



Ministry of  
**JUSTICE**

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National Offender  
Management Service  
Agency Framework Document

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## Foreword from the Lord Chancellor and Secretary of State for Justice

In April this year I announced new structures for the Ministry of Justice in order to improve its efficiency and effectiveness. My announcement included a restructured National Offender Management Service, operating as an executive agency of the Ministry, responsible for commissioning and delivering adult offender management services in custody and the community across England and Wales.

This is an important development in the Government's offender management reform programme, building on the creation of the National Probation Service in 2001, and the creation of NOMS in 2004 as a commissioner of both probation and prison services.

In its restructured form the NOMS Agency will be able to integrate further probation and prison management of offenders, streamline management structures and reduce overhead costs as recommended in Lord Carter's recent review.

This Agency Framework Document sets out my objectives for the NOMS Agency and how it will be governed. At the heart of its work will be the twin aims of protecting the public and reducing re-offending, by giving offenders the support and challenge they need to turn away from crime and to live useful lives. In addition, I will expect the Agency to show early and clear evidence that it can deliver more efficient and more effective offender management services, both in custody and in the community. In meeting these challenges there is much recent progress for the Agency to build on and also the opportunity to use the commissioning process to harness and realise more fully the combined potential of public, private and third sector providers.

The NOMS Agency will operate under a governance framework provided by a restructured Ministry of Justice. I have given the Director General of the Agency the important task of delivering my objectives for offender management and for implementing structures that will underpin the key roles of commissioner and service provider. There is much to do, but within the next few months I intend to announce the devolved national and regional structures for the NOMS Agency.

This document sets out the key elements of the policy and resources framework for the Agency and defines the freedoms and constraints within which the Agency will operate. It makes clear that I will hold the Agency to account for its performance against specific targets and objectives, which I will report to Parliament. Specific targets will be published in the first Corporate and Business Plans for the Agency later this year and these will include the creation of Probation Trusts and successful completion of the major prison building programme that is underway already. These are important developments and I wish the Director General and staff working within the Agency every success in taking advantage of the opportunities that agency status will bring.

A handwritten signature in black ink, appearing to read 'Jack Straw', written in a cursive style.

**JACK STRAW**  
Lord Chancellor and Secretary of State for Justice

## Introduction

The National Offender Management Service (NOMS) is an executive agency of the Ministry of Justice. The Director General of the NOMS Agency is responsible to the Lord Chancellor and Secretary of State for Justice and sits on the Board of the Ministry, chaired by the Permanent Secretary.

The responsibility of the NOMS Agency, on behalf of the Secretary of State, is to deliver the sentences and orders of the courts of England and Wales by:

- commissioning adult offender services in custody and the community from public, private and third sector organisations;
- providing the public prison service; and
- overseeing the Boards and Trusts which provide the public probation services.

This Agency Framework Document explains how the NOMS Agency will work and the relationship between the NOMS Agency and the Ministry of Justice. The document articulates the governance arrangements, accountabilities, freedoms and constraints between the NOMS Agency and the Ministry of Justice and is agreed by both the Secretary of State and the Chief Secretary to the Treasury.

The document has seven sections:

1. [Objectives, Services and Freedoms](#)  
What the Agency is here to do and how it will fulfil its responsibilities
2. [Ministry of Justice Strategy, Sponsorship and Relationships](#)  
Governance, roles and regulation defining the framework within which the Agency operates
3. [The Planning Framework](#)  
How the Agency plans its commissioning and operational delivery
4. [Capital Programmes and Estate Management](#)  
The Agency's responsibilities for property it occupies and develops
5. [Finance, IT, Audit and Assurance](#)  
The Accounting Officer responsibilities of the Agency Director General, and the Agency's management of finance, ICT and risk
6. [Performance Management and Reporting](#)  
How the Agency's performance will be monitored and reported
7. [Human Resources](#)  
Responsibilities and arrangements for managing staff.

The sections are supplemented by a series of annexes that provide greater detail on arrangements and requirements. The annexes to the Agency Framework Document are intended to be updated when changes are agreed between the Permanent Secretary and the Director General of the NOMS Agency, leaving the main body of the document to be reviewed by no later than 2011.

Any subsequent amendments or supplements to the Agency Framework Document will be agreed by the Lord Chancellor and Secretary of State for Justice and the Chief Secretary to the Treasury, and published with copies placed in the libraries of both Houses of Parliament. The document is also available on the Ministry of Justice and the NOMS Agency websites, where any subsequent amendments or supplements will also be reflected.

# 1. Objectives, Services and Freedoms

## 1.1 About the National Offender Management Service (NOMS) Agency

### 1.1.1 Strategic Purpose and Aims

The NOMS Agency was established to join up prison and probation services, to enable Offender Management to be delivered more effectively, and to strengthen and streamline commissioning to improve efficiencies and effectiveness. The Agency is responsible for the commissioning and delivery of adult offender management services for England and Wales within the strategic policy framework set by Government. The Agency has a key role in influencing other Government Departments to address the needs of offenders, and in providing sentencers with information on the costs and benefits of sentence options.

In delivering the sentences and orders of the courts effectively, the NOMS Agency will commission providers from the public, private and third sectors to:

- deliver effective punishments;
- protect the public from offenders and communities from the impact of crime;
- reduce re-offending;
- deliver the sentence plans in accordance with the court's requirements;
- take account of the needs, wishes and rights of the victims of crime;
- rehabilitate offenders; and
- make the best use of resources.

Annex F sets out the respective responsibilities of the NOMS Agency and other groups in the Ministry of Justice.

### 1.1.2 The vision for the NOMS Agency

To meet its twin aims of protecting the public and reducing reoffending, the NOMS Agency will:

- ensure that prison and probation coordinate their work in managing offenders even more closely, and work in partnership with the police and others in support of truly joined-up offender management;
- work with local government, the NHS, Learning & Skills Councils, Youth Justice Board and others to secure the housing, health, employment, training and other pathways to offender rehabilitation more effectively.

To achieve better outcomes and value for money, the NOMS Agency will:

- act upon evidence of the effectiveness and value for money of services in setting resource priorities and commissioning providers, selecting the best value providers through a competitive process, increasing investment in effective services and disinvesting from ineffective services;
- delegate maximum authority to the frontline consistent with the efficient delivery of equitable national standards, with a much leaner HQ to reduce overheads and facilitate more local and regional empowerment than now;
- institute a management information system which highlights what works and what does not, and allocate resources accordingly;
- seek maximum possible alignment between supply and demand, working closely with sentencers;

- encourage more innovation to find new ways of working to integrate service delivery with constructive challenge to historic patterns of delivery, whilst continuing to deliver proven correctional services well and harnessing the skills and creativity of people and organisations across the criminal justice sector;
- invest strongly in its people, maximising their potential to work flexibly to meet these challenges;
- improve offender management services efficiency year on year, streamline management, reduce overhead costs, and advance the productivity of the workforce;
- make sure that resources follow risk to the maximum possible degree; and
- deliver all services with decency, valuing diversity and promoting equality.

The Agency Director General is responsible for commissioning adult offender services and delivering through a range of providers from the public, private and third sectors. To drive commissioning forward, the Agency Director General will assign responsibilities to ten Directors of Offender Management for the nine English regions and Wales over the next two years (Wales and London starting straightaway) who will be responsible for:

- allocating resources across their region/Wales in accordance with offenders' needs, sentencers' demands and public protection requirements, with reference to value for money and 'what works' principles as the key drivers for the whole system;
- establishing clear specifications for service delivery, maintaining a degree of separation between specifying requirements and choosing providers;
- selecting providers on merit, with payments linked to costed service specifications;
- using sophisticated SLA/contract-management to incentivise high and to tackle poor performance by prisons and probation areas, both individually and in collaboration and to improve efficiency year on year;
- delegating maximum authority for commissioning and partnerships to the local level consistent with efficient and effective delivery, given the crucial importance of Multi Agency Public Protection Arrangements (MAPPA) to public protection and local area agreements to rehabilitation; and
- managing regional partnerships with strategic health authorities, Government Offices and others to maximise resources available to reduce reoffending within each region.

The NOMS Agency streamlined HQ will provide the ten Directors with effective support and challenge by:

- securing and allocating to the ten Directors the resources they need to fulfil their duties;
- intervening where performance or efficiency is causing concern, or otherwise in accordance with Ministers' requirements;
- commissioning those services which are most cost-effectively delivered nationally; and
- facilitating coordination across Wales and the regions where needed to support national standards, and sharing good practice.

## 1.2 Offender Services

### 1.2.1 Probation Services to Court

The Ministry of Justice, principally through HM Courts Service, ensures that there is an efficient and effective system to support the carrying out of the business of the courts, judiciary, magistracy and court users. The Ministry also sets strategic policy and direction for the services to be provided to courts by the NOMS Agency. The Agency commissions the provision of information, advice and reports on offenders to service court appearances and sentencing processes. It also ensures information is available to sentencers on the availability of services, the costs and benefits of interventions and sentence options.

