community Justice* 17, no. 2 2021)): 30, accessed 28 July 2025, https://doi.org/10.48411/7azj-az90

[72] Jenny Rees, "'High Workloads' Affect Probation Staff," accessed 19 August 2019, https://www.bbc.co.uk/news/uk-wales-47953931

educational providers.[73] Their failure to implement follow-up mechanisms meant that offenders requiring additional support were left adrift, reducing the likelihood of sustained rehabilitation and increasing the risk of reoffending. An especially concerning omission involved the facilitation of basic banking services for released individuals. Having a bank account is essential for securing employment, yet CRCs failed to assist prisoners in opening accounts, a service that, while basic, is vital for socioeconomic reintegration.[74] The absence of this support rendered many ex-offenders unable to re-enter the workforce and rebuild their lives, a direct consequence of CRCs' unwillingness to engage in tasks deemed outside their contractual remit.

In sum, the operational failures of CRCs in delivering *Through the Gate* services reflect a systemic flaw in the Transforming Rehabilitation framework: a model where financial incentives trumped rehabilitative intent, and contractual mechanics displaced offender-centred support.

3.2.1.2. Failure to Innovate: Delays in ICT Development

One of the central aims of the Ministry of Justice's Transforming Rehabilitation programme was to incentivise innovation and modernise rehabilitative processes. Private service providers, namely Community Rehabilitation Companies (CRCs), were contractually required to invest in digital infrastructure, including the development of ICT systems and new technologies to facilitate offender management. However, this innovation agenda faltered due to both external delays and internal inertia.

A key impediment was the government's failure to deliver the promised ICT Gateway, a system intended to enable data-sharing and operational connectivity between CRCs and the National Probation Service.[75] Initially scheduled for completion by June 2015, the Gateway's delivery was delayed by one year and three months. As a result, the Ministry of Justice was forced to compensate private providers with a payment of £23 million across 17 contract areas.[76] This delay not only eroded confidence in the reform's technological backbone but also disrupted CRCs' ability to fulfil their contractual innovation requirements.

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[73] Christopher Stacey, "'Through the Gate' Services Are Failing to Support People Leaving Prison into Employment," accessed 19 August 2019, https://www.unlock.org.uk/blog-gate-services-failing/

[74] Ibid.

[75] Mark Say, "ICT Delays Contributed to Probation Services Failures," accessed 19 August 2019, https://www.ukauthority.com/articles/ict-delays-contributed-to-probation-services-failures/

[76] Jessica Mullen, "MPs Latest to Criticise Transforming Rehabilitation," accessed 19 August 2019, https://www.clinks.org/community/blog-posts/mps-latest-criticise-transforming-rehabilitation

The consequences were both immediate and structural. The technological stagnation deprived CRCs of a framework for integrating offender data, coordinating services, and driving digital reform. Although some companies pursued independent ICT development, only two providers were able to deliver contractual IT innovations. Seven remained mid-process, and most suspended development entirely. This breakdown in innovation uptake led to legal disputes between private providers and the Ministry, with companies seeking recourse for damages incurred through governmental delay.

Financial pressures further constrained the private sector's capacity to innovate. The absence of a functional Gateway inhibited the integration of CRC systems with those of the National Probation Service, creating technical silos and exacerbating operational inefficiencies. Without reliable infrastructure, CRCs struggled to implement new rehabilitative models or digitise core processes. Thus, rather than unlocking transformative practices, the Transforming Rehabilitation programme institutionalised technological inertia, undermining its own premise of incentivised innovation.

3.2.1.3. Poor Quality of Probation Services

Evaluations conducted by HM Inspectorate of Probation revealed that the quality of work delivered by Community Rehabilitation Companies (CRCs) across 21 geographical regions was predominantly average or poor, with a formal classification of "requiring improvement" **(Figure 6)**. Dame Glenys Stacey, Chief Inspector of Probation, emphasised that "although there are exceptions, the community rehabilitation companies… are not generally producing good quality work, not at all."[77] The inadequacies stemmed largely from insufficient resourcing and staff shortages, which hindered the companies' ability to manage large caseloads effectively.[78] A widespread practice involved supervising offenders solely by phone, with no face-to-face interaction[79], resulting in limited behavioural analysis and weak offender engagement.

