

BOARDS AND RESOURCE MANAGEMENT

PBA SURVEY REPORT EXECUTIVE SUMMARY NOVEMBER 2007

A Introduction to the PBA

i) The Probation Boards' Association (PBA) is the national body for the 42 local Probation Boards in England and Wales. The PBA represents the interests of Boards, and works on their behalf, in issues of employment, governance, partnerships and community engagement.

B Background to this Report

i) At the May 2007 meeting of the Probation Service Consultative Council (PSCC), which is the body that brings together probation employers, trade unions and NOMS representatives to discuss employment-related issues, the likely implications of Boards' 2007/08 budget position were discussed. There were particular concerns that Boards might not be able to deliver the full range of services, to the required standard, and/or that there might be implications for the numbers of staff employed. As a result, it was agreed that the PBA should conduct a survey of Boards in order to enable each Board to identify its position. A 100% response to the survey was achieved from the 42 Probation Boards in England and Wales.

C Survey Methodology

i) The survey was issued, by e-mail, on 5th July 2007 and comprised the following questions:

- 1 What specific budget pressures is your Board facing in 2007/08 and what are the principle causes of these pressures?
- 2 What are the implications for practice/service delivery of your 2007/08 budget allocation? Please provide specific examples.
- 3 What are the implications for (i) human resource management/development and (ii) employee relations of your 2007/08 budget allocation? Please provide specific examples.
- 4 What specific actions has your Board taken to address the implications identified in your response to questions 2 and 3?
- 5 What do these sets of implications mean for your Area in the longer-term, as far as it is possible to judge this?

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6 If you had a budget surplus at the end of 2006/07, what were the principle reasons for this?

7 What methods of achieving efficiencies have you used which you would regard as best practice and from which other Boards might benefit?

8 Please add any other comments that you would wish to make in relation to this survey.

D Key Survey Findings

i) The key findings of the survey are as follows:

- a) Probation Boards are facing an unprecedented set of budget pressures in 2007/08, which has the potential to threaten the ability of local Areas to sustain the necessary level of service provision. In particular, nine Boards report a significant budget deficit position and another eleven are having to make a substantial level of savings in order to set a balanced budget. Moreover, 90% of Boards report taking action in order to address the service delivery implications of their budget allocation, such as savings plans, cost reviews, improved budget management regimes, Best Value reviews and the reallocation of financial resources service areas of greatest need.
- b) 36% of respondents report having to manage a substantially increasing Area workload with a reducing employee establishment and 31% are anticipating a possible or actual permanent reduction in the size of their Areas' workforces in the next 2-3 years.
- c) Survey responses show a detrimental effect on Boards' capability as local employers, although (19%) describe working actively to maintain a climate of positive employee relations and ensure employee representatives understand the financial pressures on Boards. 17% of respondents cite an inability to afford to fill vacant posts in 2007/08, whilst 19% report frozen or reduced training budgets or that serious consideration is being given to this. 14% describe being unable to employ their graduating Trainee Probation Officers (TPOs) or provide them with a realistic prospect of employment.
- d) A total of 25 longer-term implications of the current resource position of Boards is shown by the survey. Amongst the most common of these are the projection of significant future budget deficits; the financial effects of employees' progression up the new pay scales resulting from the national Job Evaluation exercise; an increasing difficulty in achieving the targets in Service Level Agreements (SLAs) with the Regional Offender Managers (ROMs); the current lack of clarity about the adequacy of future resourcing of probation; and an unsustainable balance between the expectations of Boards by NOMS in relation to continuing financial savings and levels of service delivery.
- e) Although the survey shows that 25 Boards had a budget surplus at the end of 2006/07, the most common reason for this was receipt of a pension funding "windfall" from NOMS late in the financial year. Many Boards point out that they would have begun 2007/08 in a budget deficit position without such a windfall.

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- f) The survey identifies 53 different methods used by Boards to seek to achieve efficiencies and Boards vary in their view as to whether there is any substantial scope for realising further levels of efficiencies in the foreseeable future.
- g) Finally, a number of key underlying themes are apparent in many responses to the survey, namely:
 - the potential for an even more difficult financial position for Boards (and Trusts) to face in the next two to three years, given the present “flat cash” budget scenario;
 - the inequitable distribution of resources caused by the existing probation funding formula (which this report acknowledges is currently under review);
 - the inappropriateness of annual financial planning and the need to enable Boards (and Trusts) to plan for at least the medium term;
 - the need for Boards to be supported by NOMS in managing demand for probation services, such as Court reports;
 - the importance of the affordability to Boards of the next probation pay settlement.