HM Prison & Probation Service

Probation Service: Approach to grants

Contents

1. Context, purpose and structure of the document

1.1 Context

1.1.1 Since the implementation of the unified Probation Service on 26 June 2021, each probation region has been given commissioning responsibilities and budgets to commission rehabilitative services to support people on probation to rehabilitate and to reduce the risk of reoffending. This is a key element of the Target Operating Model for Probation[1].

1.1.2 A Dynamic Framework was set up to facilitate the procurement of contracts for rehabilitative services and a number of contracts have already been let under this framework.

1.1.3 Independent reports by both Richard Oldfield[2] and Clinks[3][4] made recommendations both to simplify procurement under the Dynamic Framework and to make more use of grants to fund not-for-profit organisations who provide rehabilitative support. HMPPS has committed to fund services through the use of grants where appropriate[5].

1.2 Purpose

1.2.1 This document describes and provides guidance on how the Probation Service will use, award and manage grants for Commissioned Rehabilitative Services (CRS) to help people who are currently, or have recently been, on probation or in prison.

1.2.2 The document outlines a general approach to grants by probation, however this first version will be particularly focused on a proposed national Probation Service grant scheme for support for people with shared specific protected characteristics or shared experiences (e.g. care leavers or ex-armed forces personnel) and general support to encourage rehabilitation and desistance from offending. This single scheme will be funded through the Probation Service's Regional Outcomes and Innovation Fund (ROIF) and aims to cover most activities that regions would wish to grant-fund. Probation regions will have autonomy in setting local and regional priorities, funding amounts and assessing local / regional proposals, but grants will be competed under a single national scheme approval with standardised processes. The approach for other grants which would not fall under this scheme, for instance higher value or more complex grants, may differ to the approach outlined in this paper and so this guidance will be reviewed as required for future grants outside of this initial scheme.

1.2.3 The intention is to publish this document externally so that there is full transparency about our approach to grants. Where there are any aspects that are not relevant externally (for instance, details of internal processes and contact details) we will remove these for external publication and/or the document may contain some links to further information on internal systems that will not be accessible to people who do not have access to the relevant HMPPS internal systems.

1.2.4 This version 1 is shared for external consultation. It is highlighted throughout where there are specific questions on which we seek views. These are shown in red as **Feedback sought: Question…?** There is an accompanying survey to facilitate feedback on these specific questions, but in addition, we welcome all comments about any aspect of our approach to grants and the survey will also allow this.

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[1] MOJ7350_HMPPS_Probation_Reform_Programme_TOM_Accessible_English_LR.pdf (publishing.service.gov.uk)

[2] Review of the Dynamic Framework of the National Probation Service - Richard Oldfield.pdf (clinks.org)

[3] Tracking the voluntary sector's experience of the probation reform programme | Clinks

[4] NOMS Eng Letter (clinks.org)

[5] https://www.clinks.org/sites/default/files/2021-08/Richard%20Oldfield%20Report%20-%20letter%20from%20Amy%20Rees.pdf

An updated version of the document will be published following any changes as a result of the survey feedback.

1.2.5 The link to the survey is as follows:

https://forms.office.com/r/GeFVpnAQPW

1.2.6 This version will be updated in light of consultation feedback, and in future will be updated further as we implement grants and learn any lessons to inform future improvements to the processes.

1.3. Structure

1.3.1 The document is structured primarily to follow the process of awarding grants: when they should be used, how grants should be awarded, standard grant agreements, how we should plan and carry out evaluation of grant schemes, and how grants should be managed. The final section covers market engagement, warming and development, which will occur before specific competitions as well as on an ongoing basis.

1.4. Terminology

1.4.1 We have tried to write this document in plain English as much as possible. Where we refer to the Authority, this will mean HM Prison & Probation Service (HMPPS) as the organisation that will be awarding the grants.

1.5. Government Functional Standards on Grants (GFSG)

1.5.1 The Probation approach to grants follows the Government Functional Standards on Grants[6] (GFSG), and applies them to be specific, proportionate and appropriate to rehabilitative services for people on probation, as expected by the principles that underpin the GFSG:

1.5.1.1 grants objectives are aligned to government policy and organisational objectives;

1.5.1.2 the application of this standard is proportionate and appropriate, and is reflected in the approach taken to governance, management frameworks and controls, having regard to an accepted balance of opportunity and risk;

1.5.1.3 grants are made in the best interest of the public, the public purse, and operate in line with 'Managing Public Money';

1.5.1.4 funding is administered with optimum efficiency, economy, effectiveness and prudence, to maximise value for public money;

1.5.1.5 responsibilities and accountabilities are defined, mutually consistent, and traceable across all levels of management; and

1.5.1.6 public service codes of conduct and ethics and those of associated professions are upheld.

1.5.1 All HMPPS and MoJ staff involved in awarding or managing grants will be required to read the GFSG and carry out the required training on grants.

1.5.2 The Minimum Requirements for grants[7] cover:

1.5.2.1 senior officer responsible for a grant

1.5.2.2. approvals and data capture

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[6] https://www.gov.uk/government/publications/grants-standards

[7] https://www.gov.uk/government/publications/grants-standards

1.5.2.3. complex grants advice panel

1.5.2.4. business case development

1.5.2.5. competition for funding (grants should be competed by default)

1.5.2.6. grant agreements

1.5.2.7. risk, controls and assurance

1.5.2.8. performance and monitoring

1.5.2.9. annual review and reconciliation

1.5.2.10. training.

2. Use of grants for probation services

2.1 Benefits of using grants

2.1.1 There are numerous benefits of using grants:

2.1.1.1 Qualification and assessment process can ensure that funding goes to organisations whose aims match ours, thus providing some confidence that the funding will be spent on activities to meet our aims (see section 6 for further details);

2.1.1.2 No profit is allowed, so all funding is spent on funded activity (NB this does not prevent funding of overheads);

2.1.1.3 Since there are no payment reductions for reduced performance, performance indicators do not need to be purely within the organisation's control, so we can use performance against outcomes rather than simply process measures to indicate performance and guide management and future direction and activities for the grant[8];

2.1.1.4 Flexibility to adjust activities in response to changing circumstances or outcomes not being met, but always focused on the agreed aims and outcomes[9];

2.1.1.5 Where the grant is not working and any adjustments have not been effective in meeting the aims, the grant can be terminated relatively simply.

2.2 Criteria for using grants

2.2.1 The Cabinet Office guidance for 'Government Grants and Alternative Funding Options[10]' sets out the key decision-making criteria relevant for choosing a grant as the route to market for a particular service. Using this guidance, a set of 3 key criteria have been developed to highlight the aspects that are likely to be most relevant to Probation Services. This is not to imply that the Cabinet Office criteria (Annex 1) may not be considered in determining the best route to market, but that the following criteria should be used as an initial base assessment to determine the suitability of a grant: It should be noted that

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[8] "Usually grants are less focussed on immediate outputs, but should still be in support of the objectives". *Government Grants and alternative funding options, Cabinet Office, April 2018, p15*

[9] "Relatively flexible means of funding activities for the public good / in support of departmental policy. Department only has to provide the funds, and can remain at arm's length to the recipient and the outputs whilst still being able to maintain sensible performance management / financial control over the use of the funds." "When the recipient's activities align with the Department's policy objectives, the department wishes to have those policy objectives met at arm's length, and not take direct economic benefit from or direct liability for the activities being funded. Usually where there is a public good that attaches to the activity being funded." *Ibid, p11*

[10] 2018-04-04-Grants-and-alternative-funding-options-v1.0.pdf (civilservice.gov.uk)

some criteria highlighted in Annex 1 for the use of a grant, such as 'no direct benefit to the Authority' are likely to be met through all CRS since the ambition is to provide benefits to the people receiving the service and to wider society rather than being of direct benefit to HMPPS.