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[77] Danny Shaw, "Ex-prisoners lack support, says probation head," accessed 19 August 2019, https://www.bbc.co.uk/news/uk-41595826

[78] Jamie Grierson, "Staff Shortages Leave Probation Service in Crisis, Report Finds' The Guardian," accessed 19 February 2026, https://www.theguardian.com/society/2020/jan/14/probation-sector-in-crisis-report-finds

[79] Michael Savage, "Private Probation Firms Fail to Cut Rates of Reoffending," accessed 19 August 2019, https://www.theguardian.com/society/2018/feb/03/private-firms-fail-cut-rates-reoffending-low-medium-risk-offenders

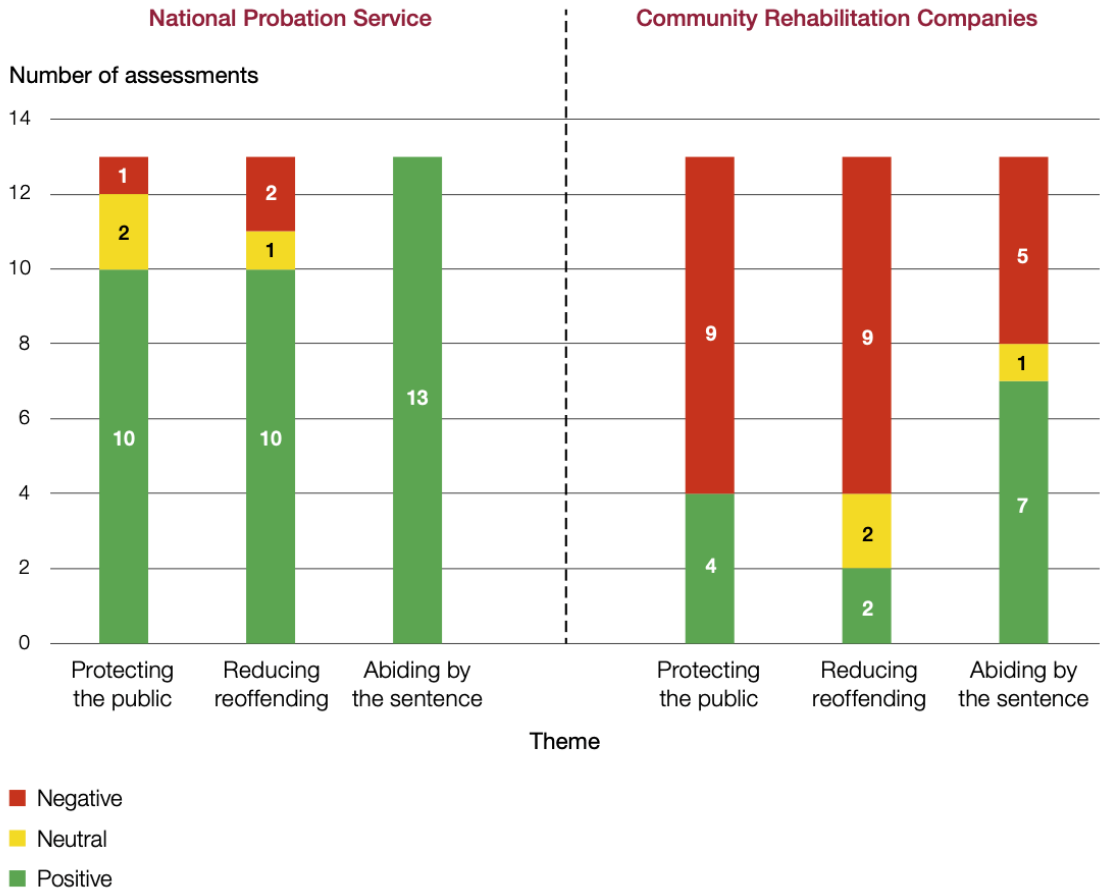


Figure 6 HM Inspectorate of Probation's overall assessment of National Probation Service regions and Community Rehabilitation Companies' performance, December 2016 to March 2018[80]

These operational shortcomings were closely tied to the Ministry of Justice's payment framework. Many CRCs failed to meet the requisite contractual benchmarks[81], leading to withheld payments and contributing to financial instability. Although HM Inspectorate of Probation noted that the payment model was not formally linked to performance outcomes[82], it remains evident that inadequate financial liquidity, resulting from unmet conditions, impacted the companies' ability to deliver core services. A notable example includes Working Links, the CRC responsible for Bristol, Gloucestershire,

[80] Comptroller and Auditor General, "Transforming Rehabilitation: Progress Review HC 1986 SESSION 2017–2019 1 MARCH 2019," accessed 29 July 2019, https://www.nao.org.uk/wp-content/uploads/2019/02/Transforming-Rehabilitation-Progress-review.pdf

[81] Ibid.

[82] Glenys Stacey, "HM Inspectorate of Probation for England and Wales Annual Report 2017," accessed 19 August 2019, https://www.antoniocasella.eu/nume/GlenysStacey_2017.pdf

Somerset, Wiltshire, Dorset, Devon, Cornwall, and Wales **(Figure 7)**.[83] Despite an urgent need to improve service delivery, the company was unable to comply with contractual obligations and subsequently ceased operations.