### 1.2.2 Offender Management

The Ministry sets strategic policy and direction for the delivery of end to end Offender Management by the Agency which it oversees through its regulatory framework for the sector. The NOMS Agency commissions and operates Offender Management services which ensure offenders are managed in a consistent, constructive and coherent way during their entire sentence, whether in a custodial or community setting. Offender Management is based upon accurate assessment of offender risk and needs to best inform the selection, sequencing and targeting of interventions for each offender.

### 1.2.3 Custodial Services

The Ministry sets strategic policy and direction for adult custodial services and prison capacity. Public sector prisons are run by the NOMS Agency. Individual public sector prisons are managed through SLAs agreed between Directors of Offender Management and Governors. Private sector prisons operate under contract to the NOMS Agency. The Agency is responsible for managing the prison population, including Prisoner Escort and Custody Services, maintaining the existing estate and building prison capacity. With ethical walls between the purchaser and provider, it lets, through a competitive process, and manages Service Level Agreements and contracts awarded to public and private sector organisations to build prisons and deliver custodial services. In addition, the NOMS Agency is commissioned by other organisations, in particular by the Youth Justice Board to provide secure accommodation places and attendance centres for young people, and by the Border and Immigration Agency to provide services to immigration detainees.

### 1.2.4 Offender Interventions

The Ministry sets strategic policy and direction for use of intervention services. The NOMS Agency commissions and directly provides interventions which implement sentences and orders of the courts and reduce offender risk of serious harm, address offender needs, and resettle and rehabilitate offenders across custody and the community. The Agency contracts Electronic Monitoring as a sentencing and court service utilised by Agency providers, the Border and Immigration Agency, Youth Justice Board and counter terrorism operations.

## 1.3 Freedoms to Operate

### 1.3.1 Strategic and Operational Policies

Other (non-Agency) Groups of the Ministry are responsible for regulation of the offender management sector including the market within which the NOMS Agency operates and determining how the performance of the Agency is assessed. On behalf of the Permanent Secretary, they set the strategic and the performance assessment frameworks for the Agency. The Permanent Secretary advises the Secretary of State on the approval of the Agency's Corporate and Business Plans, including key outcomes and annual targets, and the development of the organisational structure and capability.

The NOMS Agency determines the additional policies, practices and implementation mechanisms it requires for effective delivery and commissioning within this framework. By agreement with the Ministry, specific policy and strategy areas may be led by the Agency (e.g. prisoner population management, international prisoner transfer

agreements in furtherance of the Government's migration policy and offender-related security policy).

The Secretary of State will be notified of and asked to approve any policy or operational practice, or a revision of the same, determined by the Agency which is likely to arouse Parliamentary, media or public interest or concern.

### 1.3.2 Focus on Outcomes

The Ministry and external commissioners set challenging targets for the Agency, agreed with the Secretary of State, focused on those aspects of offender management services that bring most benefit in protecting the public and reducing reoffending. There will be a primary focus on Public Service Agreements (PSA) which are, at the time of the launch of the Agency, PSA "Making Communities Safer" and PSA "Deliver a more effective, transparent and responsive Criminal Justice System for victims and the public". The Agency will lead on the Departmental Strategic Objective (DSO) relating to protecting the public and reducing re-offending. The NOMS Agency's autonomy and freedom of action extends to what is required to deliver efficient and effective community and custodial services and deliver best performance within the legislative, contractual and strategic framework set for it. The Agency's Corporate and Business Plans will detail the objectives, targets and outcomes for the Agency and show how these will be achieved.

### 1.3.3 Central Services between the Ministry and NOMS Agency

Annex A lists the services currently provided by the Ministry and by other Government Departments to the NOMS Agency. Other services may be provided by the Agency to the Ministry and other Government Departments. Changes in arrangements will be agreed with the other party prior to their introduction. The operation of these services will be supported by service level agreements where appropriate.

## 2. Ministry of Justice Strategy, Sponsorship and Relationships

### 2.1 Roles, Responsibilities and Governance

#### 2.1.1 The Secretary of State and Ministers

As the responsible Minister, the Secretary of State is accountable and responsible to Parliament for the NOMS Agency. The Secretary of State also leads cross-government collaboration to deliver a more effective, transparent and responsive Criminal Justice System for victims and the public. The Secretary of State is advised by the Permanent Secretary. The Secretary of State may delegate the responsibilities set out below to a junior Minister. The Secretary of State's responsibilities include:

- setting the strategic direction, objectives, key performance indicators and targets of the NOMS Agency, plus the systems to assess the performance of the Agency;
- determining the policy and financial framework within which the NOMS Agency operates;
- annually approving the NOMS Agency Corporate and Business Plans;
- holding the NOMS Agency Director General to account for the performance of the Agency and the delivery of its plans, objectives and targets including through probation, private and third sector organisations;
- publishing and laying before the House of Commons the NOMS Agency Annual Report and Accounts;
- approving any policy or operational practice, or a revision of the same, determined by the Agency which is likely to arouse Parliamentary, media or public interest or concern; and
- approving revisions to the Agency Framework Document, obtaining approval from HM Treasury Ministers as appropriate.

The Secretary of State has, under sections 1 & 4 of the Prison Act 1952, the statutory duty to provide and supervise prisons and maintain prisons and prisoners.

The Secretary of State has the statutory duty for the provision of probation services and hence for the appointment of probation providers. The Secretary of State will appoint the governing bodies of the public sector probation providers. These duties can be delegated to the Agency Director General or a person nominated by him or her, in which case the Chairs of Probation Trusts and Boards would be responsible to the Secretary of State through the Agency Director General.

#### 2.1.2 The Permanent Secretary

The Permanent Secretary is the principal advisor to the Secretary of State on matters affecting the Ministry as a whole, including the allocation of resources and expenditure. He or she is also the line manager of the Agency Director General.

The Permanent Secretary is the Ministry's Principal Accounting Officer and is responsible for the management of the Ministry and is accountable to Parliament for its effectiveness and delivery. He or she designates the Agency Director General as Agency Accounting Officer explicitly by letter. As both the Principal Accounting Officer and as line manager, the Permanent Secretary holds the Director General of the NOMS Agency to account for the efficiency and effectiveness of NOMS Agency management and its operations.

In the capacity of line manager and Principal Accounting Officer for the Ministry, the Permanent Secretary delegates resources to the Agency Director General.

### 2.1.3 Departmental Sponsor

The Ministry of Justice Departmental Sponsor of the NOMS Agency is appointed by the Secretary of State to advise him or her on how well the Agency and its Director General are performing. The Departmental Sponsor gives directions to the Agency Director General, agreeing key targets and the Corporate and Business Plans before they are submitted to the Secretary of State. The Sponsor provides constructive challenge on the performance of the Agency, whilst ensuring that the Agency conforms to departmental policy and has the delegations and authorities necessary for effective delivery and continuous improvement.

The Permanent Secretary is the Departmental Sponsor. The Offender Management Supervisory Board (see 2.1.4) will support the Permanent Secretary in his or her sponsorship role. He or she may also delegate specific sponsorship responsibilities within the Ministry including developing and maintaining the Agency Framework Document and agreeing the Agency's Corporate and Business Plans. Details of the delegations are included at Annex G. This Agency Framework Document recognises that the Permanent Secretary is the Departmental Sponsor by referring only to the Permanent Secretary.

### 2.1.4 Offender Management Supervisory Board

The Ministry of Justice Offender Management Supervisory Board (OMSB) is chaired by the Permanent Secretary. It will provide strategic supervision of the Agency. It will also oversee the implementation of the recommendations of Lord Carter's review of the prison system in England and Wales and their integration with the existing offender management change programme.

The Chair is accountable to the Secretary of State for the effective operation of the Board which is responsible for oversight of NOMS Agency strategic:

- direction;
- performance management (including finance); and
- risk assessment and management.

A particular focus will be:

- the strategic direction and oversight of the scope, organisation, management arrangements, budgets and timetable for the development and delivery of an overall offender management change programme;
- ensuring the programme and all key projects within the programme are properly resourced;
- ensuring the agreed programme plan is delivered effectively and at an appropriate pace;
- advising the Secretary of State and his Ministerial team on progress of the programme;
- ensuring the key strategic and reputational risks associated with the programme are properly identified and managed; and
- ensuring an effective internal and external communication plan, and key stakeholder management strategy are developed and delivered.

The Director General of the NOMS Agency is a member of the OMSB. This Board is the supervisory body of the Agency. Nevertheless, the workings of the OMSB do not dilute the delivery responsibilities of the Agency Director General, who remains personally answerable to the Secretary of State and the Permanent Secretary for the performance of the Agency.

### 2.1.5 NOMS Agency Board

The Agency Director General will establish and chair a NOMS Agency board, setting its terms of reference and membership, subject to approval by the Permanent Secretary. The minutes of the Agency board will routinely be made available to the Permanent Secretary.

Non-executive directors will be appointed to the Agency by the Permanent Secretary, on the recommendation of the Agency Director General, to bring external experience and challenge to the strategic decision making.