2.2.2 All three of the following criteria below must be met for a grant rather than a contract to be used. Although the criteria have been separated into three to assist decision-making, in practice they are related and likely to occur together.

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1. If the service was not available, you would not need to take it over or replace it to have sufficient enforceable services available for referral.

Example of a service that **does** meet this criterion:
If a grant for mentoring for a specific cohort stopped delivering, there would still be other enforceable activities available that a person could be referred to for a court ordered RAR, so it would not be essential to replace or take over the service as soon as possible.

Example of a service that **does not** meet this criterion:
If the only contract for education, training and employment support in a given geographical area stopped delivering any services due to insolvency, an immediate replacement Service or alternative provision would be required to ensure that a service was in place to refer people to for enforceable RAR activities, with the provider being required to provide information about attendance to allow probation practitioners to monitor the person's compliance with their sentence.

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2. The organisation has flexibility on how to achieve the desired aims and objectives, rather than a detailed requirement of activities and outputs.

Example of a service that **does** meet this criteria:
We know the outcomes that we want to achieve for the people being referred (for instance, encouraging people in a given cohort to better engage with other (possibly enforceable) services), but don't want to specify exactly how the desired outcomes are met by the organisation.

Example of a service that **does not** meet this criterion:
We know the outcomes that we want to achieve for the people being referred and we want to specify the exact activities, outputs and volumes that we want to be delivered.

NOTE: There will be a standard 'Specification of Requirements Template' that allows the capture of high level, general requirements such as 'Providers must report to the probation practitioner if a person on probation discloses a risk to themselves or others'

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3. No direct consequences for failure of any Authority-set performance measures:

Example of a Service that **does** meet this criterion:
We do not wish to set strict service levels and it suffices that we have the ability to clawback funding in the events that agreed activities are not delivered.

Example of a Service that **does not** meet this criterion:
We wish to strict service levels or performance measures, with performance levers such as pre-agreed payment reductions for failures to meet them.

NOTE: grants do allow for the inclusion of non-directly-consequential performance measures and may require providers to agree to some measures proposed as part of their bid submission and thus becoming grant conditions ('agreed outputs').

2.3 Commissioning services with different elements that may be appropriate for a grant <u>and</u> a contract

2.3.1 There may be some instances where we wish to commission together some activities which would meet the criteria for a grant and others which would only be suitable for a contract. For example, a service where a person on probation is initially referred for enforceable RAR activity but we then wat then to be able to continue to access support on a non-enforceable basis after the completion of their order, which might require less specificity and no direct consequences for Authority-set performance measures. The change in enforceability may also correlate to activities being funded by different budgets, e.g. the former being funded by sentenced delivery and the latter being funded by ROIF or co-commissioners' budgets.

2.3.2 It would be optimal to commission services together in the scenario outlined above (2.2.1) to achieve continuity of service, economies of scale, simplicity of referral routes for practitioners and simplicity of grant / contract management arrangements for both organisations and the Authority.

2.3.3 In most cases the scenario above (2.2.1) will not meet the criteria for a grant due to the initial need for the service to be available with stricter requirements and/or performance measures. Each service will require a different level of specificity, and the appropriate route (grant or contract) should be determined on a case-by-case basis.

2.3.4 Please refer to Annex 2 for an overview of the key differences and similarities between grants and contracts.

2.4 Example of services that may be appropriate for grants

2.4.1 The Dynamic Framework (DF) has 11 core service categories and 3 cohort categories (10,11,12). For the purposes of providing an indicative example only, the table below illustrates where grants may be utilised using the service categories as we have created on the DF. It should be noted that although some service categories are more likely to align to the 3 grant criteria (2.2.1), each service requirement will be considered on a case-by-case basis to determine the most appropriate funding route.

	Examples of services that may be more suitable for grants	Examples of services that may be more suitable for contracts
a. Accommodation	Any additional specialist services above core RAR activities For example: funding rent deposits, offering voluntary support after people have moved into new accommodation	Core service for enforceable referral routes under RAR or licence
b. Employment, Training, Education (ETE)	Any additional specialist services above core enforceable RAR or licence activities	Core service for enforceable referral routes under RAR or licence
c. Finance, Benefits, Debt (FBD)	Any additional specialist services above core enforceable RAR or licence activities	Core service for enforceable referral routes under RAR or licence
d. Dependency to Recovery (D2R)	Any additional specialist services above core enforceable RAR or licence activities	Core service for enforceable referral routes under RAR or licence

	Examples of services that may be more suitable for grants	Examples of services that may be more suitable for contracts
e. Family and Significant Others	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures.	
f. Lifestyle and Associates	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures.	
g. Emotional Wellbeing	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures.	
h. Social Inclusion	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures.	
i. Cognitive and Behavioural Change	Could be suitable for either, depending on specific content and importance of service, including the risk of harm of those receiving the service and the risk that any intervention may cause an increase in the risk of harm if not correctly delivered, level of specificity, need for contractual performance measures.	
j. Women	Any additional specialist services above core enforceable RAR or licence activities For example: continued availability of holistic support after sentence delivery outcomes met, or non-enforceable support whilst on sentences	Core service for enforceable referral routes under RAR or licence
k. Young Adults (18 – 25 years old)	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures. Grants are likely to be used for non-enforceable YA services e.g. additional support to encourage engagement in core rehab activities.	
l. Additional support for people from minority ethnicities	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures. Grants are likely to be used for non-enforceable ME services e.g. additional support to encourage engagement in core / enforceable rehab activities.	
m. Restorative Justice	Could be suitable for either, depending on specific content and importance of service, level of specificity, need for contractual performance measures. Grants may be considered based on specifics of proposed service: whilst RJ would probably not be essential to replace insofar as it would not be a core enforceable service and it would probably not require strict service levels, there may be strict specifications about how the service should be delivered to be effective (although these would not necessarily rule out the use of grants).	
n. Service User Involvement	Potentially could provide some grant funding to improve service user engagement or skills or carry out SUI for a specific cohort or topic	If a specific service is required – e.g. with clearly specified outputs, methods and volumes – may be more suitable for contract

2.5. Co-commissioning grants

2.5.1 It is possible to co-commission grants. Co-commissioning can be particularly beneficial to support organisations having access to more than one source of funding and thus encouraging sustainability.

It can also be very relevant for services which are intended to help people integrate better with their local community and other statutory services, rather than just being a service for people on probation.

2.5.2   As per co-commissioning of contracts, a Memorandum of Understanding between the co-commissioning partners would be required to cover, as a minimum, what would be funded, what funding would be provided by each party and governance arrangements.

2.6.   Length of grants

2.6.1   It is expected that most grants will be for a period of three years. As covered later in the guidance (add section 9), it is possible to amend grants if the original planned activities are not working or meeting the outcomes as intended, and in circumstances where it is decided that it is no longer possible to usefully continue the grant, it is also possible to terminate. However, planning for a period of three years provides stability and a commitment to work together to meet the intended aims.

Feedback sought: Question 1

Do you consider 3 years to be the optimal length to ensure stability and sustainability of services (where relevant; i.e. ad hoc applications e.g. for capital funding may not require a sustained period)? (Yes / No – should be longer / No – should be shorter)

Please add any additional comments if you wish. (free text)

2.6.2   It should be noted that MoJ policy on grants is not to include automatic indexation uplifts in grant agreements for inflation. Furthermore, any ad hoc request to increase the annual amount for an individual grant must be approved by the Grants Panel or MoJ Grants team. Therefore, those bidding for grants should consider this when submitting applications for funding. There are two options:

2.6.2.1.   Assume a standard inflation rate (for relevant costs that might go up) when bidding. To avoid different approaches, all applicants should assume a 3% uplift per year: where inflation or salary rises are less than this, any unspent money would not be given to the recipient in line with standard grant terms. 3% is used to minimise the risk of the service being under-funded in future years, but staff or other costs which are funded by the grant and within the control of the grant recipient should not be increased by this full amount unless inflation itself has risen by this amount. It should be noted however that, where applicants are applying for the maximum amount of funding allowed under the grant scheme (see section 4.2), the maximum will not increase each year; or

2.6.2.2.   Recognise that, if alternative funding sources are not found to meet any gaps caused by inflation and any relevant cost increases, less inputs will be funded in future years. Any impacts this is likely to have on the outputs or outcomes of the grant should be considered and noted in the grant application / bid.