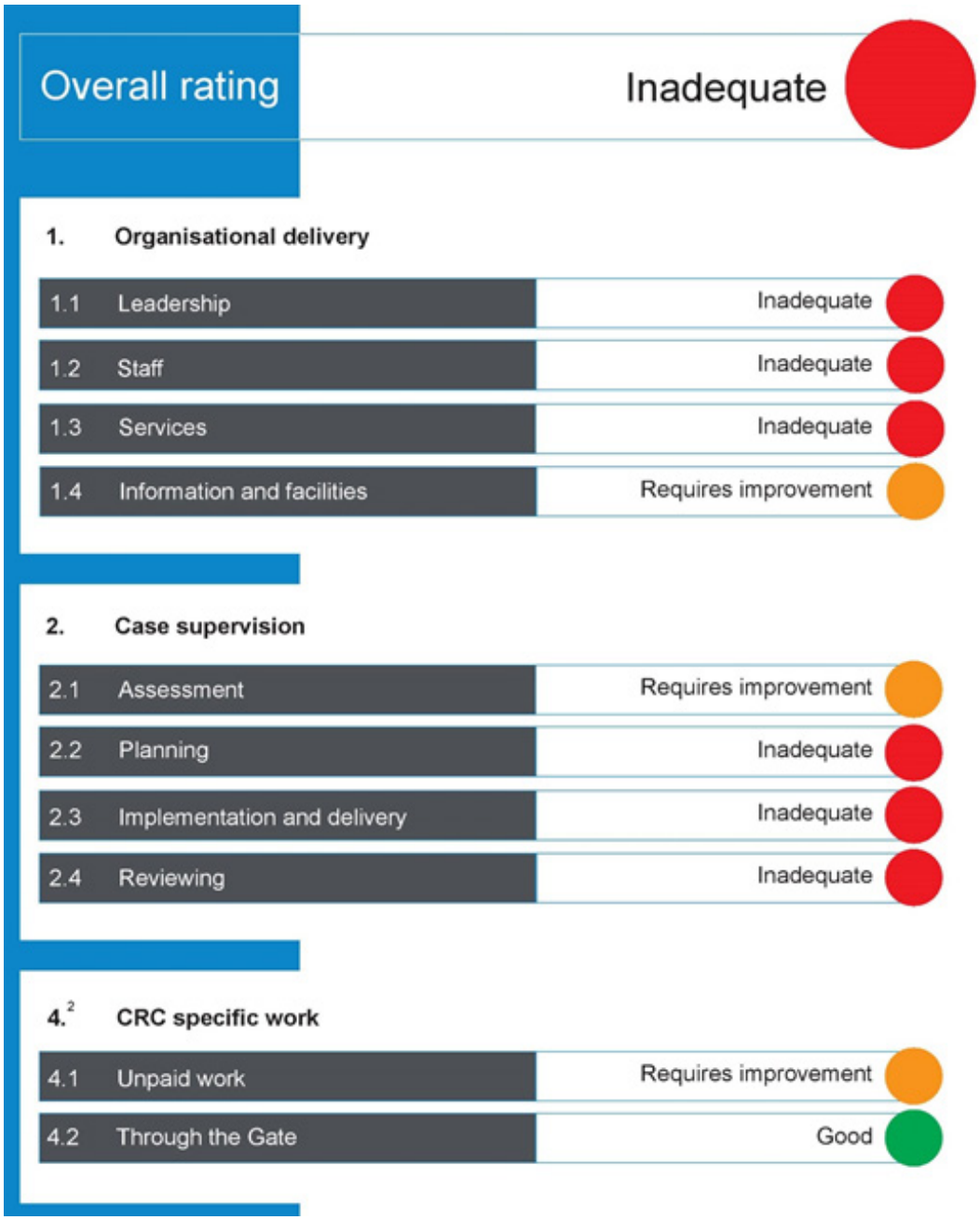


Figure 7 Overall rating of Working Links in Dorset, Devon and Cornwall[84]

[83] Russell Webster, "South-West Private Probation Sub-Standard But Improving," accessed 19 February 2026, https://www.russellwebster.com/hmipbgsw/

[84] Ibid.

Further concerns arose regarding CRCs' limited engagement in facilitating essential services such as housing assistance, employment support, and addiction treatment. While some offenders received aid in these areas, they represented only a small subset of the wider offender population. Observations indicated that certain staff members did not invest adequate effort in personalised support or in building rehabilitative relationships with offenders. In many cases, individuals were merely asked to complete and sign forms, without meaningful supervision or follow-up, an approach that significantly undermines the rehabilitative goals of probation.[85]

3.2.2. Insufficient Piloting

Although the Transforming Rehabilitation initiative represented a significant and well-intentioned overhaul of the probation service, its implementation was critically undermined by inadequate piloting of the Payment by Results (PbR) model. This model, intended to incentivise service providers through financial rewards tied to performance outcomes, was not tested sufficiently prior to national rollout.

According to findings from the Social Market Foundation, Her Majesty's Prison and Probation Service (formerly the National Offender Management Service)[86] conducted limited pilot programmes in only two locations, Doncaster and Peterborough. These pilots were designed to evaluate the interplay between financial incentives and services offered under the new Offender Rehabilitation Act 2014.

