

## JUSTICE SELECT COMMITTEE ORAL HEARING ON LAPSO 3-4-19

**Q 33 Chair:** While we are dealing with this side of the Department's work, can I put one other point to you? You said you wanted to work on the basis of evidence. The evidence is that Transforming Rehabilitation has been a complete failure, hasn't it?

**David Gauke:** Clearly, it has not delivered in the way we wanted. Last summer, I set out that I was going to make changes and bring those contracts to an end early. There was additional funding, for example, on the through the gate processes. We set out our proposal and consulted on it, and we have been looking very closely at the responses. We have also been looking very closely at what the NAO and Dame Glenys Stacey have said. Tomorrow, I am meeting the chief executives of the CRCs to discuss this further. I am reflecting very carefully on the balance between the public sector, the private sector and the voluntary sector in delivering probation services.

**Q34 David Hanson:** Following up my first question, I want to deal with the cost of Working Links and Interserve collapsing, the cost of taking over those projects, plus the costs of repairing the damage that the chief inspector of probation and the National Audit Office referred to. What is your total estimate of those costs to the Ministry of Justice?

**David Gauke:** The first point is that, as you have just heard, I am willing to acknowledge that there are things in the current probation set-up that are not satisfactory and adequate, and we will have to make changes. In terms of the criticism that this is costing the Exchequer lots more money than was anticipated, I do not think that is right at all. We are spending considerably less on probation and the CRCs than was anticipated. That is not to say that everything is all fine with the system; it is not.

**Q35 David Hanson:** That is because there are fewer people being referred to CRCs, so the cost was not transferred and spent accordingly.

**David Gauke:** It is also because the CRCs were paid by results and they have not delivered the results we wanted, but the expenditure on CRCs is less than we had anticipated. What has in truth been happening is that the shareholders of the CRCs have been subsidising the probation service, so it is not good for them, but the system is not good for us.

**Q36 David Hanson:** Is it possible to supply the Committee with a balance sheet of costs incurred by the MOJ and payments made to CRCs, and your costs and estimates of what the Transforming Rehabilitation repair work will be?

**David Gauke:** We can certainly provide you with as much detail as we possibly can, but we would also want to compare that with the anticipated costs of the CRC system. What we will find is that we are spending significantly less than we had anticipated when Transforming Rehabilitation was introduced.

Q37 **David Hanson:** Is it possible to wrap that up with the response to the Justice Committee's report of June last year that you promised to provide by October last year? As I recall, it is now April this year.

**David Gauke:** I want to respond to that report when we have determined how we are going to respond to the consultation to the reforms I set out last summer, and how we want to take that forward. It would be sensible for me to respond to the Select Committee, and it is not my usual custom to delay a response, but, given that we are looking carefully at our options, it is right that we reach a conclusion before we respond to the Select Committee.

Q38 **David Hanson:** The cynic in me would ask why you promised to deliver it in January this year—in October—when obviously there had been major changes and some consideration by the MOJ. Surely, it is now time to produce the Government's response to the recommendations in the report we produced.

**David Gauke:** The right thing for me to do is to take into account the evidence that has been presented to us as to the way forward and reach a conclusion on that. Once I have reached a conclusion, I can give a more helpful response to the Select Committee. Were I to provide a response at this point, I would be very limited in what I think I could say.

Q39 **David Hanson:** Just between us, when is that likely to be?

**David Gauke:** Just between us, I hope we will be able to say something in the not too distant future.

Q40 **Chair:** Well, that's faster than in due course, isn't it?

**David Gauke:** It is faster than in due course. It will be much earlier than in due course.

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/justice-committee/legal-aid-sentencing-and-punishment-of-offenders-act-2012/oral/99226.html>