2.6.3   It is also not usually possible to extend grant agreements beyond the planned term without returning for internal approval.

3.   Setting and evaluating the intended outcomes and impacts of grants

3.1   Evaluating whole grants or schemes

3.1.1   All grants awarded must be evaluated to ensure that they are achieving their intended outcomes and offering value for money. All grants should provide important learning about what is or is not working

to inform service design changes as well as inform future grants. Evaluation in this context is separate to the "evaluation" of bid proposals to apply for grants, which we shall describe as "assessment" in this document (section 18). The Government Functional Grants Standards (see section 1.4) set out the requirements to evaluate grants to ensure accountability and learning. This may include evaluating the impact of individual grants or entire schemes or how the grant process and individual grants were implemented.

3.1.2   It is important to begin planning the evaluation of grants or grant schemes from the outset and before launching any competitions for grants, so that the grant agreements contain any necessary requirements relating to data collection or cooperation with evaluation.

3.1.3   Where possible, we should align data collection and choice of metrics with other regions or parts of HMPPS (see 3.2.2). We should also consider alignment of metrics with other funders e.g. other commissioners or non-statutory charitable funders to facilitate comparison, evaluation and learning. This will enable us to evaluate similar schemes at a larger scale, which means the results are more likely to be robust. The use of a range of data methods to triangulate the results of the evaluation will provide a robust way of collecting evidence to support evaluation conclusions.

3.1.4   The initial probation services grant scheme that we will be launching using this guidance will be to provide for support for people with shared specific protected characteristics or shared experiences (e.g. care leavers or ex-armed forces personnel) and general support to encourage rehabilitation and desistance from offending. The scheme has three key aims that **contribute to the HMPPS aims of protecting the public and reducing reoffending**:

3.1.4.1   to improve people's engagement in, and experience of, probation and other rehabilitation activities;

3.1.4.2   to support an individual's rehabilitation and desistance[11] journey; and

3.1.4.3.   to improve our knowledge about what activities work to support people and to encourage rehabilitation and desistance.

3.1.5   To meet these aims, we will need to collect data about whether individual grant-funded activities achieve their intended aims. Such data can be used both for impact evaluation and local grant management purposes. Any lessons learnt and good practice identified during the delivery of the grant scheme will be utilised to inform future grant schemes and may be shared to aid wider policy development.

3.1.6   The requirement for grant recipients to support any evaluation will be outlined in the grant agreement and where relevant will be funded within the agreed grant funding. As a minimum, grant recipients will be required to:

3.1.6.1   Participate in any monitoring and evaluation activity that is undertaken or commissioned by the Authority, the scale of which will be proportionate to the size of the grant. This may include, for example, data collection, interviews or surveys. Not all individual grants will be evaluated by the Authority.

3.1.6.2.   Collect a standard set of data using unique identifiers, as outlined in 3.2.2. below. The unique identifier will enable data to be linked with records held by HMPPS/MoJ for analysis against outcomes (e.g. successful completion of sentence activities). The service must share this

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[11] Desistance is the word for how people with a previous pattern of offending come to abstain from crime. Each individual's desistance experience is different. It will involve internal / psychological factors (such as hope and motivation to change their lives), and social and environmental factors (such as having accommodation and a supportive network). Supporting desistance is about addressing the factors that led someone to commit crime, and also building strengths to help people achieve what is important to them. When measuring how well a service has supported desistance, we are looking at how far the service has helped the person to achieve things that are relevant and important to them in preventing further offending. This will vary depending on the individual, and the service being offered by the grant recipient. Further information is available at Introducing Desistance - August 2013.pdf (clinks.org).

information back with the Probation Service for the purposes of monitoring or outcomes evaluation. Note this requirement will depend on the activity being funded, but for services where we refer people specifically for support, this is likely to be required. If we provide some funding to a service but do not make direct referrals into it – for instance, where confidentiality of attendance is required – then this would not be required.

3.1.7 These requirements will be included within the funded activities section of the grant agreement to ensure that it is clear that the funding can be used to support evaluation requirements. The proposed grant agreement will be included in any calls for applications for grant funding, and organisations should include costs to support such requirements in their bids.

3.2. Measuring and comparing the impact of grants

3.2.1 To aid the consistent evaluation of grants and grant schemes, we have set out the data that, as a minimum, should be collected by grant recipients below. We have also set out what data is already collected on HMPPS systems (e.g. NDelius, the Probation Service's internal case management system) and so will not usually be required to be collected and reported back to HMPPS by the grant recipient; although this does not prevent them from collecting and analysing data for their own monitoring and evaluation purposes. Where possible we will share data that HMPPS holds (e.g. protected characteristics about the individuals being referred) with suppliers to support their own monitoring and evaluation (although also please see paras 3.2.4 and 3.3).

3.2.2 The suggested data collection requirements, processes and responsibilities are set out in the table below. Items in blue are those which grant recipients would be expected to record and report. Please note that this table refers to services where we will refer people specifically for support; if we provide some funding to a service but do not make direct referrals into it – for instance, where confidentiality of attendance is required – then much of this would not be appropriate so we would expect organisations applying for funding to set out how they would collect data on usage and outcomes of the service and we would discuss and agree this as part of the grant application and award process.

3.2.3 Please note that the Authority itself will not conduct a formal evaluation of every grant. The Authority is more likely to evaluate grant schemes that are delivered widely and/or align with the key priority areas of learning for HMPPS and MoJ. **In all cases, the grant recipient itself will still be expected to ensure that it is able to learn from its own funded activities and to share that learning with the Authority and other organisations where relevant**.

Minimum data collection requirements for grants where we are making direct referrals

Data type	Data	Responsibility	Collection process
Output	Referral numbers	Authority	Authority systems (e.g. NDelius)
Characteristics	Unique identifier number	Authority **AND** grant recipient	Number provided by Authority (e.g. from NDelius) and used for recording and reporting by grant recipient (system tbc, see para below)
Characteristics	Needs of person being referred / reason for referral	Authority **OR** grant recipient	Authority systems (e.g. NDelius) **OR** recipient data recording
Characteristics	Protected characteristics	Authority	Authority systems (e.g. NDelius)
Output	Number and dates of sessions **offered** by the grant recipient to the person being referred	Grant recipient	Tbc (see 3.3)

Data type	Data	Responsibility	Collection process
Output	Number and dates of sessions **attended** by the person being referred	Grant recipient	Tbc (see 3.3)
Output	Type of activities undertaken by person receiving the service, e.g.: a. ex-offender peer mentoring b. volunteer (non-ex-offender) mentoring c. 1:1 with paid staff d. group work e. volunteering (by the service user) f. family work g. support to engage with statutory services h. support to engage with non-statutory services i. support to engage with social or community activities (See question below for feedback on this list of activities)	Grant recipient	Tbc (see 3.3)
Outcome	Report on person's engagement and outcomes	Grant recipient	Tbc (see 3.3)
Outcome	Obtaining and/or maintaining education, training or employment	Authority	Authority systems (e.g. NDelius)
Outcome	Obtaining and/or maintaining settled accommodation	Authority	Authority systems (e.g. NDelius)
Outcome	Person's self-reported wellbeing, motivation or capacity to stop offending	Person receiving the service	Could be supported by either the grant recipient or the Authority e.g. online survey (see para 3.2.5), interviews, outcomes star, focus groups
Outcome	Person's assessed risk of reoffending	Authority	Authority systems (e.g. OASys: Authority's risk assessment system)
Outcome	Attendance at enforceable activities required by the person's sentence e.g. Authority-delivered accredited programmes or structured interventions; mental health, alcohol or drugs treatment requirements; Rehabilitation Activity Requirement activities	Authority	Authority systems (e.g. NDelius)
Outcome	Compliance, attendance, breach and recall rates of people receiving services	Authority	Authority systems (e.g. NDelius)
Outcome	Reconviction rates	Authority	Authority systems (e.g. police national computer / Justice Lab)

3.2.4   Please note that wherever possible we would share any analysis using Authority data on the outcomes of individual grants with grant recipients, although this would be subject to data protection considerations: for instance if referral numbers were small, we may not be able to share details of aggregate outcomes such as reconviction rates if this meant individual outcomes could be identifiable.