Originally, the Ministry of Justice had planned to expand piloting efforts across multiple cities. However, this expansion was curtailed when the financial model failed to attract sufficient private sector investment. The pilots were discontinued prematurely[87], and full-scale implementation of Transforming Rehabilitation proceeded before any comprehensive assessment could be completed.[88]

When final evaluations were eventually published, results indicated that the PbR model failed to deliver the anticipated reduction in reoffending rates. This revelation

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[85] Glenys Stacey, "HM Inspectorate of Probation for England and Wales Annual Report 2017."

[86] Ian Mulheirn, "Paying for Results? Rethinking Probation Reform," accessed 31 July 2019, http://www.smf.co.uk/wp-content/uploads/2013/08/Publication-Briefing-Paying-for-Results-Rethinking-probation-reform.pdf

[87] Max Chambers, "Expanding Payment-By-Results Strategic Choices and Recommendations," accessed 18 August 2019, https://policyexchange.org.uk/wp-content/uploads/2016/09/expanding-payment-by-results.pdf

[88] House of Commons Justice Committee, "Transforming Rehabilitation Ninth Report of Session 2017–19 HC 482," accessed 29 July 2019, https://publications.parliament.uk/pa/cm201719/cmselect/cmjust/482/482.pdf

came too late, as the Ministry had already embedded the model into probation services nationwide. Given its complexity and novelty, the PbR system lacked a robust procurement strategy and an operational roadmap, elements vital for any reform of such scale.

The private sector's reluctance to participate in the pilot was attributable to the unclear and financially risky nature of the scheme. In Leeds, for example, pilot efforts collapsed due to market failure.[89] Service providers withdrew from the initiative, citing disproportionate risk and lack of operational autonomy, highlighting structural flaws that should have been addressed during a more rigorous piloting phase.

3.2.3. Financial Pressures and Reduced Willingness Among Private Providers

A central flaw in the Payment by Results (PbR) model was its failure to appeal to private investors, resulting in considerable financial strain on service providers. The King's Fund report highlighted that the financial framework was both inflexible and unreasonable.[90] Under the Ministry of Justice's guidelines, payments were strictly conditional: providers would only receive government funds if they met predefined reductions in reoffending rates. For example, a 5% reduction would yield a £1 million payment, whereas a marginally lower outcome, such as 4.9%, would result in zero compensation. This punitive model ignored partial success and failed to accommodate the complexities of offender rehabilitation, rendering the incentive structure commercially unattractive **(Figure 8)**.[91]

Reoffending Reduction	Payment Provider	Profit/Loss
4.8%	£0	-£900,000
4.9%	£0	-£900,000
5.0%	£1,000,000	+£100,000
5.1%	£1,000,000	+£200,000

Figure 8 Example of a commercial model[92]

[89] Max Chambers, "Expanding Payment-By-Results Strategic Choices and Recommendations."

[90] John Appleby and others, "Payment by Results How Can Payment Systems Help to Deliver Better Care?," accessed 31 July 2019, https://assets.kingsfund.org.uk/f/256914/x/a024b91a9b/payment_by_results_report_november_2012.pdf

[91] Max Chambers, "Expanding Payment-By-Results Strategic Choices and Recommendations."

[92] Ibid.

In practice, this rigid system led to low market confidence and deterred many providers from entering or continuing within the sector. Crucially, no private provider had previously achieved the reoffending reduction targets set by the Ministry of Justice, and no flexibility mechanisms were offered to adjust expectations or mitigate financial losses.[93] This absence of adaptability and performance scaling not only discouraged investment but also highlighted a disconnect between policy ambition and operational reality. The PbR model's shortcomings were particularly evident in pilot regions such as Leeds, where market failure occurred. Here, private organisations withdrew entirely, citing excessive risk and lack of operational control. Without a viable financial safety net or shared accountability structure, many providers found the model untenable. The Ministry's emphasis on binary outcomes, reward or no reward, ignored the incremental progress that probation services often require. This misalignment ultimately weakened the prospects for sustainable reform and undermined the effectiveness of rehabilitation initiatives intended under Transforming Rehabilitation.

3.2.4. Public Confidence, Policy Regression, and the Rise of Retributive Criminal Justice

The failure of the Transforming Rehabilitation initiative precipitated a significant decline in public confidence toward probation services in England and Wales. Community orders issued under the guidance of probation officers were increasingly viewed as inadequate in preventing recidivism. This scepticism extended to magistrates, many of whom reverted to custodial sentencing rather than utilising rehabilitative measures such as community orders.[94] Public distrust of privatised probation services thus began to reshape broader sentencing behaviours within the criminal justice system.

One major contributor to this erosion of trust stemmed from the impact privatisation had on probation staff themselves. Following the split, employees reported diminished perceptions of legitimacy and a loss of faith in the professional capabilities of colleagues who transitioned into Community Rehabilitation Companies (CRCs). Historically, probation officers had taken pride in serving the public through a respected institution. Many joined the profession from a genuine desire to contribute to the public

[93] Ibid.