### 2.1.6 The Director General of NOMS

The Director General is the head of the Agency and is responsible for its leadership ensuring it operates within the terms of this Agency Framework Document. He or she is accountable to the Secretary of State for the overall performance of the NOMS Agency and the delivery of its plans, objectives, targets and standards. He or she is also the principal adviser to the Secretary of State on matters relating to adult offender services including the operation of prisons and Probation Boards and Trusts.

The Agency Director General reports to the Permanent Secretary and his or her key responsibilities, which may be extended by mutual agreement, include:

#### Accountabilities

- effectively fulfil corporate responsibilities as a member of the Ministry of Justice Board, jointly accountable for the Ministry's performance and reputation whilst contributing the NOMS Agency operational perspective;
- being directly accountable and having direct access to the Secretary of State and Ministers for the operations and performance of the NOMS Agency;
- being directly accountable and having direct access to the Principal Accounting Officer on management, regularity and propriety of the Agency and its financial and other resources performance;
- informing Ministers and the Permanent Secretary as soon as possible of matters likely to generate public or parliamentary concern (Annex B provides a list of such areas) in accordance with a protocol agreed with Ministers and the Permanent Secretary;
- notifying the Permanent Secretary as soon as possible of any matters which arise with significant policy implications that may impact on the wider operation or reputation of the Agency or the Ministry;
- providing the Ministry with information as required on finance, performance, activities, risks, capacity pressures and incidents in a timely and transparent manner;

#### Management

- developing structures which assign responsibilities and hold Agency Directors accountable in such a way that allows the Agency to deliver its separate commissioning and delivery responsibilities. Devolved national and regional structures will be agreed with the Permanent Secretary and published in the Agency's first Corporate and Business plans;
- operating effective internal controls, audit and assurance arrangements, and risk management, with an independent and objective view provided through an audit, assurance and risk committee;
- ensuring that the Agency and the providers it commissions comply fully with all relevant legislative and corporate governance requirements;

## Key relationships

- supporting the Director General of the Criminal Justice Group in the development of criminal justice and offender management strategic policy;
- ensuring that effective procedures for handling complaints about Agency-commissioned and Agency-provided services are established and publicised;
- introducing and managing accountability arrangements outwards to regional stakeholders and local communities; and
- engaging effectively with sentencers in support of the Ministry's demand-side strategy.

### 2.1.7 Accounting Officer Responsibilities

The Permanent Secretary as the Principal Accounting Officer is responsible for ensuring that the Ministry as a whole, and any subsidiary to it or organisation sponsored by it (including the NOMS Agency), operates effectively and to a high standard of probity. He or she will need to be satisfied that there are effective systems in place, compliant with a Statement of Internal Control, to ensure that Government standards in relation to propriety, regularity, efficiency and value for money improvements in public spending are met, and that there is a high standard of corporate governance. He or she will rely as necessary on the Director General Finance and on audit and assurance arrangements in obtaining this reassurance in relation to the Agency.

The NOMS Agency Director General is appointed by the Ministry's Principal Accounting Officer as the Accounting Officer for the Agency. The Chief Executive of each Probation Trust and the Chief Officer of each Probation Board are appointed by the Principal Accounting Officer as the Accountable Officers for their Trusts / Boards. In addition, whilst there are still Probation Boards in existence, the Agency Accounting Officer will appoint a National Accountable Officer who is responsible for the production of a set of Consolidated Accounts for the National Probation Service. As such, the Agency and Probation Accounting Officers are each responsible for ensuring that:

- proper procedures are followed for securing the regularity and propriety of expenditure;
- the public funds for which he or she is responsible are properly and well managed;
- the requirements of HM Treasury Managing Public Money and Cabinet Office guidance, including on governance and risk management, are met;
- the value for money targets are met;
- any general guidance issued by the Treasury or the Cabinet Office is observed; and
- any recommendations accepted by Government from the National Audit Office, Public Accounts Committee, other Parliamentary Select Committees or other Parliamentary authority are put into effect.

The financial regime is set out in detail in the Finance and Procurement Memorandum (Annex C).

The Permanent Secretary and the Agency Director General are both liable to be summoned before the Public Accounts Committee in connection with their respective responsibilities. It is for the Secretary of State to decide who should appear at Select Committee hearings but, in practice, the Agency Director General will normally appear unless the interest of the Committee lies in the systems of financial management or service delivery of the Ministry as a whole.

## 2.2 Regulatory Framework

### 2.2.1 Purpose of the Ministry of Justice Offender Management Regulatory Framework

The NOMS Agency operates within the Ministry's regulatory framework which seeks to ensure the offender management system and market operates, and is seen to operate, efficiently and effectively and that offenders and victims are treated decently, humanely and equitably. The Ministry's regulatory framework provides an escalation route for arbitration and dispute resolution and regulates:

- the offender services system;
- the market environment within which the NOMS Agency operates, e.g. supply and demand, commissioning and competition, transparency of cost calculations, treatment of overheads, competitive neutrality, fair playing field and ethical walls; and
- the NOMS Agency, through the Agency Framework Document and corporate and business planning processes.

The Ministry may supplement the elements of its regulatory framework with independent reviews and will draw on the reports published by Inspectorates and other bodies.

The Ministry will ensure that the NOMS Agency is fully participative and influential in the process for setting national priorities and strategic policies under which it must operate.

### 2.2.2 Prisons and Probation Inspectorates and Ombudsman

The Secretary of State receives reports from Her Majesty's Chief Inspector of Prisons on independent inspections of prison establishments and Her Majesty's Chief Inspector of Probation on independent inspections of offender management. The Agency Director General will act in accordance with the protocol for the handling of the Chief Inspectors' reports.

The Prisons and Probation Ombudsman is appointed by the Secretary of State and considers complaints from prisoners and offenders either in custody or the community once internal procedures have been exhausted. The Ombudsman also has a standing commission to investigate every death of a prisoner or a resident of Approved Premises. The Secretary of State receives an annual report from the Ombudsman which the Secretary of State must lay before Parliament. All death in custody and Approved Premises investigation reports are published separately, in anonymised form. The NOMS Agency Director General will respond, or arrange a response, to recommendations from the Ombudsman.

The Director General Criminal Justice Group is the Departmental Sponsor of the Inspectorates and Ombudsman.

### 2.2.3 Parliamentary Commission for Administration

The Agency is subject to the jurisdiction of the Parliamentary Commissioner for Administration. The Permanent Secretary is the Principal Officer for the Ministry for this purpose but will normally delegate to the Director General of the NOMS Agency the responsibility for handling any matter concerning offender management services.

### 2.2.4 Commissioning and Competitions Regulation

The NOMS Agency will comply with the Ministry's regulatory requirements, best practice guidance and relevant national reports of the Office of Government Commerce, the National Audit Office, the Audit Commission and the Wales Audit Office in its conduct of commissioning and competition activities. This will include ensuring a fair playing field for providers from all sectors, transparent commissioning decisions, competitive neutrality, and the even-handed application of comparative cost and performance benchmarks. The regulatory framework set by the Ministry will address such issues as the treatment of overhead costs in in-house bids and the potential for cross-subsidy.

The Agency will operate in accordance with the Ministry's commissioning and competition strategies and will take forward commissioning and competitions with appropriate ethical walls between the commissioner of the service and provider organisations or teams bidding to deliver the service. The ethical walls will ensure that in-house bids and commercial tenders can be evaluated equitably.

The Ministry's competition strategy will provide a framework and define the requirements for the Agency Director General to compete services to achieve best value in the delivery of offender management services. The Agency's competition programme will be agreed with the Permanent Secretary and approved by the Secretary of State. A detailed programme, including planned milestones, will be published in the Agency Corporate and Business Plans.

### 2.2.5 Independent Monitoring Boards

The Secretary of State appoints an Independent Monitoring Board for every prison establishment to provide an independent assessment as to the humane and just treatment of those held in custody within its prison and the range and adequacy of the programmes preparing them for release. Sponsorship of the Independent Monitoring Board secretariat will be the responsibility of the Criminal Justice Group. The Secretary of State receives an annual report from each Independent Monitoring Board. The designated Minister will respond to such reports where necessary after taking advice from the NOMS Agency Director General.

## 2.3 Relationships with other bodies

### 2.3.1 Members of Parliament

Parliamentary Questions on all offender management matters will be answered by Ministers and the NOMS Agency Director General will provide support as necessary. Members of Parliament will be invited to write directly to the Agency Director General on matters concerning delivery of offender management services where the MP considers it appropriate to do so.

### 2.3.2 Other Government Departments, the Welsh Assembly Government and Regional Government Offices

The Secretary of State leads cross-government collaboration to deliver a more effective, transparent and responsive Criminal Justice System for victims and the public, and together with the Home Secretary and Attorney General is responsible for chairing the National Criminal Justice Board. The Ministry engages with other government departments and agencies in setting national policies and partnership priorities to support the efficient and effective delivery of justice and achieve the aims of the Agency. The NOMS Agency has responsibility along with other Groups of the Ministry for establishing joint working arrangements with other government agencies and departments, nationally, regionally and locally, to facilitate cross government service provision and operational partnerships to help protect the public and reduce re-offending.