3.2.5   Please note there will also be specific performance measures for each grant to ensure that it is delivering the intended, funded activities. Performance measurement is covered in section 10 (grant management) of this document, but will likely include items from the above list – for instance, numbers of people seen, numbers of activities attended or self-reported outcomes – and will be proportionate and relevant to the specifics of the grant (e.g. intended activities and grant value).

3.2.6   We will consider using a standard online survey for people using grant-funded services to report against their experience of the service, and we will also consider whether and how outcomes stars or similar methods can be used. We will engage with potential grant recipients and with service users on this in due course.

3.3.   Referring, reporting and collecting data by grant recipients

3.3.1   We are still considering how best to securely make referrals (where relevant) to grant recipients and to receive any reporting back. We want to provide a method which is secure for any personal information that needs to be included but which minimises any challenges for smaller organisations to meet cyber security requirements (although we are also committed to supporting smaller organisations to improve their cyber security). We will engage with potential providers in due course on how best to share information for referring people and reporting back on activities carried out.

3.4.   Cyber security

3.4.1   It is very important that we hold any data about people on probation securely. We will therefore require a certain level of cyber security for any organisations who will be holding personal information provided by the Authority about people on probation or in prison, but we will also provide support to help organisations understand and achieve good cyber security.

3.4.2   If we provide access to a shared Authority system to make and report on referrals, we expect that Cyber Essentials Plus and later probably IASME Gold (audited) would be required. If we do not provide access to any shared system, it is likely that we would make referrals by secure email (cjsm) and require providers who were holding any personal information to have Cyber Essentials Basic (for those holding data about less than 1000 service users) or Cyber Essentials Plus (for those holding data about more than 1000 service users).

3.4.3　We will provide overview sessions (advertised via Jaggaer and/or Clinks) and supporting materials to help organisations understand these standards and what they need to do to achieve them. It is recommended that organisations begin thinking about cyber security in advance of submitting grant applications, for instance by attending an overview session and beginning to work through what they will need to do and carrying out work which does not have a financial (other than resource) cost where possible. Any items which have a financial cost, such as the accreditation itself, should be included in the costs set out in the grant application and these can then be pursued only if and when grant funding has been confirmed.

We will hold two overview cyber-security sessions on 25 May: one for organisations with an annual income of less than £100,000 at 9.30-11, and another for organisations with an annual income of £100,000 or above at 13.30-15. You can sign up using the following links.

25 May 9.30-11 (annual income under £100k): https://bit.ly/3rHoceb

25th May 1.30-3 (annual income over £100k): https://bit.ly/3v0lHpC

Future sessions will be offered in response to demand.

4.　Approach to funding

4.1　Funding the costs of agreed activities

4.1.1　Where specific activities are being funded through grants, the grant funding may cover all eligible, directly attributable costs, provided that these are not being double-funded by any other funders and are subject to the principles set out below and in the grant agreement.

4.1.2　Organisations applying for grant funding will be responsible for setting out their full costs for which they are seeking funding in their applications. Guidance for charities on attributing costs and apportioning central overheads to specific activities or services can be found on the National Lottery website[12].

4.1.3　Eligible costs must be appropriate, attributable to the agreed activity and reasonable in the circumstances – as defined further below. References to costs which 'would withstand public scrutiny' include those which meet high standards of regularity, propriety and prudence, such that the relevant standards expected by Parliament of government funding can be met.

　　4.1.3.1　**Appropriate**: A cost is appropriate if it is of a type and arising from an activity that:

　　　　4.1.3.1.1.　a reasonable person informed of the facts would consider enables the performance of the grant; and

　　　　4.1.3.1.2.　would withstand public scrutiny.

　　4.1.3.2.　**Attributable to the grant**: A cost is attributable to the grant if it:

　　　　4.1.3.2.1　is incurred by the organisation;

　　　　4.1.3.2.2.　enables the performance of the grant;

　　　　4.1.3.2.3.　is applied directly or indirectly to the grant on a basis that is consistent with the organisation's overarching cost accounting practices or using a methodology agreed with the Authority; and

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[12] https://www.tnlcommunityfund.org.uk/funding/funding-guidance/full-cost-recovery#:~:text=What%20is%20full%20cost%20recovery,share%20of%20your%20organisation's%20overheads.

4.1.3.2.4. has not been and is not anticipated to be recovered, directly or indirectly, from another source.

4.1.3.3. **Reasonable in the circumstances**: A cost is reasonable in the circumstances if it is of an amount that:

4.1.3.3.1 a reasonable person informed of the facts would consider consistent with enabling the performance of the grant;

4.1.3.3.2. would withstand public scrutiny;

4.1.3.3.3. is consistent with costs incurred by the organisation in similar circumstances; and

4.1.3.3.4. demonstrates due regard for economy and efficiency in the use of resources.

4.1.4 Grant agreements will set out eligible and ineligible expenditure for reimbursement by the Authority as set out in Minimum Requirement 6[13], for instance:

4.1.4.1 Paid for lobbying, which means using the Grant to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, government or political activity; or attempting to influence legislative or regulatory action;

4.1.4.2 using the Grant to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the grant;

4.1.4.3 using the Grant to petition for additional funding;

4.1.4.4 expenses such as for entertaining, specifically aimed at exerting undue influence to change government policy;

4.1.4.5 input VAT reclaimable by the grant recipient from HMRC;

4.1.4.6 payments for activities of a political or exclusively religious nature;

4.1.4.7 contributions in kind;

4.1.4.8 interest payments or service charge payments for finance leases;

4.1.4.9 gifts;

4.1.4.10 statutory fines, criminal fines or penalties civil penalties, damages or any associated legal costs;

4.1.4.11 payments for works or activities which the grant recipient, or any member of their Partnership has a statutory duty to undertake, or that are fully funded by other sources;

4.1.4.12 bad debts to related parties;

4.1.4.13 payments for unfair dismissal or other compensation;

4.1.4.14 depreciation, amortisation or impairment of assets owned by the Grant Recipient;

4.1.4.15 avoidable costs which arise due to the incorrect action or omission of the Grant Recipient;

4.1.4.16 litigation / legal costs for claims against the Grant Recipient or the Authority, including but not limited to employee tribunal cases; and

4.1.4.17 liabilities incurred before the commencement of the Grant Funding Agreement unless agreed in writing by the Authority.

4.1.5 Staff travel and subsistence will only be reimbursed in line with HMPPS travel policy, unless the Grant Recipient has submitted and the Authority has accepted an alternative travel policy.

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[13] 2021-08-27_Grants-Standard-SIX-Grant-Agreements.pdf (publishing.service.gov.uk)

4.2. Proposed limits for grant awards

4.2.1 We propose that, for each grant awarded under the initial grant scheme for support for people with shared specific protected characteristics or shared experiences (e.g. care leavers or ex-armed forces personnel) or general support to encourage rehabilitation and desistance from offending, there will be a minimum value of £5,000 and a maximum award value of £150,000 per year up to a maximum of three years (i.e. £450,000 in total). However we particularly welcome views as to whether these minimum or maximum amounts are appropriate.