[94] Owen Bowcott, "Decline in Community Sentencing Blamed on Probation Privatisation," accessed 19 August 2019, https://www.theguardian.com/law/2018/dec/28/decline-in-community-sentencing-blamed-on-probation-privatisation-courts-trust-justice

good. Post-reform research, however, reveals a growing disillusionment, not only with their professional roles but also with the government that instigated these changes. This breakdown prompted nearly a third of CRC staff (28.9%) to actively seek alternative employment, further destabilising probation service delivery.[95]

The prevailing narrative painted Community Rehabilitation Companies (CRCs) as incapable of genuine reform, reinforcing the belief that imprisonment remained the most reliable deterrent against crime.[96] Such perceptions run counter to modern penal philosophy, which advocates imprisonment as a last resort. The continued reliance on incarceration risks reversing decades of progressive criminal justice development, potentially regressing the system by a century.

Furthermore, operational inefficiencies plagued both CRCs and the National Probation Service. A stark example cited by the Bromley Briefings Prison Factfile (2018) revealed that 1,762 female offenders under supervision were recalled to custody, underscoring systemic failures in monitoring and support. These recall figures reflect the inability of probation mechanisms to fulfil their rehabilitative purpose and further contributed to public disillusionment.[97]

This erosion of public trust also influenced criminal policy discourse. On 11 August 2019, Former Prime Minister Boris Johnson publicly committed to expanding custodial capacity by 10,000 prison places and expressed concerns that offenders were being released prematurely.[98] His remarks, arguably more populist than evidence-led, were aimed at reassuring the public but risked entrenching punitive attitudes over sustainable reform.

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[95] Sam Cooper, "A Failed Social Experiment: Damaged Professional Identity Post 'Transforming Rehabilitation'," *British Journal of Community Justice* 17, no. 2 (2021): 47, accessed 23 July 2025, https://mmuperu.co.uk/bjcj/wp-content/uploads/sites/441/2021/09/Cooper.Final_.Publish.pdf

[96] BBC, "Probation Services Face Radical Overhaul," accessed 19 August 2019, https://www.bbc.co.uk/news/uk-wales-44975222

[97] PRISON REFORM TRUST, "Bromley Briefings Prison Factfile," accessed 9 April 2019, http://www.prisonreformtrust.org.uk/Publications/Factfile

[98] Robert Wright, "Johnson Orders 'Urgent' Review of Sentencing Policy," accessed 19 August 2019, https://www.ft.com/content/48fe1ed0-bc18-11e9-89e2-41e555e96722

International comparisons further highlight the policy misalignment. The UK reportedly imposes more life sentences than Germany, France, or Italy, yet offence rates remain unchanged. Notably, the National Audit Office found no demonstrable link between incarceration levels and crime reduction,[99] suggesting that enhanced punishment does not yield greater public safety.

Imprisonment serves as a cornerstone of public protection by physically removing individuals assessed as dangerous from society. It fulfils key penal objectives including punishment, retribution, and deterrence, and may provide a structured setting for rehabilitation. Nevertheless, its limitations are considerable. The financial cost is significant, exceeding £50,000 per prisoner annually.[100] Moreover, short custodial sentences are often associated with high rates of recidivism, raising questions about their long-term efficacy. The broader social implications include disruption of family structures, economic marginalisation, and the erosion of productive capacity due to the exclusion of working-age individuals from the labour force. Additionally, prison overcrowding can further undermine rehabilitative efforts by limiting access to tailored interventions and support services.

In contrast, probation and community-based sentences present a more integrated approach to offender management for individuals assessed as posing low to medium risk. Costing approximately £4,500 per person annually,[101] these options offer substantial savings while preserving community ties, employment continuity, and familial relationships. They enable rehabilitation within natural social environments through bespoke support programs that address the underlying causes of offending behaviour. Evidence suggests that, for suitably screened individuals, these measures can be more effective at reducing reoffending than short-term incarceration. Importantly, they also safeguard human capital by keeping individuals economically active.

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[99] Owen Jones, "Boris Johnson's Crackdown on Crime Is Just the Latest Ruse in The Tories' Class War," accessed 19 August 2019, https://www.theguardian.com/commentisfree/2019/aug/15/boris-johnson-crime-tories-class-war-bankers-white-collar-crime

[100] Nacro, "Nacro Responds to New Data on the Rising Costs of Prisons in England and Wales," accessed 23 July 2025, https://www.nacro.org.uk/news/nacro-responds-to-new-data-on-the-rising-costs-of-prisons-in-england-and-wales

[101] UK Parliament, "Written Question 3546: Prisoners – Per Capita Costs, tabled August 30, 2024, answered September 9, 2024," accessed 23 July 2025, https://questions-statements.parliament.uk/written-questions/detail/2024-08-30/3546

However, probationary models are not without challenges. They frequently encounter public scepticism, often perceived as lenient or insufficiently punitive. This can lead to diminished confidence in the justice system if communication about their effectiveness is lacking. Additionally, community supervision relies heavily on adequate resourcing and inter-agency coordination. Compliance monitoring can be complex, particularly for individuals with overlapping needs in mental health, substance misuse, and housing stability. Resource constraints in probation services may compromise the integrity and consistency of interventions if not appropriately addressed.