### 2.3.3 Other Agencies and Public Bodies

Arrangements will be made by the Agency, including through Probation Boards and Trusts, individual prisons and the Agency's regional management structure, to maximise collaborative arrangements and act on local and regional accountabilities including to Government Regional Offices, Local Authorities and local communities, in furtherance of the Ministry's criminal justice and offender management strategies and objectives.

## 2.4 Communications

### 2.4.1 Communications

The NOMS Agency's communications strategy will be led by the Ministry of Justice's wider communications strategy, as agreed by the Secretary of State.

Working to a framework agreed by the Secretary of State and Ministers, the Permanent Secretary, through the Ministry's Director of Communications, is responsible for communications and will work with the Agency's Director General to take account of the needs of the Agency and other operational areas.

The Agency Director General is responsible for internal communications issued to NOMS Agency staff and providers, and external communications (excluding media - see 2.4.2). This enables management of the Agency's reputation and relationship with partners, stakeholders and other groups within the overall communications strategy and framework of the Ministry as agreed with Ministers and the Permanent Secretary.

### 2.4.2 Press and Publicity

The Ministry's Press Office will manage all of the Agency's news management and media handling requirements, in line with the media strategy agreed by Ministers.

### 2.4.3 Branding and Identity

NOMS Agency branding will be fully integrated within the Ministry's guidelines for branding and identity.

When producing marketing materials which communicate with external audiences, the Agency will make clear its relationship with the Ministry by following Ministry brand guidelines.

Annex H sets out the communications framework of the Ministry.

## 3. The Planning Framework

### 3.1 Planning Context

The Secretary of State, advised by the Permanent Secretary, sets the regulatory framework, overarching policy, objectives and targets for the NOMS Agency and ensures clarity on the wider Criminal Justice System aims and policy of which they are part. The Agency Director General ensures that the NOMS Agency has integrated planning and performance management arrangements in place that help translate the planning and regulatory requirement into satisfactory delivery within agreed timescales and provide data and cost information to enable the effective monitoring and reporting of performance.

### 3.2 Corporate and Business Plans

The NOMS Agency plans will be set within the wider Ministry corporate strategy to deliver outcomes set by the Secretary of State and the Permanent Secretary and supervised by the OMSB. There will be a primary focus on PSA delivery, and at the launch of the Agency these are PSA "Making Communities Safer" and PSA "Deliver a more effective, transparent and responsive Criminal Justice System for victims and the public". The Agency will also take the lead on the DSO relating to protecting the public and reducing re-offending. Each year, the Agency Director General will submit draft Corporate and Business Plans for endorsement by the Permanent Secretary and approval by the Secretary of State in accordance with Ministry timetables and templates. The drafts will be brokered with the relevant parts of the Ministry and key stakeholders and submitted in time to allow for consideration, approval and publishing prior to the financial year(s) to which they relate. The Corporate Plan will include a delivery plan for the next three years covering the Agency's strategic priorities and intended outcomes towards meeting the DSO relating to public protection and reducing reoffending. The Corporate Plan will also cover the Agency's responsibilities for sustainable development and diversity and equality. The Business Plan will set out how the strategic priorities will be developed into formal programmes and projects, specific objectives and targets during the year ahead, ensuring that the service levels, efficiency and value for money targets and any competitions and market tests undertaken within the strategic framework set by the Secretary of State are met within the allocated resources. The Corporate and Business Plans will be updated and produced annually, taking into account any changes to the strategy and plans of the rest of the Ministry of Justice and wider Criminal Justice System.

The Agency's first Corporate and Business Plans will be developed to a timetable that ensures that they will be approved and published by the end of October 2008. The first Corporate Plan will describe the Agency's target operating model, its business-critical change initiatives and the structure, capability and processes for delivery covering a three-year period. As part of the development process, coverage of Ministerial targets and regulatory requirements will be cleared by HM Treasury on the basis of a submission from the Secretary of State to a Treasury Minister. Agency targets for 2008/09 will be agreed by the end of June 2008.

If there are major unforeseen changes to the Agency's operating assumptions in-year, there may be revisions to the plans. The Agency Director General will submit proposals for any such revisions for the approval of the Secretary of State, who will be advised by the Permanent Secretary on the impact of those changes on the delivery of wider Ministry of Justice aims.

## 4. Capital Programmes and Estate Maintenance

The NOMS Agency will hold all custodial and probation property assets that it occupies which are owned by the Ministry or any other Government Department. The property (land and buildings) occupied and managed by the NOMS Agency is referred to in this document as 'the Estate'.

The NOMS Agency is responsible for ensuring investment in, development and maintenance of the Estate to ensure that it is fit for purpose to deliver the Agency's business objectives of the Probation and Prison Services. The Agency will maintain systems for ensuring that contractors meet their obligations for estate maintenance and development, and for holding shared service providers accountable for the contracts that they manage on the Agency's behalf.

Funding will be provided as part of the allocation from the Ministry for major and minor capital works and for routine maintenance. The Agency will have mechanisms to ensure that resources for maintenance are targeted effectively at areas in urgent need and with most strategic importance.

The NOMS Agency capital programmes and estate maintenance procedures will comply with the Ministry's estate and asset management strategy, which in turn will be developed so as to take account of the Agency's objectives.

## 5. Finance, IT, Audit and Assurance

### 5.1 Accounting Officer for the NOMS Agency

The Agency Director General is appointed by the Permanent Secretary as Accounting Officer for the NOMS Agency. As such, the Agency Director General operates in accordance with the responsibilities set out in section 2.1.7. The Agency will also put into effect any recommendations accepted by Government from the National Audit Office, Public Accounts Committee, other Parliamentary Select Committees or other Parliamentary authority.

### 5.2 Annual Report and Accounts

The Agency Director General will prepare the Annual Report and Accounts, including consolidated accounts for Probation Boards and Trusts, in accordance with the guidance and accounting policy set out by the Cabinet Office and HM Treasury. The Annual Report and Accounts will be submitted to the Secretary of State following endorsement by the Permanent Secretary and audit by the Comptroller and Auditor General. The Secretary of State will publish and lay the Annual Report and Accounts before the summer recess each year, and place them in the libraries of both Houses of Parliament.

### 5.3 Financial Regime

The NOMS Agency will manage its finances in accordance with the Ministry's Financial Framework (which ensures that the Ministry as a whole can allocate its finances to achieve the best outcomes overall), and to ensure propriety, regularity, efficiency and effectiveness in public spending. It will maintain sound finances within its allocated expenditure and optimise value for money of spending, including through rigorous challenge to new and existing policies, programmes and procedures.

The financial regime, with the arrangements for financial delegations and accounting for the NOMS Agency, is set out in the Finance and Procurement Memorandum of Understanding, the current version of which can be found at Annex C.

The Agency's commissioning and procurement policies and procedures will be based upon the principle of fair and open competition in procurement activity and will be compliant with the EU and UK legislative and regulatory framework, including EU Public Procurement Directives.

### 5.4 Financial Delegations

Formal financial delegations will be confirmed in writing to the Ministry by HM Treasury. Delegations to the Agency Director General will be confirmed in writing by the Permanent Secretary.

The Agency will operate within the limits confirmed in the written delegations, which may be updated from time to time.

## 5.5 Audit and Assurance

The Agency Director General is responsible for making arrangements for the provision of an Internal Audit Service to be conducted in accordance with the Government Internal Audit Standards. He or she is also responsible for ensuring appropriate internal and external audit arrangements are operated by all commissioned providers and that compliance is assured through service level agreement and contract management processes.

The NOMS Agency will have an Audit Committee composed of at least four non executive directors, who will be appointed and have responsibilities in accordance with Cabinet Office Guidance on Codes of Practice for Public Bodies and HM Treasury Audit Committee policy principles as laid down in the Audit Committee Handbook. The Audit Committee will have terms of reference consistent with HM Treasury standards and be chaired by a non executive director.

The Ministry's Head of Internal Audit will attend the Agency Audit Committee in order to provide the Principal Accounting Officer with assurance that it provides effective oversight of the risk, control and governance arrangements, and to identify any issues which may have an impact on the ability of the Principal Accounting Officer to discharge his or her responsibilities for ensuring a high standard of Governance in the Ministry as a whole. Exceptionally, where the Ministry's Head of Internal Audit cannot attend, an appropriate deputy may attend with the prior agreement of the Chair of the Agency Audit Committee. In accordance with its Terms of Reference the Agency Audit Committee may ask any other officials of the Agency to attend to assist it with its discussions on any particular matter. The Chair of the Agency Audit Committee can attend the Ministry's Corporate Audit Committee by invitation as an attendee.

The Chair of the Agency Audit Committee also has direct access to the Principal Accounting Officer and the Chair of the Ministry's Corporate Audit Committee, both of whom will be provided with copies of the audit reports and papers submitted to the Audit Committee.

The Ministry's Internal Audit team will have the right of access to the Agency to perform any work required by the Principal Accounting Officer as part of his or her responsibility for ensuring a high standard of financial management and governance in the Ministry as a whole. The Ministry reserves a right of access to carry out independent reviews of the Agency's Internal Audit Service; this is in addition to any requirements set out on the Government Internal Audit Standards.

