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Privatisation of the Probation Service

ame Ursula

I am writing to you as regards the current Government's plans to privatise the Probation Service. As you will know, Her Majesty's Official Opposition's is steadfastly opposed to these plans. I have already made clear that should these contracts remain unsigned and were Labour to win the election, we would not sign them.

The current Government is pursuing a timescale for privatising probation which runs right up against the next General Election. My understanding is that deals would be agreed in the 21 contract package areas for Tier 1 providers for up to ten years in length, with the opportunity to extend for a further three years. I also understand these contracts are due to be signed this autumn, a matter of months before the next General Election when there is a strong possibility that there will be a change of government.

This contract represents around £650-£700million a year of Ministry of Justice spend – around 10% of the whole departmental annual budget. Over their lifetime, they represent at least £6billion worth of taxpayers' money. Additionally, this will take out of scope of Freedom of Information legislation 80% of the work of the Probation Service – an enormous blow to those of us who believe in the benefits of transparency.

I am very concerned that these contracts are undemocratic. I believe it is wrong for the Government to enter into contracts of this length and size, particularly at such a late stage in the parliament, and when we have signalled such strong opposition. They could bind at least one, possibly two or even three future parliaments into the decisions of this Government.

Because of their recent experiences, the Ministry of Justice should know better than many the dangers of rushing into long contracts with the private sector. Events over the last 2 years have shown the pitfalls of such an approach. Quality of service from private providers has sometimes been poor, and taxpayer's money has been wasted. I am not reassured that any of the lessons have been learnt.

We hold the firm view that at this stage of this Parliament, contracts of this length and scale should be avoided. If the Government do, nonetheless, plan to sign them they must include proper safeguards and provisions that protect our democracy. There is a big risk that should a future Government want to end the contracts they could be left with a bill, due to compensation, equivalent to the whole Ministry of Justice budget for a year! This is clearly

not a feasible option available to any future Justice Secretary who must also run prisons, courts and provide legal aid out of that same annual budget.

I am therefore writing for two reasons;

First, for confirmation that contracts of this scale and size will not be entered into at a late stage in this parliament. I would like to know what the official deadline is beyond which no contracts can be signed and to be reassured that no exceptions will be made for the Probation Service privatisation. I would also like to know the whether there are any plans to indemnify the civil service against any decisions by ministers to push ahead regardless of the advice of senior officials and yourself as the senior Accounting Officer.

Second, that should the Ministry of Justice enter into these probation contracts, they must include suitable break clauses or other opportunities for them to be terminated by a future Justice Secretary without the taxpayer being faced with huge financial penalties. This is only right and proper if the democratic will of the public is to be respected.

If it is the case that there are no opportunities for future governments to bring to an end the contracts without financial penalties, then this reinforces my concern that the current Secretary of State is binding future governments to his decisions, regardless of performance or a change of administration. This is wrong, undemocratic and an affront to the views of the Official Opposition so close to an election and a possible change of government.

I would be happy to discuss this in more detail and I look forward to your response in due course.

Yours sincerely,

Rt. Hon Sadig Khan MP

Shadow Secretary of State for Justice