3.2.5. The Expansion of Prisons and the Drift from Rehabilitative Justice

Amid growing concerns over offender management, the UK government has increasingly prioritised prison construction over investing in rehabilitation services. Prison population statistics from 2024[102] illustrate the national landscape: England and Wales held 170 prisoners per 100,000 residents, Scotland 177, and Northern Ireland 126, ranking in the top half of listed countries, while it was in the bottom half for Northern Ireland. While not the highest in Europe, the prisoner count has shown a consistent upward trajectory. According to the All-Party Parliamentary Group (APPG)[103], this surge was exacerbated by the failure of the Transforming Rehabilitation initiative, which was intended to reduce recidivism through improved probation mechanisms.

Historically, the UK criminal justice system evolved from punitive measures such as corporal and capital punishment towards more humane frameworks centred on offender supervision. This reformist shift laid the foundations for a rehabilitative model that prioritised reintegration over isolation. However, the recent policy trend, marked by government investment in new prison infrastructure, signals a reversal of that philosophy.[104] Superficially, prison expansion may appear to be a logistical response to overcrowding. A deeper analysis reveals that limited budget allocations and diminished public trust in probation services have likely skewed policy preferences toward incarceration.[105]

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[102] Shadi Danechi and Francesca Cooney, "Prison Population Statistics," accessed 19 February 2026, https://researchbriefings.files.parliament.uk/documents/SN04334/SN04334.pdf

[103] Howard League for Penal Reform, "Sentencers and Sentenced: Exploring Knowledge, Agency and Sentencing Women to Prison," accessed 6 April 2019, https://howardleague.org/wp-content/uploads/2018/10/APPG-report-on-sentencing-31-October-2018.pdf

[104] Robert Wright, "Half-Empty Super Prison Is 'On Track', Says UK Government," accessed 19 August 2019, https://www.ft.com/content/93eb41c8-79fe-11e8-8e67-1e1a0846c475

[105] Prison Reform Trust, *Prison Reform Trust Response to the Independent Sentencing Review 2024 to 2025*, (London: Prison Reform Trust, 2025), 33, accessed 23 July 2025, https://prisonreformtrust.org.uk/wp-content/uploads/2025/01/Prison-Reform-Trust-evidence-to-the-Independent-Sentencing-Review-2024-to-2025.pdf

Although the construction of prisons continues, imprisonment still faces numerous ongoing issues. A major concern is the quality of life for inmates, which remains problematic even today. Many prisoners still lack access to basic necessities, and this long-standing neglect contributes to deeper consequences. Placing first-time offenders in the same environment as seasoned criminals can have severe psychological impacts, often leading to the development of criminal skills and behaviours.[106] Such exposure risks turning minor offenders into repeat or professional criminals. In addition, the punishment itself often causes a lasting social stigma. When prisoners are released, they frequently struggle to reintegrate into society, facing rejection and prejudice. Former inmates are commonly perceived as lifelong criminals, making it difficult for them to adapt and live harmoniously within their communities again.

The plight of female prisoners is especially troubling. Despite formal compliance with international standards, such as the United Nations, the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Mandela Rules) and the United Nations Rules for Women Prisoners and Non-custodial Measures for Women Offenders (Bangkok Rules)[107], many women in UK prisons encounter inadequate support, discriminatory practices, and neglect. Pregnant women, mothers with caregiving responsibilities, and those requiring specialised treatment frequently lack access to tailored interventions, compounding their vulnerability.[108]

Importantly, widespread public scepticism about probation services has fostered support for imprisonment, despite evidence that incarceration does not effectively reduce reoffending. This punitive sentiment reflects a retributive and deterrence-oriented mindset. Rather than serving as a rehabilitative mechanism, poor prison conditions are perceived as fitting punishment, an outlook that undermines both offender welfare and systemic reform.