The annual Agency Internal Audit programme, and any subsequent major changes, will be agreed with the Agency Audit Committee and the Principal Accounting Officer.

The Agency Director General is also responsible for making arrangements for other consultancy, inspection and review services in order to provide the assurance required by the offender management regulatory framework.

## 5.6 Risk Management

The Agency will maintain a risk management process in accordance with guidance outlined in HM Treasury's 'Managing Public Money' and 'Management of Risk – Principles and Concepts' and the Ministry's risk management strategy.

The Agency will escalate risks to the OMSB and Ministry in accordance with the risk management policies and processes of the Ministry.

The Agency will maintain robust contingency and business continuity plans and will review and test these plans on a regular basis.

The effectiveness of the arrangements will be reviewed annually in accordance with Treasury guidance and reported in the Agency Director General's annual personal assurance statement to the Permanent Secretary and the Agency's Statement of Internal Control published as part of the Annual Resource Accounts.

All relevant documentation will routinely be made available to the Ministry, in accordance with the Ministry's risk reporting and management requirements.

## 5.7 Provision of Shared Services

The scope of shared business services between the Agency and the Ministry will be influenced by the Ministry's shared services reform programme which aims to increase efficiency and value for money in the provision of services across the Ministry and its arms length bodies.

The Agency's shared service operation will provide support within the Agency and may be available to provide support to the Ministry and other organisations.

Annex A lists the services currently provided by the Ministry to the Agency. Any changes in these arrangements will be made in consultation with the other party. The operation of these services will be supported by service level agreements where appropriate.

## 5.8 Information and Communications Technology (ICT)

The provision of Information and Communications Technology (ICT) within the Agency will be governed by the following principles:

- The respective responsibilities of the NOMS Agency and the Corporate Performance Group for the provision of IT services will be agreed between the Permanent Secretary and the Agency Director General. The Agency Director General will appoint an ICT lead for the Agency, who will be a member of the Ministry's IT subcommittee;
- In discharging its ICT responsibilities, the Agency will co-operate with the Ministry in meeting departmental and cross-government objectives, adopting common government and industry standards and best practices; and
- The operation of an ICT Memorandum of Understanding between the Ministry and the Agency will be monitored through annual meetings between the CIO of the Ministry and the Chief Finance Officer and ICT lead for the Agency.

The current ICT Memorandum of Understanding between the Ministry and the Agency is provided at Annex D.

## 6. Performance Management and Reporting

The Agency's performance will be monitored against a balanced suite of measures and indicators designed to assess performance against the objectives and targets set for the Agency by the Ministry, including objectives on values and behaviours, which link to the aims and work of the Ministry and the wider Criminal Justice System. Indicators will be developed that measure the success of the Agency in:

- Contributing to the Ministry's overall objectives as expressed in PSAs and DSOs and associated strategic frameworks, and in particular taking the lead on the DSO which covers protecting the public and reducing reoffending;
- Achieving agreed inputs, outputs and outcomes; whilst
- Operating efficiently and effectively and delivering demonstrated value for money and performance improvement; and
- Commissioning effectively.

Each year, and normally by the end of April, the Secretary of State will agree the Agency's key performance indicators and announce them to Parliament. The Criminal Justice Group will propose targets, after consulting with the Agency and OMSB, to the Permanent Secretary who will advise the Secretary of State on their suitability. The OMSB will provide strategic oversight of the Agency's performance against its key targets.

The Agency, each year, submits for the Secretary of State's approval the Corporate and Business Plans which include the previously agreed key performance targets. Performance against these targets will be reported in the Agency Annual Report and Accounts following the end of each financial year and in the annual performance reports of each of the Agency's Directors of Offender Management.

In addition, the Agency Director General will provide regular and exception reports in-year to OMSB and the Ministry according to a timetable agreed in advance with the Ministry. The Agency and Ministry will maintain a transparent and 'open-book' approach to information on performance, including financial information. The Agency will operate efficient, timely and accurate financial and management information systems to enable it to track and report in-year and provide reports in-year as required by the Permanent Secretary on:

- Progress in achieving agreed outcomes, including delivery of strategic projects and programmes;
- Progress in achieving agreed change objectives;
- Performance against targets;
- Performance against standards;
- Performance against agreed financial performance indicators;
- Forecast outturn;
- Economy, efficiency and effectiveness of planned and actual expenditure;
- Public Sector staff numbers;
- Compliance with legal requirements;
- Provider performance;
- Commissioner performance;
- Under and over-performing SLAs and contracts; and
- Information on risks, in a format agreed with the Ministry.

The Agency will maintain performance management systems that hold all providers accountable through regional structures for delivering agreed outcomes, standards, volumes and service levels within agreed resources. The internal business planning systems will operate within a timetable that is consistent with the overarching Ministry's planning approach.

Performance reporting arrangements to Ministers and local, regional and national stakeholders will be agreed with the Permanent Secretary.

## 7. Human Resources

The NOMS Agency is an executive agency of the Ministry of Justice and will be required to ensure that its Human Resource (HR) service delivery conforms and supports the Ministry's strategic framework for HR. In order to fulfil this requirement there will be regular engagement between Ministry and the Agency HR departments. In addition, whilst reporting to the Agency Director General, the Agency HR director will be expected to engage effectively with the Ministry through its HR function. The HR responsibilities and arrangements will be structured to meet government and industry standards for all employees.

The NOMS Agency will be delivering offender services through a variety of providers. Within the Agency there are different staffing groups which, in the main, are: Agency staff who are civil servants; and Probation Board or Trust staff who are employees of the Board or Trust in the Area in which they work and who are not civil servants.

Where providers are from the private or the third Sector, their staff lie outside Agency human resource arrangements but operate within the terms of the contracts agreed with the Agency. Each provider will be expected to meet its employer contractual obligations.

The Agency will develop a workforce plan for offender services which will include ensuring that all providers and their staff meet appropriate competency levels and standards, and that learning and development programmes meet necessary accreditation standards.

Arrangements for Human Resource services within the Agency are structured according to the Human Resources framework, the current version of which can be found at Annex E.

The NOMS Agency will also be required to comply with relevant HM Treasury and Cabinet Office guidance and processes, including consulting the Public Sector Pay Committee as appropriate.

## Glossary

Agency	The National Offender Management Service (NOMS) Agency
CIO	Chief Information Officer
DEL	Departmental Expenditure Limit
DG	Director General
DOMS	Regional Directors of Offender Management and the Director of Offender Management in Wales
DSOs	Departmental Strategic Objectives
EA	Enterprise Architecture
EU	European Union
EYF	End Year Flexibility
HMPS	Her Majesty's Prison Service
HQ	Headquarters
HR	Human Resources
ICT	Information and Communications Technology
MAPPA	Multi-Agency Public Protection Arrangements
Ministry	Ministry of Justice
Moj	Ministry of Justice
NAO	National Audit Office
NOMS	National Offender Management Service
NPS	National Probation Service
Ombudsman	The Prisons and Probation Ombudsman
OMSB	Offender Management Supervisory Board (of the Moj)
PCSPS	Principal Civil Service Pension Scheme
PFI	Private Finance Initiative
PSAs	Public Service Agreements
SCS	Senior Civil Service
Secretary of State	Lord Chancellor and Secretary of State for Justice
SLAs	Service Level Agreements
SLC	Senior Leadership Committee

## Annex A

### Central Services between NOMS Agency and the Ministry of Justice

The following service(s) will be provided by the Ministry to the NOMS Agency unless varied by agreement.

- Health and safety audit
- Research and statistical services
- Legal services
- Library services
- Record management services
- Messenger, cleaning, waste disposal and catering services for Headquarters buildings
- Recruitment services for Senior Civil Servants
- National security vetting of staff

Other services may be provided as agreed in SLAs with the NOMS Agency.

Services may also be provided as agreed in SLAs by the NOMS Agency to the Ministry.

The following service(s) will be provided by other Government Departments to the NOMS Agency unless varied by agreement.

- Probation facilities management function provided by the Home Office.

Other services may be provided between the Agency and other Government Departments.

## Annex B

### Ministerial Incident Reporting Protocols

The circumstances in which reports will be required by Ministers and the Permanent Secretary on NOMS matters include:

- Escape of a Category A prisoner;
- Re-offence of a MAPPA level 3 offender;
- Apparent suicide of an offender or any unexpected death in custody or in approved premises;
- Serious disturbance involving a number of prisoners and damage to person or property;
- Any incident, issue or other matter which is likely to arouse Parliamentary, media or public concern including highest level Serious Further Offences;
- National or particularly serious local industrial action or dispute;
- The proposed permanent closure of an establishment or approved premises; and
- The proposed termination of a major contract.