4.2.2 Please note that the above limits would only apply to any grants within this initial scheme for support for people with shared specific protected characteristics or shared experiences or general support to encourage rehabilitation and desistance from offending. There could be in future be other grant awards for specific activities above this amount.

Feedback sought: Question 4

Do you think that £5,000 per annum is the correct minimum amount to set (for the initial grant scheme for support for people with shared specific protected characteristics or shared experiences or general support to encourage rehabilitation and desistance from offending), or should it be higher or lower? (Yes / No – higher / No – lower)

If No, what should the minimum level be? (free text)

Feedback sought: Question 5

Do you think that £150,000 is the correct maximum annual amount to set (for the initial grant scheme for support for people with shared specific protected characteristics or shared experiences or general support to encourage rehabilitation and desistance from offending), or should it be higher or lower? (Yes / No – higher / No – lower)

If No, what should the maximum annual level be? (free text)

4.3. Payment model

4.3.1 The default payment model for grants will be payment in arrears. Payments will be made in arrears for costs which have actually been occurred in delivering the agreed activities and provided that the agreed activities have been delivered.

4.3.2 Where the grant recipient can demonstrate that they need to receive payment upfront to be able to begin providing the service, this can be discussed and agreed with the Authority. In these circumstances, payments will only be made if a sufficient level of assurance is given to demonstrate that the grant funds will only be used for eligible expenditure (for payment in advance of expenditure). Question FC-05 in the financial criteria table after 6.2.6.4 will ask bidders this question.

5.   Operational considerations

5.1. Location

5.1.1 We expect that most organisations seeking funding for community-based activities would want to provide grant-funded activities on their own premises rather than in probation offices. However we would welcome views on this question.

5.1.2   Where organisations are using their own facilities, we are likely to issue some basic expectations about the suitability and safety of properties to ensure that they are safe and appropriate for people on probation. These will be issued in advance of any grant competitions.

5.2.   Staffing requirements

5.2.1   We believe that anyone (staff or volunteers) working with people on probation should have the following general skills to ensure effective and safe relationships and we will set as a mandatory criteria that grant recipients will ensure that their staff or volunteers who are working directly with people on probation will have these skills:

    5.2.1.1   The ability to listen and communicate effectively;

    5.2.1.2   The ability to motivate and promote a person's belief in their ability to change;

    5.2.1.3   The ability to work with people with complex needs;

    5.2.1.4   The ability to be alert and responsive to behaviour, information or other changes which could indicate that someone is a risk to themselves or others; and

    5.2.1.5   The ability to respond appropriately to challenging behaviour in order to de-escalate tension, to enable the person being supported to manage strong feelings and to ensure their own safety and that of others.

5.2.2   We intend to offer free access to online training to grant recipients and their staff and volunteers in the following areas, although this may not be mandatory, subject to feedback on question 7 below:

    5.2.2.1   adult and child safeguarding

    5.2.2.2   extremism

    5.2.2.3   organised crime

    5.2.2.4   risk awareness

    5.2.2.5   dealing with challenging behaviour

    5.2.2.6   diversity - to include comprehensive training on unconscious bias and cultural competence.

5.2.3   We expect that grant agreements for activities where we will refer specific service users will require staff or volunteers who will work with people on probation to be vetted in line with HMPPS vetting policies. The attachment below sets out the requirements for people working in prisons or with people on probation. The different levels of requirements depend primarily on whether staff or volunteers will have unaccompanied access to HMPPS sites i.e. prisons or probation offices, and on whether the staff member or volunteer has any criminal records that would appear on the relevant level of criminal records checks. Please note that even if no unaccompanied access to prisons or probation offices is required, we would still expect all staff and volunteers to have a minimum level of vetting as set out below (but we welcome views on this, as per question 8 below):

   5.2.3.1.   Right to work - nationality and immigration status

   5.2.3.2.   Identity verification

   5.2.3.3.   Criminal records check of unspent convictions (basic DBS for those not requiring unaccompanied access to prisons or probation offices)

   5.2.3.4.   Employment history + employment gap verification

   5.2.3.5.   For those where relevant criminal records appear on the DBS check, an additional annual risk assessment by the supplier (in line with PI 23/2014).

CRS vetti...

5.2.4   For staff or volunteers who are still serving a sentence (in custody or the community), the vetting process PI 55/2014 on "Using offenders as mentors in the community and in custody"[14] also applies.

Feedback sought: Question 8

Do you agree that the vetting checks set out in 5.3.3 and 5.3.4 should be required for grant-funded community-based services even where no unaccompanied access to prisons or probation offices is required? (*NB the standard HMPPS requirements, as set out in the embedded vetting guidance document, are non-negotiable for unaccompanied access to prisons or probation offices so we are not seeking feedback on this question.*) (Yes / No)

If No, why not and what checks do you think should be required? (free text)

5.2.5   **TUPE**: We expect TUPE may apply to some grants.

6.   Applying for and awarding grants

6.1   Qualification for grants

6.1.1   All providers will be required to submit a Simple Selection Questionnaire (SSQ) to demonstrate that they meet the necessary criteria, i.e. confirming their non-profit status, and to provide basic information about their organisation which will then not need to be filled in again whenever they apply for probation

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[14] Security vetting: using offenders as mentors in the community and in custody, PI 55/2014, PSI 39/2014 - GOV.UK (www.gov.uk)

grant funding. This will create a pre-qualified provider pool to which grants may be awarded. The default approach to awarding will be to run a competitive process, as outlined in section 6.3 below. The evaluation methodology applied (6.4) will be the same across all grant competitions.

6.1.2   A general message will be broadcast to the market via online platforms, such as the Authority website and the holder of the HMPPS VCSE sector infrastructure grant (i.e. currently Clinks), and to the Dynamic Framework (DF), with instructions on how to join the MoJ eSourcing portal, Jaggaer. This is the portal where all information relating to grants will be issued by the commercial team; interested organisations will be required to create an account to access communications. The process is a simple registration that requires minimal information. Support is available for providers from the Jaggaer support team during business hours.

6.1.3   All providers registered on Jaggaer will receive an invite to complete a 'Simple Selection Questionnaire' (SSQ) to qualify into for probation grants.

6.1.4   **Please note:** It was originally anticipated that current DF-qualified providers could be automatically pre-qualified for probation grants. Unfortunately, this is not possible as it is intended that grants will only be open to non-profit/VCSEs and, due to the pre-set qualification questions of the DF, we can't in all cases be certain of the non-profit status from the DF supplier qualification information. Therefore, **current DF-qualified suppliers who are non-profit and wish to be able to apply for grants will need to complete the simple selection questionnaire to qualify for probation grants**. We apologise that this will be additional work, but we hope that, as per the following sections, the information requested (see 6.1.6.1) will be limited and should be only be required once to qualify as a potential probation grant recipient (unless there is a change in the organisation's circumstances, in which case the change should be notified).

6.1.5   Please also note that organisations wishing to apply for grants and DF contracts will need to qualify separately for both probation grants and the DF.

6.1.6   The questionnaire will consist of the following sections.

6.1.7   **Section 1 - Profile Questions**

6.1.7.1.   Providers will be asked some basic questions to build a profile of key organisation details and core delivery aims. The information provided will not be assessed but may be reviewed as part of the onboarding process or any further market analysis.