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[106] Jarryd Bartle, "We Know That Prison Doesn't Work. So, What Are the Alternatives?," accessed 19 August 2019, https://www.theguardian.com/commentisfree/2019/aug/16/we-know-that-prison-doesnt-work-so-what-are-the-alternatives

[107] Sofia Gullberg, "The UN Bangkok Rules for Women Offenders and Prisoners and Their Application in The UK," accessed 19 August 2019, https://www.penalreform.org/blog/women-in-the-criminal-justice-system-and-international/

[108] HM Inspectorate of Prisons, "Frustrations about a Lack of Basic Care Lead Women in Prison to Self-Harm," accessed 23 July 2025, https://hmiprisons.justiceinspectorates.gov.uk/news/frustrations-about-a-lack-of-basic-care-leads-women-in-prison-to-self-harm/

3.2.6. Failure to Reduce Reoffending by the Levels Expected

Despite continued efforts to reform probation services, the initial goal of significantly reducing reoffending rates remains unmet. As previously outlined, the reforms introduced a bifurcated supervisory model: high-risk offenders were placed under the National Probation Service, while low, and medium-risk offenders were overseen by Community Rehabilitation Companies.[109] Within this framework, the Minister mandated statutory supervision for all low-risk offenders, meaning those serving custodial sentences of less than one year would be subject to post-release monitoring.

Prior to these changes, such offenders were not typically supervised by probation services. Following the policy shift, the probation caseload expanded by 17%, with approximately 37,000 additional individuals being monitored between early 2015 and September 2018. This surge substantially increased the burden on probation officers, which in turn raised concerns about the adequacy and effectiveness of the supervision provided. Statistics from August 2015 indicated that 10,000 newly supervised offenders were added without a corresponding support plan.[110] According to the National Audit Office, the Ministry of Justice lacked sufficient administrative data and mechanisms to evaluate service efficiency, outcomes, or tailored behavioural interventions for this cohort, suggesting a limited understanding of how to manage them effectively.[111]

Compounding these issues was a rise in the number of recalled offenders, which directly contradicts the aim of lowering reoffending rates. A House of Commons report from the Justice Committee revealed that from 2015 to September 2018, recall cases increased by 47%, from 4,240 to 6,240. Particularly concerning was the escalation in recalls of low-risk offenders, from just 3% to 36%.[112] Many of these individuals, especially those sentenced to less than 12 months, found it difficult to adhere to supervision terms due to complex personal challenges such as homelessness, poor

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[109] "EXPLANATORY MEMORANDUM TO THE OFFENDER REHABILITATION ACT 2014 (INCIDENTAL PROVISION) ORDER 2015 2015 No. 774," accessed 19 August 2019, http://www.legislation.gov.uk/uksi/2015/774/pdfs/uksiem_20150774_en.pdf

[110] Comptroller and Auditor General, "Transforming Rehabilitation HC 951 SESSION 2015-16 28 APRIL 2016."

[111] Comptroller and Auditor General, "Transforming Rehabilitation: Progress Review HC 1986 SESSION 2017–2019 1 MARCH 2019."

[112] House of Commons Justice Committee, "Transforming Rehabilitation Ninth Report of Session 2017–19 HC 482."

mental health, and substance dependency. These trends highlight the absence of a comprehensive support framework addressing the root causes of offending.[113] Probation strategies must reflect proportionality and suitability; when supervision fails to meet these conditions, it risks transforming into a punitive measure rather than upholding the rehabilitative intent of the policy.

4. CHAPTER IV – Preventive Measures for Sustainable Reform Implementation

4.1. Appropriate Piloting Before the Launch of Operation

The failure of the probation service reform was largely rooted in the Ministry of Justice's flawed risk assessment, primarily due to insufficient piloting prior to implementation. As previously discussed, only two areas, Doncaster and Peterborough, were designated as pilot locations for testing the operational dynamics of Transforming Rehabilitation. Critically, the Ministry chose to press ahead with the nationwide reform without waiting for conclusive pilot outcomes, which prevented it from recognising systemic weaknesses early on. As a result, challenges such as poor performance in reducing recidivism and inadequacies in resettlement services provided by private providers went unaddressed until full implementation was already underway.

A key contributor to this failure was the overestimation of private providers' capabilities and the absence of a comprehensive pre-launch trial. To avoid repeating such missteps, future public sector reforms, whether related to probation services or other domains, must be preceded by robust, carefully structured piloting phases. The government should ensure that these pilot programmes are fully developed and run to completion, allowing for the identification of practical challenges, such as coordination between the National Probation Service and contracted providers, delivery gaps in resettlement services, and the operational roles and responsibilities of frontline staff.

Moreover, the pilot phase should span one to two years to permit the collection of meaningful evaluation data. This period would allow policymakers to analyse the trajectory of service outcomes and determine whether the intended direction is viable. A thorough risk assessment must accompany this process to anticipate potential setbacks

[113] Nacro, "Short Prison Sentences," accessed 23 July 2025, https://www.nacro.org.uk/news-views/policy-research/our-policy-work-in-justice/short-prison-sentences/

and incorporate safeguards into contractual design. Ultimately, piloting serves not only as a testing ground but as a critical tool for shaping fair, effective, and adaptive public service contracts that best serve both the system and the individuals it aims to rehabilitate.