## Annex C

### Finance and Procurement Memorandum

#### Guiding principles

The NOMS Agency has financial objectives which include:

- allocating finances to achieve the best outcomes overall whilst ensuring propriety, regularity and efficiency in public spending;
- maintaining sound finances within its allocated expenditure;
- optimising 'value for money' of spending through rigorous challenge to new and existing policies, programmes and procedures;
- acting in support of all Government-wide policies and programmes for the improvement of public spending;
- compliance with governance and regulatory requirements set out in HM Treasury's Managing Public Money, the Financial Reporting Manual, Consolidated Budgeting Guidance, Green Book and other budgeting, supply estimates, and accounting related guidance;
- identifying any expenditure plans that may be seen as 'novel' or 'contentious' and ensuring these are brought to the attention of the Permanent Secretary, and when applicable agreed with HM Treasury;
- ensuring all procurement activity is compliant with EU and UK statutory and legislative requirements including EU Public Procurement Directives;
- provision of fair and open competition that takes account, as a minimum, of the following commercial principles:
  - Regularity: which demands the application of appropriate authorisation procedures to contracting processes.
  - Propriety: which requires the use of processes that support free and fair competition in commissioning and procurement activity.
  - Value for money: which requires the award of contracts on the basis of their ability to deliver best relative value for money and not on the basis of lowest cost alone.
- seeking to promote access, equity and diversity in the supply chain, and to end discrimination based on race, ethnicity, gender and other socio-economic factors.

#### Financial Regime

The Permanent Secretary, as Principal Accounting Officer for the Ministry, delegates responsibility for all financial matters relating to the delivery of adult offender management services to the Agency Director General. The Agency Director General will provide annual assurance as required by HM Treasury to the Principal Accounting Officer.

As Agency Accounting Officer, the Director General is responsible for all Agency expenditure and for maintaining effective financial management systems.

The Permanent Secretary is responsible for ensuring that the Agency discharges these responsibilities effectively. He or she may seek information from the Agency to enable him/her to do so and will work with the Agency, especially in resolving issues of mutual concern, to ensure that it can comply with its financial responsibilities.

The Agency has responsibility for financial and management accounting and will provide information on its expenditure and its income to the Ministry for consolidation in the Departmental Resource Accounts and for planning, monitoring financial performance, and budgeting purposes. The information required by the Ministry should be proportionate, relevant to its requirements, clearly set out and produced to a timetable agreed in advance with the Agency. The Ministry will ensure it provides all relevant information to enable the Agency to comply with its financial responsibilities. The Agency should also share information with its delivery partners where appropriate.

Where End Year Flexibility (EYF) is available to the Ministry under HM Treasury guidelines, the Agency Director General may be granted flexibility to carry forward capital under-spends into the next financial year, subject to agreement by the Permanent Secretary. If resource EYF becomes available to the Ministry, systems for allocating it will be discussed collectively. The amount of any flexibility granted to the Agency will be confirmed in writing by the Ministry.

The Agency Director General will maintain a register of Agency assets. The Agency's annual report of its operating costs will include both details of the total value of assets employed, and capital charges. The register will differentiate between plant and machinery and other assets. It will cover each capital purchase or acquisition with a value, including VAT, that exceeds the threshold agreed with the Ministry. The basis of the valuation will be stated in the Notes to the Agency accounts and the Consolidated Probation Accounts. The Asset register will be available for scrutiny by the Comptroller and Auditor General.

## Commissioning and Procurement Regime

The Permanent Secretary as Principal Accounting Officer for the Ministry will delegate commissioning and procurement responsibility for the Agency to the Agency Director General to operationalise in line with the Ministry's overall approach and strategy. He or she will be responsible for ensuring that all officers, contractors and agents to the Agency to whom commissioning and procurement authority is delegated, are aware of and comply with relevant delegated authorities, governance and requirements. The Agency Director General will be responsible for ensuring that appropriate systems are in place to monitor compliance.

The Permanent Secretary is responsible for ensuring these duties are discharged effectively and will work with the Agency, especially in resolving issues of mutual concern, to ensure it can comply with its procurement responsibilities.

The Agency has a responsibility to ensure value for money in the provision and procurement of its goods, services and works.

## Financial Delegations

The gross spending of the Agency is funded by (i) delegated budget (net of income) from the Ministry of Justice (ii) allowable income from other commissioners and (iii) allowable income from sources other than commissioning. The control totals to be applied will be set out in the formal letter of delegation. In principle, the control totals will be applied:

- for the Ministry's internal budgeting, set at the level of the budget;
- for supply estimates, set at the level of gross expenditure and appropriations in aid; and
- for administration costs, set at the level of gross expenditure, less allowable income.

The Ministry will provide an annual budget allocation to the NOMS Agency in line with agreed outcomes, outputs and levels of service. Where possible, the Ministry will also provide provisional budget allocations for future years to inform forward planning.

The Director General of the Agency will produce Corporate and Business Plans to support delivery, consistent with the agreement with the Ministry on service levels, budgets and indicative allocations.

Details of the financial authority available to the Agency Director General for redeploying resources between programmes, and the budgeting and financial controls for the period, will be set out in the annual letter of delegation and regulatory framework. The financial authority delegated to the Agency Director General by the Ministry will be subject to any exceptions applied by Treasury to the Ministry and these will be detailed in the delegation letter.

The Agency Director General may sub-delegate powers in writing to any named Agency staff. Delegated authorities within the Agency will be clearly defined in a finance manual or equivalent instructions (which will be available to the Ministry for information) and be consistent with any governance and regulatory requirements set by Treasury or the Ministry.

The Agency will prepare business cases to support any investment programme in line with Ministry requirements. Approved programmes should be included within the Agency's Business Plan. Where tasks additional to those contained in the Agency Business Plan are identified in-year, the Agency will advise and consult the Permanent Secretary as soon as possible about the resource implications of these additional tasks.

The Agency will consult the Permanent Secretary and seek financial approval from the Secretary of State for any major new project, policy or investment programme that is not in the Agency business plan and which will have a significant impact on the Agency's financial position.

If it appears to the Agency Director General that additional expenditure in excess of the delegation is unavoidable, or if he or she wishes to make use of additional receipts, he or she may consult with the Permanent Secretary about the prospect for a transfer of provision from other Ministry delegations. Under the public expenditure regime the strong presumption is that requirements for additional resources will be met from the Departmental Expenditure Limit (DEL). Conversely, the Permanent Secretary may consult with the Agency Director General about the prospect of a transfer of provision from the Agency delegation. The final decision rests with the Permanent Secretary.

The Agency Director General may put forward proposals to the Permanent Secretary to seek funding (additional to normal DEL funding) from Governmental, non-Governmental and European Sources (for example, the Invest to Save Budget, European Social Fund and National Lotteries Funding).

Agency policies, projects and programmes will be subject to the Office of Government Commerce (OGC) Gateway Review process, where appropriate. The Corporate Management Board may commission additional reviews and investigations to provide necessary assurance of probity, efficiency or effectiveness.

## Procurement Delegations

Procurement thresholds for the Agency will be consistent with HM Treasury limits and will be set out in the annual letter of delegation from the Principal Accounting Officer.

The Agency will maintain appropriate controls to manage this procurement delegation and will provide evidence of these controls in an annual statement of assurance, or on request, to the Permanent Secretary. Subject to the exceptions set out in an annual delegations letter, the Agency Director General has the freedom to delegate powers in writing to any named Agency staff, subject to prevailing requirements, as specified above.

## Consultation

Finance and procurement staff across the Ministry and its Agencies should work in partnership to enhance capability and improve skills through the sharing of information and good practice. The Ministry and the Agency should maintain strong working relationships through regular contact. The wish to work together on finance and procurement applies also to managers in policy, operations and corporate services.

Where new policies or projects with significant financial and procurement implications are being developed within the Agency or the Ministry, external consultation will be conducted in line with Ministry policy and procedures and engagement with appropriate finance and/or procurement staff at Ministry and Agency level will begin at an early stage. The Agency will also consult its delivery partners where they may bear a financial, procurement or service impact.

## Contact with HM Treasury, National Audit Office, the Wales Audit Office and the Audit Commission

The Agency will have direct contact with HM Treasury and Auditors within the terms of a framework agreed with the Ministry, which is responsible for the overall relationship with these bodies.

## Support Services

The Agency Director General is responsible for arranging the provision to the Agency of services to support its efficient operation and consistent with the shared services strategy for the Ministry. Subject to satisfying the Permanent Secretary that arrangements meet the requirements for propriety, regularity, efficiency and value for money, these services may be obtained from public, private or third sector providers.

Where it is practical and economic to do so, the Ministry and the Agency may seek to charge each other for services provided to one another subject to the provisions agreed as part of this framework document and in accordance with the Ministry's policy on internal recharging.

## Annex D

### Information and Communications Technology (ICT) Memorandum of Understanding

The respective responsibilities and arrangements of the NOMS Agency and the Corporate Performance Group for the provision of IT services will be agreed between the Permanent Secretary and the Agency Director General following a review of IT provision within the Ministry. Following this, an ICT Memorandum of Understanding will be developed.

## Annex E

### Human Resources Framework

#### Introduction

The purpose of this framework is to set out the arrangements and delegations for human resource matters for which the Director General of the NOMS Agency has authority. The Director General of HR of the Ministry acts as the Head of Profession across the Ministry, including engagement with the Cabinet Office on HR issues. The Agency HR will work with Ministry HR to promote and develop the HR profession and provide effective delivery where this adds value to the Ministry or Agency business.