REF	Mandatory?	Question	Response Limitations
PQ-01	Yes	Are you a non-profit organisation? **Please note:** only non-profit organisations are eligible for MoJ Probation Grant Awards, and as such any organisation that cannot demonstrate this status will not be accepted.	Selection List: - Yes - No
PQ-02	Yes	Organisation Name	-
PQ-03	-	If this is a joint application, please list all partners here:	-
PQ-04	Yes	Contact Name	-
PQ-05	Yes	Contact Email	-
PQ-06	Yes	Contact Phone	-
PQ-07	Yes	Job Title / Position	-
PQ-08	Yes	Organisation Address	-

REF	Mandatory?	Question	Response Limitations
PQ-09	Yes	Please state the legal structure of your organisation	Selection List: - A charity registered on the charity commission register - A corporate body company limited by guarantee *(registered on companies' house)* - A community interest company *(registered at companies houses or CIC regulator)* - A co-operative *(please attach your governing documents)* - An independent Provident Society (please attach your governing documents) - New Charitable Incorporated Organisations (CIO) - None of the above, but the organisation has a formal constitution or governing documents which set out its objectives and management structure - Other – please specify and explain the reason why none of the above structures have been used
PQ-10	Yes	Please provide access to formal documentation outlining the core objectives and management of your organisation. For registered charities, this may be a link to your Charity Commissioning Registration page.	Link and/or attachment
PQ-11	Yes	Please confirm the annual income of your organisation:	Selection List: - Micro (<£10,000) - Small (£10,000 - £100,000) - Medium (£100,000 - £1m) - Large (>£1m)
PQ-12	Yes	Summary of aims and objectives of your organisation, including the intended service users Note: wording may be lifted from existing or linked documentation, such as the Charities commission register	250 words (Jaggaer text box)

REF	Mandatory?	Question	Response Limitations
PQ-13	Yes	Please select all Probation Regions in which you are able to deliver services (tick as many as are applicable):	Tick List: - YATH - North East - North West - Greater Manchester - East Midlands - West Midlands - London - East of England - Kent, Surrey and Sussex - South Central - South West - Wales

Feedback sought: Question 9

In relation to PQ-12, are there any standardised mandatory documents that all non-profit organisations could provide a link for to reduce the need for text responses? (Yes / No)

If yes, what? (free text)

6.1.7.2. **Exclusionary Questions**

6.1.7.3. Providers will be asked some government standard exclusionary questions to ensure the organisation as an entity (i.e. not the individuals associated with it) has not committed any offences that are grounds for exclusion from a grant award competition. Where a provider responds 'No', meaning they have no convictions to declare, they will be considered qualified with no evaluation required. Where a provider responds 'Yes' and declares one or more exclusionary offences, evaluation of the questionnaire will be required, as outlined in section 6.1.8 below.

REF	Mandatory?	Question	Response Limitations
EQ-01	Yes	Have you ever been found guilty of, or convicted for, any of the following: - Participation in a criminal organisation? - Fraud - Terrorist offences, or offences linked to terrorist activities - Money Laundering or terrorist financing - Child labour and any other forms of trafficking in human beings - Any other participation offence as defined by the Serious Crime Act 2015 - Breaching environmental obligations - Breaching social obligations - Breaching labour law obligations - Grave professional misconduct	Selection List: - Yes - No

		- Entering into agreements with other economic operators aimed at distorting competitions - Serious misrepresentation in supplying information required as part of a selection questionnaire - Breach of any obligations in relation to tax or social security	
EQ-02	(mandatory only if answered yes above)	If the answer to the above is Yes, please provide details to include at a minimum: - Date of conviction and for what grounds - Name of individual or organisation convicted - What measures have been put in place to mitigate any risks generated from such a conviction and to prevent re-occurrence And explain what measures been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion?	Open response No word limit

6.1.8 Simple Selection Questionnaire assessment

6.1.8.1. The Probation commercial team will be responsible for reviewing and assessing, where required, the Simple Selection Questionnaire applications received from providers.

6.1.8.2. Where a provider has responded 'No' to EQ-01, meaning there are no grounds for exclusion to declare, assessment will not be required. The application will be considered compliant, and the provider will be onboarded for probation grants.

6.1.8.3. Where a provider has responded 'Yes' to EQ-01, meaning there are grounds for exclusion to declare, assessment will be required. A Commercial Manager will assess the response to EQ-02 to determine whether the grounds for exclusion have been mitigated adequately to reduce the risk of awarding to the organisation. If the risk has been adequately mitigated, the application will be considered compliant, and the provider will be onboarded. If the risk has not been adequately mitigated, the provider will not be onboarded.

6.1.9 Updating the Simple Selection Questionnaire

6.1.9.1. Providers must only complete the Simple Selection Questionnaire once to qualify for probation grants. They will have the ability to update the questionnaire response if circumstances change and will be issued a reminder prompt annually through the Jaggaer portal to review whether there have been any changes.

6.1.9.2. Where a qualified organisation responds 'Yes' to EQ-01 where the answer was previously 'No, a new assessment will be required in line with the methodology outlined in 6.1.8. They will not be eligible to be invited to a grant competition whilst the assessment is pending.

6.1.10 Re-submitting the Simple Selection Questionnaire

6.1.10.1. In the event that adequate mitigation for a declared reason for exclusion (EQ-01) is not provided, and a provider is unsuccessful in their Simple Selection Questionnaire application, a new application may be submitted after 30 working days have passed. This is to allow appropriate time to put in place additional mitigations.

Feedback sought: Question 10

Do you feel that the qualification process to be on the general probation grants list is appropriate? (Yes / No)

6.2. Competition process for specific grant competitions

6.2.1 The default approach for all grants will be to invite bids from all providers who have pre-qualified for probation grants and ticked the relevant probation region, as outlined above in 6.1. In most cases, we will set a maximum budget, and sometimes also a maximum amount per individual grant, and organisations can bid up to that amount but do not have to bid for the full amount or to cover a whole geographic area. This means that there is no 'winner takes all' as there is for competitions for contracts, but instead many organisations could win different amounts of funding depending on the size and scope of the activities for which they are seeking funding.

6.2.2 In order to keep the competition process simple, there will be a set of fixed criteria applied across all competitions, with some optional questions that may be utilised where relevant, for instance for higher-value competitions.

6.2.3 Where an organisation intends to bid in collaboration with other organisations, all bidders responsible for service delivery must be qualified for probation grants.

6.2.4 The closed competition will consist of two stages as a default, with an optional additional stage to enter into open dialogue. The details of each stage are as follows:

6.2.5 **Stage 1 – Eligibility assessment for specific grant competitions**

6.2.5.1. As there is the potential for hundreds of providers to qualify for probation grants, an additional eligibility assessment will form the first stage for each specific competition to ensure that only organisations with appropriate experience delivering to the specified need area, characteristic or cohort of people, as relevant, are assessed for award.

6.2.5.2. The fixed criteria for the first stage of the competition is as follows:

REF	Question	Response Limitations	Assessment
EA-1	Please confirm if your organisation has experience of helping the need area / characteristic / cohort of people identified for this grant (*the relevant need / characteristic / cohort will be clearly identified where relevant for each grant competition*).	Please state clearly 'Yes' or 'No'. Where a response to any of these questions is 'no', bidders may use up to 300 words to explain what mitigations are in place to allow the organisation to achieve the intended outcomes of the grant. (*For instance, your organisation is new and so can't demonstrate experience, but the individuals running the organisation do have relevant experience.*)	Pass/Fail
EA-2	Please confirm that at least some of your organisation's management, staff and/or volunteers have lived experience of the relevant need / characteristic / cohort. (Optional) At least 50% of the trustees, management team and staff should have lived experience of the relevant need / characteristic / cohort.		
EA-3	Please confirm that your organisation operates in the geographic locations identified for this grant.		
EA-4	Please confirm that you will not be receiving funding for the same activities that you wish to be funded under this grant.		

REF	Question	Response Limitations	Assessment
	(*NB this refers to the same activities and costs rather than similar activities, for instance in a different location or for a different group of service users. The intention is that no individual costs are double-funded.*)		
(Optional) EA-5	Please outline your experience appropriate to this grant, including a recent example.	Up to 1 A4 page (no smaller than font 10)	Assessed and scored
Additional Information	Please provide links to appropriate materials that the Authority may benefit from reading in conjunction to your response to the above questions. Please use this section carefully to provide concise information that directly links to your organisation.	Up to 3 linked websites or documents may be linked.	N/A

6.2.5.3. **Assessment of Stage 1**

6.2.5.4. Providers are required to 'pass' stage 1 to proceed to stage 2.

6.2.5.5. Where a provider responds 'Yes' to PQQ1-4 and PQQ-5 is not utilised, a 'Pass' will be awarded and the provider will proceed to stage 2.