4.2. Integrating Community Rehabilitation Companies into the National Probation Service Framework

A key factor contributing to the failure of probation service reform has been the operational and philosophical disconnect between private service providers and the foundational principles of probation. Specifically, many Community Rehabilitation Companies (CRCs) lacked a sufficient understanding of the ethical ethos long embedded in probation practice, summarised by the guiding principle to "advise, assist, and befriend" the offender. Unlike the former Probation Trusts, or the current National Probation Service (NPS), CRCs, motivated primarily by profit margins, tended to prioritise contractual compliance and financial returns over the behavioural and rehabilitative needs of offenders. By contrast, the NPS, as a public-sector agency, operates without profit motive and retains institutional experience and professional expertise in offender supervision and rehabilitation, having long served as the principal body for reducing reoffending.

Another persistent challenge has been the lack of seamless coordination between the NPS and private service providers. This fragmentation has resulted in inconsistent supervision and breakdowns in service continuity. To resolve such inefficiencies, a clearer structural delineation of responsibilities is essential. Offender management, regardless of risk level, should be consolidated under the singular authority of the National Probation Service. This centralisation would ensure greater consistency, accountability, and service quality, by placing offender supervision in the hands of those with specialised training and deeper familiarity with criminal justice frameworks.

At the same time, excluding the private sector entirely would risk losing opportunities for innovation and service diversification. Rather than leading offender management, private organisations should adopt a complementary role, operating solely as providers of resettlement services. These services might include the provision of housing, employment support, vocational training, and psychological or addiction therapies, functions that support reintegration but do not require custodial supervision authority. By repositioning CRCs as strategic partners rather than service leaders, probation delivery can benefit from targeted expertise without compromising ethical and rehabilitative standards.

4.3. Designing a New Payment Mechanism

Restricting the role of private sector actors to resettlement services necessitates a sustainable and predictable payment framework. Under this revised model, private providers would receive compensation through a Fee-for-Service mechanism. To prevent the financial instability previously experienced, often resulting in reduced operational efficiency and disruptions across the criminal justice system, the Ministry must ensure greater contractual flexibility and support for service providers. Without such safeguards, fiscal pressures on private entities may compromise service quality and undermine the broader rehabilitative mission.

To address this, the Fee-for-Service model should be bifurcated into two components: 50% of the fee should be disbursed as a fixed rate, securing baseline income regardless of demand fluctuations; the remaining 50% should be performance-linked, based on the quantity and scope of resettlement services actually provided to offenders. This dual-structure payment mechanism reflects the observed annual decline in community orders, which makes it difficult to forecast future service volumes and corresponding income. By ensuring financial liquidity through partial fixed funding, the private sector would be better positioned to fulfil contractual obligations without succumbing to unstable income cycles.

Additionally, historical barriers have excluded small enterprises and voluntary organisations from participating in probation service delivery, primarily due to large contract sizes and significant capital requirements. To democratise participation and harness the specialised knowledge of smaller actors, the new system should adopt geographical restructuring. Probation areas must be subdivided into smaller, more manageable zones with proportionate resource requirements, thereby lowering the threshold for entry and incentivising expert-driven, community-based contributions. Such reforms would diversify service provision, inject innovation, and deepen local engagement in offender rehabilitation.

5. CHAPTER V – Conclusion

Transforming Rehabilitation was launched with commendable intentions: to reduce reoffending, enhance operational efficiency, and introduce an unprecedented level of private sector involvement in the UK's probation services. Historically, volunteer organisations played a significant role in shaping probation practice in the 19th and 20th centuries, laying the foundation for community-based rehabilitation. However, their influence remained largely spiritual and supportive, while the responsibility for offender management and reducing recidivism continued to reside within the public sector. With the broader wave of privatisation in the late 20th century, many public services, including post offices and hospitals, shifted toward private management to improve efficiency and reduce government expenditure. This ideology eventually permeated the criminal justice system, beginning with privately operated prisons and culminating in the probation reform under Transforming Rehabilitation.

The reform introduced Community Rehabilitation Companies (CRCs) to supervise low, and medium-risk offenders, while the newly established National Probation Service retained oversight of high-risk cases. Financial incentives such as Fee for Service and Payment by Results were employed to attract private investment, with the expectation that market-driven innovation would enhance probation outcomes. However, the reform faced multiple structural failures. Private providers underperformed in resettlement delivery, failed to introduce meaningful innovations, and often fell short of quality benchmarks. The absence of adequate piloting led to poor risk assessment, while financial instability, compounded by unpredictable demand, resulted in insolvency and diminished service efficiency. Public confidence eroded, and the shift in sentiment toward punitive imprisonment undermined rehabilitative justice policies.

To remediate these shortcomings, three corrective measures are essential. First, pilot programmes must precede any systemic changes, enabling proper risk evaluation and targeted implementation. Second, the private sector's role should be redefined to support rather than lead probation delivery, leaving offender management in the hands of the public agency most equipped for it. Finally, a redesigned financial mechanism, balancing fixed and performance-based payments, should encourage voluntary and small-scale organisations to participate through a more inclusive, geographically distributed model.