#### Agency Staff

The Director General of the Agency is a civil servant, subject to the civil service code, and is responsible for ensuring the Agency can effectively deliver its business through its people.

The Agency Director General is responsible for all aspects of the management of employees at all levels (including Senior Civil Servants) in the Agency.

The Agency will have delegated responsibility to set terms and conditions of employment and procedures which will apply to its civil servants (other than SCS grades). All civil servants who work in the Agency will be members of the Principal Civil Service Pension Scheme (PCSPS) unless they decide otherwise on a personal basis.

All Probation staff are employees of the Probation Board or Trust in the Area in which they work, and are not civil servants. The only exception is the Chief Officer in Probation Board Areas as they are statutory office holders. All permanent probation staff will be members of the Local Government Pension Scheme (LGPS) unless they decide otherwise on a personal basis.

The Secretary of State appoints Probation Chief Officers and the first Chief Executive of a Probation Trust (unless it is agreed that the Trust Board will appoint the first Chief Executive), and sets the criteria for the selection of subsequent Chief Executives by the Trust Board. This responsibility may be delegated to the Director General of the Agency. The proposed appointment or removal of Chief Officers and Chief Executives of Probation Boards and Trusts must be reported to Ministers.

The Secretary of State will appoint Probation Trust and Board Chairs and members in accordance with the Offender Management Act 2007 and the Criminal Justice and Court Services Act 2000. This responsibility may be delegated to the Director General of the Agency. The proposed appointment or removal of Chairs and Board members must be reported to Ministers.

#### Appointment of the NOMS Agency Director General

In consultation with the Secretary of State, the Permanent Secretary appoints the Director General of the NOMS Agency in agreement with the Senior Leadership Committee (a pan-Whitehall body responsible for the career management of DG's and other senior figures in the Civil Service). Details of the Agency Director General's remuneration will be published in the NOMS Agency Annual Report and Accounts.

#### Senior Civil Servants (SCS)

The Permanent Secretary gives the Agency Director General freedom to appoint to SCS pay band 1 but within a maximum number of SCS pay band 1 posts agreed each year. Within this overall limit, the Agency Director General is free to add or delete posts according to the business needs of the Agency. If additional SCS pay band 1 posts are required (above the agreed number), the Permanent Secretary's approval must be sought. The Permanent Secretary's approval must be sought for all new posts at SCS pay band 2 or above. Such approvals will be via the Ministry's HR function.

The Agency Director General has authority to instigate the recruitment and selection campaigns for all SCS pay band 1 and to select prospective candidates to fill them, in accordance with Civil Service Commissioners rules, Cabinet Office guidance (including Professional Skills for Government) and the requirements of the law. SCS pay band 2 and above recruitment will be led by the Ministry's HR function, supported by the Agency HR team.

The Agency Director General has the freedom to approve personally all appointments at SCS pay band 1. The Permanent Secretary will approve the final appointment of a successful candidate to a SCS pay band 2 post and above.

All pay for the SCS in the Agency will be decided through arrangements set up by the Ministry. A performance assessment of each SCS employee and the Agency Director General's recommendations will be submitted for approval through the above arrangements. An Agency Director, nominated by the Agency Director General, will be a member of the Ministry pay body.

The SCS remain a corporate resource for the Ministry and there will be joint working on the overall development of the SCS cadre. The Ministry will take the lead on providing leadership development programmes for the Agency SCS. However, the Agency Director General can supplement this provision if necessary.

## Pay

As part of the Ministry-wide pay strategy, the Agency will discuss its annual pay remit with the Ministry's HR to take account of any repercussive aspects which might impact on Ministry-wide pay negotiations. Ministry HR will assess the strategic context of pay across the Ministry and delivery partners to help inform the Agency's pay remit. The Agency's HR will then agree annual pay negotiating remits through the Permanent Secretary and Secretary of State, consulting HM Treasury and the Public Sector Pay Committee as necessary.

The Director General of the Agency has delegated authority for pay bargaining for Agency staff up to the equivalent of HM Treasury Grade 6 / Band A (excluding fast-stream posts) and for all staff in Probation Boards and Trusts, and follows HM Treasury guidelines and requirements. The Agency Director General ensures that the pay and grading arrangements best meet the needs of the Agency and negotiates or consults with trade unions where necessary within any statutory framework that may apply.

## Human Resources Policies and Procedures

The Agency Director General is responsible for establishing Human Resources policies and procedures that reflect the business needs of the Agency, whilst taking account of the Civil Service and Ministry corporate objectives.

The Agency has the freedom to set its own policies, procedures and processes on recruitment and selection, discipline, performance management, attendance management, grievance and all other HR management matters in relation to all staff other than SCS. Such arrangements will be expected to conform with the Ministry's strategic HR framework. This will be done within Ministry, Cabinet Office and Civil Service rules and mandatory frameworks.

Such arrangements will have due regard for any legal risks and broader repercussive implications across the Ministry that may emerge. Where there are doubts, Ministry leads should jointly consider and provide advice. In situations of disagreement, the matter should be referred first to the DG HR, and following that if necessary to the Ministry Corporate Management Board. This is with the exception of Probation where Probation Boards and Trusts are the employer and carry all legal responsibility in employment matters.

## Employee Resourcing

The Ministry is committed to ensuring that staff in its headquarters and agencies have the right to apply for jobs anywhere in the Ministry and that barriers to movements are minimised. Suitably qualified Agency employees will be eligible for promotion and transfer within the Ministry and other government departments provided they are Civil Servants.

The Agency Director General will maintain (through recruitment and the management of workforce redeployment and reduction) appropriate resourcing levels, including short-term, fixed term and casual employees that are necessary to meet the business needs of the Agency. Recruitment of all permanent employees will be undertaken in an open and fair manner, in accordance with Cabinet Office guidance, Civil Service Commissioners Rules and other relevant employment and equalities legislation.

As part of the Machinery of Government Change in May 2007, those staff who are ex-Home Office still have the opportunity to return to the Home Office within the agreed two-year period subject to the needs of the work.

## Employment Tribunals and other Legal Proceedings

The Agency Director General or his or her nominee will be responsible for responding to any appeals by employees to the Civil Service Appeals Board, claims made to an Employment Tribunal and employment related claims to other courts in respect of all Agency civil servants. Probation boards and trusts are employers in their own right and carry all legal liabilities. As such they will respond locally to all Employment Tribunal and employment related claims to other courts, which should be resolved in accordance with HM Treasury rules.

## Employee Relations

The Agency Director General is responsible for ensuring that managers work with trade unions and relevant employers bodies with a view to ensuring maintenance of good employee relations throughout the Agency. Appropriate negotiating and consultative arrangements will continue to operate, although their scope and role may be changed, in consultation with relevant trade unions.

## Learning and Development

The Agency will plan, organise and evaluate learning and development for all its employees so that they are equipped to do their jobs to the necessary standard. The Agency will be responsible for resourcing learning and development except where corporate programmes are resourced and mandated under separate arrangements.

## Diversity

The Agency will have a working environment in which diversity is recognised, valued and celebrated. The Agency will comply with the requirements placed upon it by the law. The Agency will continue to develop Equality and Diversity policies, which will comply with overall Ministry-wide policy to support business needs and objectives.

## Health and Safety

The Agency is responsible for discharging all statutory health and safety requirements imposed on employers by relevant legislation and statutory bodies including Health and Safety and fire safety requirements.

## Annex F

### NOMS Agency and other groups in the Ministry of Justice

This annex describes the accountabilities set for the National Offender Management Service (NOMS) Agency by the Secretary of State and Permanent Secretary of the Ministry of Justice, and the freedoms and responsibilities that are located with the Agency.

The NOMS Agency operates with a clear focus on delivering specified outcomes within a framework of accountabilities to Ministers so that:-

- Supply of custodial accommodation and offender interventions is better aligned to the demand from sentencers and Offender Managers
- Communities and the public are protected from the impact of crime
- Re-offending is reduced
- The needs, wishes and rights of the victims of crime are recognised
- Offenders are rehabilitated
- Resources are used efficiently and effectively to achieve best value throughout the adult offender management system.

The responsibility for performance and the obligations to meet the financial and operational targets set by the Ministry and relevant PSAs rests with the Director General of the Agency.