6.2.5.6. Where a provider responds 'No' to PQQ1-4 and PQQ-5 is not utilised, the mitigation provided as part of the question response shall be assessed by an assessor and a 'Pass' or 'Fail' awarded. A justification for this score must be provided by the assessor.

6.2.5.7. Where PQQ-5 is included as an additional question, an assessor shall review the response and award a score in line with the scoring matrix outlined in 6.4.1. Providers must achieve a 'Pass' in PQQ1-4 and score a 5 or above in PQQ-5 to proceed to stage 2.

6.2.5.8. If a provider fails any element of 'Stage 1 – Qualification', they will be informed via the Jaggaer system and shall not be assessed any further as part of the Grant Award Competition.

6.2.6 **Stage 2 – Quality Criteria and Financial Criteria**

6.2.6.1. The 2nd stage of the competition will require providers to submit responses to set quality and financial criteria to determine their suitability for the Grant Award.

6.2.6.2. Providers must confirm compliance to a set of mandatory criteria, as follows:

Mandatory Criteria			
REF	Question	Limitations	Assessment
MC-001 Workforce	Please confirm the following: 1. You will comply with all vetting requirements (*see section 5.3.3-4 above*). 2. You will ensure that all staff and volunteers have the appropriate skills, knowledge, experience and training to engage with and deliver services to the service user cohort as identified for this grant (*see section 5.3.1-2 above*). 3. You will comply with all TUPE obligations where applicable to a grant competition.	Please state clearly 'Yes' or 'No'. Where a response to any of these questions is 'No', bidders may use up to 300 words to explain what mitigations are in place to allow the organisation to achieve the intended outcomes of the grant.	Pass/Fail
MC-002 Information Security	Please confirm the following: 1. You will comply with the information security requirements as set out in Appendix X (*tbc, but please see section 3.4 above for current thinking*)		
MC-003 Estates	Please confirm that any facilities used to enable to delivery of your proposed solution will: 1. Comply with the estates requirements as set out in Appendix X (*tbc*).		

6.2.6.3. Providers must also submit a response to the following quality criteria:

Quality Criteria			
REF	Question	Guidance	Assessment
QC-001 Proposed Solution	Please outline the activities you wish to be funded and how they would meet the intended outcomes of this grant, including: - What activities you propose to deliver, to what cohort, in what location and how they will benefit that cohort - What evidence supports the likelihood of your proposal meeting the intended outcomes - What skills and knowledge you will ensure all staff and volunteers hold to deliver this service	Up to 2 A4 pages (no smaller than font 10)	Assessed and scored
QC-002	Please explain how you intend to implement the solution, including anticipated time required to stand up the solution from the point of grant award.	Up to 1 A4 page (no smaller than font 10)	Assessed and scored
QC-003	Please describe how you will continuously review your proposed solution to ensure and improve quality on an on-going basis, incorporating service-user feedback where appropriate.	Up to 1 A4 page (no smaller than font 10)	Assessed and scored

(Optional) Case Study	Please provide a case study detailing recent work undertaken that evidences the capability of the organisation to deliver the proposed solution outlined above.	500 words	Assessed and scored

6.2.6.4.   Providers must also submit a response to the following financial criteria:

Financial Criteria	
REF	**Question**
FC-01	Please state the amount requested each year for this grant by completing the below table.

Year	Amount Requested
1	
2	
3	

FC-02	Please provide a breakdown of the costs required to deliver this grant, including staff costs, delivery costs and fixed costs in the below table. Insert as many rows as are required (*template to be provided*).
FC-03	Please explain how the funding will provide value for money, including any further financial investment and/or buy in from other partners, indicating whether this is confirmed or not.
FC-04	Please state how many service users you will be able to deliver activities to per year. (*This will be included in the grant agreement.*)
FC-05	Please state what if any amounts you would wish to be paid upfront rather than in arrears (this might be some or all of the total for some or all of the overall time that the grant will operate), and why.

6.2.7   **Assessment of Stage 2**

6.2.7.1. The mandatory criteria shall be assessed by the assessment panel (Section 6.4) as a pass/fail question. Where a provider responds 'Yes', compliance will be confirmed and a 'Pass' awarded. Where a provider responds 'No', the assessor shall review the mitigating steps outlined in the providers response and award a 'Pass' or a 'Fail' in line with the providers ability to comply with the mandatory criteria.

6.2.7.2. The Authority may engage with bidders at any stage to seek clarification on the application.

6.2.7.3. Any provider who scores a 'Fail' in the mandatory criteria shall not be eligible for a Grant Award and shall be excluded from the competition.

6.2.7.4. The quality criteria shall be scored by the assessment panel against the scoring matrix (Section 6.3). The score must be based on the individual assessors' confidence in the organisations' ability to meet the intended outcomes.

6.2.7.5. Providers who do not score a 5 or above against each quality criteria question shall not be eligible for a grant award and shall be excluded from the competition.

6.2.7.6. The financial criteria shall be given 1 score by the assessment panel against the scoring matrix. The score must be based on the individual assessors' confidence in the organisation's ability to provide the proposed activities, considering deliverability of the activities against the cost breakdown, and value for money offered

6.2.7.7. Providers who do not score a 5 or above in the financial criteria shall not be eligible for a grant award and shall be excluded from the competition.

6.2.8 Stage 3 – Dialogue (Optional)

6.2.8.1. Providers who are successful in the 2nd stage of the competition may be invited to a dialogue session, whereby the assessment panel shall have the opportunity to engage in dialogue with each of the providers. The 3rd stage shall only be utilised where the Authority deems a benefit to entering into dialogue with providers successful in stage 2 [criteria to be defined]. This is likely to be in instances where the total requested funds for providers successful in stage 2 exceed the total grant budget.

6.2.8.2. The assessment panel shall engage with the providers dialogue sessions, that may cover the following topics:

Ref	Topic	Proposed question categories
1	Specialised Services	- Understanding of the cohort - Staff/volunteer representation
2	Scope of delivery	- No. of service users per year - Geographical coverage
3	Proposed Solution	- Key areas of interest
4	Value	- Negotiation of proposed cost and/or geographical coverage or number of service users
5	Partnership working	- Possibility of partnership working where different organisations have applied for funding re similar cohort / location (*see 6.3 below*)

Feedback sought: Question 16

6.2.9 **Assessment of Stage 3**

6.2.9.1. The response to the dialogue questions shall be assessed by the assessment panel and scored in line with the scoring matrix.

6.2.9.2. Providers will have demonstrated their ability to deliver activities with the intention to achieve the outcomes in Stage 2 of the competition. Stage 3 (dialogue) is intended to open communication between the Authority and providers to enable grants to be awarded to multiple recipients within the budget.

6.3. Award methodology

6.3.1 The Authority will stipulate when publishing the grant competition the maximum number of grants it intends to award, and how it will ensure a balanced spread of funded services across the relevant geographic area and cohort. For instance, if we were to have a competition inviting bids for support for people from minority ethnicities in London, and the top five scoring bids were all for services for Roma women in Westminster, there would be little point in us awarding all the funding to these five organisations and thus having no services for men or non-Roma women or anyone outside of Westminster. We therefore need to be able to consider both the individual scores of each bid and the overall coverage provided by the range of bids.

6.3.2 The Authority may select preferred organisations up to the number of awards stated at the point of publishing the competition, within the grant money available, prioritising them by rank and balance. In the example above, we would select the highest-scoring of the five organisations for Roma women in Westminster, and then the next highest-scoring bids for other cohorts across London, to ensure balanced provision of services. We might also ask the five high-scoring bids for Roma women in Westminster if they would be interested in working together to share any of the available funding.