Function and the MoJ	MoJ Business Groups (excluding NOMS Agency)	NOMS Agency
<p><b>Setting policy. objectives and targets</b></p> <p>(Setting targets and high level standards for the Agency. Agency operational policies need to conform to Corporate Performance departmental frameworks e.g. finance, HR, ICT, stakeholder management)</p>	<p>Agree with Ministers strategic policy, objectives, targets and outcomes for translating government’s vision, political priorities and principles determining what is required of the Agency including:-</p> <ul style="list-style-type: none"> <li>• regulation for the offender management system, (determining the legislation, arrangements, functions and roles to deliver that policy)</li> <li>• competitions and market development for the NOMS Agency</li> <li>• regulation of intervention services, e.g. sponsoring the Correctional Services Accreditation Panel</li> <li>• providing guidance on standards the Agency should develop and use in working with providers and practitioners</li> <li>• reducing re-offending pathways: promoting cross government policy support</li> </ul> <p>Ensure the NOMS Agency is fully participative and influential in the process for setting national priorities and strategic policies under which it must operate</p>	<p>Develop, maintain and implement operational policies and objectives that determine how the Agency and its providers will conduct its business, deliver outcomes and meet all strategic and regulatory requirements including:-</p> <p>Implementation of new legislation / sentences</p> <p>Commissioning</p> <p>Competitions</p> <p>Offender Management</p> <p>Intervention services</p> <p>Custodial services</p> <p>Partnerships</p> <p>Joint commissioning</p> <p>Probation services to courts</p> <p>the approval of organisations as providers</p> <p>the training and qualifications required for practitioners key to delivery</p>

<p><b>Commissioning and Operational Delivery Frameworks</b></p> <p>(Determining the constraints and freedoms for how the Agency will work as commissioner and as provider of services. Agency plans need to comply with the MoJ business cycle, set out by Corporate Performance)</p>	<p>Agree the Agency's Corporate and Business Plans.</p> <p>Develop and maintain a set of <b>National Strategic Frameworks</b> to capture high level strategic and business critical policy, codes of practice and key national standards for NOMS Agency to apply across custody and the community to:-</p> <p>services</p> <p>commissioning and partnerships</p> <p><b>Regulation of Agency commissioning and competitions</b> to ensure fair playing field, competitive neutrality, effective ethical walls and robust commissioning systems</p>	<p>Prepare <b>Corporate and Business Plans</b> and submit for agreement, describing the Agency arrangements to deliver the contests, service levels, efficiency and value for money targets set by the Secretary of State within the National Strategic Frameworks and allocated resources</p> <p>Define <b>service standards and specifications</b> for SLAs and contracts to meet the requirements set through strategic policy and frameworks, to secure outcomes, achieve efficiencies and effectiveness, and to safeguard the reputation of the NOMS Agency and the Ministry</p> <p>Define standards and the system for the Agency to award and validate <b>provider accreditation</b></p> <p>Define and modernise <b>the national workforce system</b> to deliver strategic policies</p>
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<p><b>Service delivery and performance</b></p> <p>(Setting the performance measures and assessment system to be used within the Ministry’s overall performance framework, receiving data from the Agency.)</p>	<p>Develop and maintain a robust <b>performance management</b> framework for the Criminal Justice System, including the NOMS Agency</p> <p>Analyse and evaluate the <b>performance of the NOMS Agency</b></p> <p>Conduct <b>policy reviews of services</b> and demand</p> <p>Provide guidance to the Agency on the criteria for its performance <b>measurement system</b> to assess the Agency’s efficiency and value for money and audit data sources</p>	<p><b>Commission and run public prisons and commission other offender services, private prisons, interventions and support services</b>, managing performance of providers through SLAs and formal contracts, ensuring a fair playing field for all, transparent processes, and ethical walls between purchasing and providing.</p> <p>Introduce <b>Probation Trusts</b> to time scale</p> <p>Monitor, manage and quality assure <b>performance of the Agency</b></p> <p>Improve and assure performance across prisons and probation services by disseminating best practice, <b>publishing guidance</b> and communiqués on best available evidence of what works, and promoting shared or co-ordinated training and support services</p> <p>Develop a <b>zero based cost model</b>, systems and processes for benchmarking and sanctioning services, managing SLAs/ contracts and setting standards for audit and assurance of services</p> <p>Guide, support and <b>improve the performance of providers and commissioners</b> in the delivery of offender management, offender assessment, public protection, risk of harm, delivery of offender interventions, drugs and alcohol, Prolific and Priority Offenders, intensive interventions, interventions and radical extremism, and counter terrorism</p> <p>Identify and <b>manage down major risks</b>, taking corrective action on weaknesses in custodial and community services</p> <p>Implement <b>workforce reform</b></p>
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<p><b>Market regulation, performance and competitions</b></p> <p>(Regulating and directing the development of the market, setting requirements for market tests and competitions to be run by the Agency)</p>	<p>Develop and maintain the <b>Competitions and Contestability Frameworks</b> setting out Ministry priorities, targets, and requirements</p> <p>Design and oversight of the implementation of the offender services <b>market regulation system</b>, and the related role and responsibilities of OMSB, Criminal Justice Group and others, ensuring compatibility across MoJ and with the wider Criminal Justice System</p> <p><b>Research</b>, commission research, and provide information for policy making and for performance assessment of the Agency and of the offender management regulatory system</p> <p><b>Sponsorship of regulatory functions</b> including Independent Monitoring Boards and its National Council, HM Inspectorate of Prisons, HM Inspectorate of Probation, the Prisons and Probation Ombudsman, and joint sponsorship of YJB</p>	<p>Deliver <b>best value services</b> through effective competitions and market tests in line with the Frameworks, and demonstrate commissioning of best value provision</p> <p>Conduct <b>operational audits and reviews</b> of service delivery and performance, and introduce innovations and new developments</p>
<p><b>Commissioning</b></p> <p>(Setting requirements for the Agency to be an effective commissioner within the financial and procurement policies and frameworks of the Ministry as a whole)</p>	<p>Develop and maintain the <b>Offender Management Strategic Framework</b> setting out Ministry priorities, targets, and requirements</p> <p>Develop and maintain the <b>governance standards</b> required for the Agency to act as an effective commissioner of services as well as manager of public prisons</p>	<p>Design and oversight of the implementation of the <b>commissioning system to comply with the frameworks and regulations</b>, including finance regime, local commissioning model, commercial strategy, market structures and vehicles for contestability</p> <p><b>Commission services</b> nationally, regionally and locally to fulfil strategic policies, deliver reducing re-offending plans, and achieve outcomes in the most efficient and effective manner. Commission custodial and community services across public, private or third sector provision at the appropriate level</p>

<p><b>Reporting</b></p> <p>Servicing the Permanent Secretary with performance information on the Agency for his or her line management duties and accountabilities to the Secretary of State. Reports and information also go to Corporate Performance)</p>	<p>Providing reports on the NOMS <b>Agency performance</b> to the Permanent Secretary</p> <p>Provide <b>Ministerial support</b> with strategic briefings, PQs, advice and submissions, and represent criminal justice and offender management policies across government</p>	<p>Monitor and report on the <b>Agency's performance</b></p> <p>Set out <b>requirements of providers</b> to monitor, evaluate and report, and aggregate information feeding to the Criminal Justice Group and others for forwarding to Ministers and informing strategic policy</p> <p>Provide <b>Ministerial support</b> with operational briefings, casework, PQs, advice and submissions</p>
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## Annex G

### Delegation of Sponsorship Responsibilities by the Departmental Sponsor

This Annex will set out how the Departmental Sponsor of the NOMS Agency will delegate sponsorship responsibilities within other parts of the Ministry, and will be added when those delegations are agreed and updated as necessary.

## Annex H

### Ministry of Justice Communications

The Ministry of Justice has an overarching communications strategy with consistent messaging and communications activities that has been agreed by Ministers for all business areas, including NOMS.

#### MoJ Communications will support the NOMS Agency in the following ways:

- Provide an MoJ communications strategy (both internal and external) directed and agreed by Ministers that supports the MoJ and the NOMS Agency;
- Provide key messages agreed by Ministers, ensuring clear and consistent messaging for all of the Agency communications;
- Provide a MoJ set of communications standards and policies, to act as a framework for the Agency communications;
- Provide professional guidance, support and development of communications staff in NOMS Agency

It will also:

#### Press relations:

The MoJ Press Office will manage all of the Agency's news management and media handling and work with Governors and Prison Media Liaison Officers on local media engagement. Authorised prison spokespersons and Media Liaison Officers will receive media training from the Press Office.

#### News Planning:

MoJ Press Office will provide news planning advice and tools (the 'forward look') for all of the MoJ business areas, including NOMS. News planning will ensure that announcements, events and other communications activities are co-ordinated with other Government departments.

#### Research and evaluation:

MoJ will provide news monitoring and evaluation services for the NOMS Agency..

#### Strategic communications:

MoJ will provide strategic communications support to the Agency that is integrated with MoJ strategic communications planning activities.

#### Brand:

MoJ will provide MoJ brand, identity and architecture, and co-branding guidelines to the NOMS Agency.

#### Supplier procurement and management:

MoJ will provide MoJ framework and guidelines for procurement of communications services and consultants.

#### Stakeholder Relations:

MoJ will provide a communications stakeholder management approach as a framework for the Agency engaging with its stakeholders.

### The NOMS Agency will:

- Ensure that NOMS Agency communications strategies support the MoJ communications strategy;
- Work in partnership with MoJ communications and engage actively to ensure the concurrent and effective delivery of both the business area and the MoJ communications and business objectives;
- Work within MoJ communications frameworks and guidelines to ensure that planning and messaging within Agency communications is consistent and of a high standard;
- Work within MoJ branding guidelines;
- Ensure the head of NOMS Agency communications has a dotted line reporting responsibility to the MoJ Director of Communications as head of profession.