6.4. Scoring Matrix

6.4.1 The following scoring methodology will be applied to all questions within the competition that require assessment and scoring:

Score	Assessment
10	Exceptional

9	**Excellent**
8	**Great**
7	**Very Good**
6	**Good**
5	**Acceptable**
4	**Below Average**
3	**Some Concerns**
2	**Many Concerns**
1	**Severe Concerns**
0	**Unacceptable**

6.5. Assessment Panels

6.5.1   The minimum requirement for an assessment panel is;

6.5.1.1   Single lead assessor responsible for assessing and scoring the application

6.5.1.2   Where relevant, an additional advisor with lived experience of the relevant cohort (see 6.5.4)

6.5.1.3   A senior official to validate the results as reported by the lead assessor.

6.5.2   For more complex or higher value grant awards, it is recommended that the panel is formed of 3 assessors;

6.5.2.1   2 core assessors responsible for assessing and scoring the application

6.5.2.2   Where relevant, an additional advisor with lived experience of the relevant cohort (see 6.5.4)

6.5.2.3   Lead assessor who has the final say in the event a consensus score is not reached

6.5.3   Wherever possible, the assessment panel will include someone with lived experience of the relevant service user cohort (this does not need to be lived experience of being on probation, but of the relevant characteristic or need e.g. services aimed at Muslim women should include a Muslim woman on the panel, or services for people who have experienced being in care should include someone who has experienced being in care). It may be possible where necessary to source representation from outside HMPPS / MoJ, though the process for this would require careful management to avoid any potential conflicts i.e. we could not include someone on the panel who was in any way linked to any of the organisations that might apply for funding.

6.5.4   The same core evaluation panel must assess all grant applications received per grant competition. This is to ensure a fair and consistent approach is applied. However if an additional advisor is being used to ensure representation, this may change according to the specific cohort – for instance, if there is a competition for services for people from minority ethnicities, there may be different advisors for proposals to provide services for different specific cohorts.

Feedback sought: Question 19

Do you agree that different advisors should be included within the assessment panel according to the specific cohort that the bidding organisation is looking to work with? For instance, if the competition is for services to minority ethnicities and there is one bid for services for young black men and another

6.5.5   All members of the panel will be asked to complete a 'Conflict of Interest' form to ensure a fair assessment for all applicants.

7.   Mobilisation

7.1   Mobilisation of grant activities

7.1.1   Before any payable activities can begin, any relevant mobilisation requirements – such as vetting, training, cyber security accreditation or estates readiness (as applicable) – will need to be completed and this will need to be demonstrated by the grant recipient to the satisfaction of the Authority grant manager.

8.   Grant agreements

8.1   Overview

8.1.1   In line with Government Grants Standards[15], the Authority shall ensure that grant agreements, including those administered through third parties and co-commissioned, clearly state the purpose and objectives for which the grant is awarded, provide details of approved activity and set out categories of eligible and ineligible expenditure. Due regard should always be given to ensuring regularity and propriety in the use of public funds.

8.1.2   As a minimum, grant agreements shall include terms and conditions, supported if necessary by guidance, covering the following:

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[15] 2021-08-27_Grants-Standard-SIX-Grant-Agreements.pdf (publishing.service.gov.uk)

8.1.2.1. a clear description of the scheme, its purpose and the aims and objectives of the grant;

8.1.2.2. a clear description of expenditure, including eligible expenditure terms, which prohibit paid for lobbying and improper expenses;

8.1.2.3. a data protection policy;

8.1.2.4. fraud policy including identification, reporting and escalation;

8.1.2.5. audit/assurance;

8.1.2.6. agreed outputs/ KPIs/ milestones/ longer term outcomes;

8.1.2.7. financial and activity-based reporting and validation;

8.1.2.8. State Aid compliance;

8.1.2.9. payment suspension and claw-back and grant termination; and

8.1.2.10. evaluation and lessons learned.

8.1.3 For any grants under nationally approved schemes, a standard probation CRS grant template will be provided. Any standard probation requirements (e.g. regarding reporting requirements or training on risk awareness or cultural competence) will be included in this template grant agreement. This will be provided for review as soon as possible.

8.1.4 For any individual regional grants outside national grant schemes, probation regions should use grant agreement templates which are cleared through internal legal advisers and finance, as a minimum. For general grants, the Model Grant Funding Agreement (MGFA link below), drafted by Government Legal Department (GLD), which incorporates full guidance notes, is available on the grants Centre of Excellence.

Model Grant Fund
Agreement Template.

8.1.5 Information Sharing Agreements should be included within the Grant Agreements.

8.2. Describing intended outcomes

8.2.1 As well as the key aims identified in 3.1.5, some more specific requirements or intended outcomes may be set for each grant award. For example, these may be specific to the characteristics of the relevant cohort.

8.3. Amendments to agreements

8.3.1 It is important to ensure that all post-award delivery and management activities required of the grant recipient, including data capture and reporting, are fully included within the terms and conditions of the grant agreement. Similarly, all details and commitments set out in the application for funding should be included. Any changes to the delivery or management of the grant award that differ to the terms set out within the grant agreement will need to be justified and reflected (in a timely manner) as a revision to the grant agreement, or even as a separate grant agreement entirely. This may require additional negotiation between the funder and recipient and is likely to necessitate obtaining further internal approval and possibly legal advice.

9.   Grant management

9.1   Relationships with grant recipients

9.1.1   It is important to remember the aims of grants when managing them: as well as aiming to achieve outcomes such as supporting rehabilitation and desistance, there is also always an aim to learn about works or doesn't work so well, so accepting and recognising what isn't going well and then working in partnership between grant managers and grant recipients is key to successful delivery and learning.

9.2.   Management of referral volumes

9.2.1   We recognise that organisations will usually want to be able to plan for likely volumes of service users, so we will ensure that we track referrals against expected volumes and review this as part of regular grant management to ensure that organisations do not feel either overwhelmed or under-utilised.

9.3.   Performance measurement and monitoring

9.3.1   Performance management may and should relate to the outcomes and impact measurement set out in section 3, but will be specific to each individual grant (whereas the impacts may be evaluated by the Authority for a number of similar grants under a single scheme) and may relate to outputs as well as outcomes, to ensure that the planned activities are being delivered, and especially in advance of any outcomes or impacts being evidenced.

9.3.2   Performance measures and levels of assurance will be proportionate to the size, length, value and risk of the grant and they will be based on the aims of the grant or grant scheme (see 3.1.5 above) and on any commitments made by the recipient as part of its bid, for instance regarding the number of people it can see or the activities it will deliver.

9.3.3   Performance monitoring is an ongoing process and should include several checkpoints over the course of the delivery period. The work on a grant does not end because the money has been paid. It is key to delivering value for the public purse, to ensure that schemes and awards are monitored in terms of delivery and expenditure. The requirements of this stage are set out in Minimum Requirement 8 guidance (Performance and Monitoring)[16].

9.3.4   The requirements set should be proportionate to the value of the grant, but as a minimum, all awards should at least have an annual review of delivery and financial reconciliation.

9.3.5   Regular reviews of activity and performance should be conducted throughout the delivery period of the grant, and action taken to address any concerns identified. By actively monitoring, probation regions can ensure value for money is achieved, detect fraud, track that grants will achieve their intended outputs and/or outcomes, and provide assurance that expenditure is within the eligible expenditure terms outlined in the grant agreement.

9.3.6   Where performance measures genuinely cannot be specified, for example, in the case of innovation grants where the outcomes cannot be foreseen, there should be a very clear articulation of what the grant is awarded for, the required activity and the aims and objectives - these should be linked to an appropriate monitoring regime, to ensure that funding can be suspended or terminated, where delivery does not match defined expectations.

9.4.   Addressing performance issues

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[16] 2021-08-26_Grants-Standard-EIGHT-Performance-and-Monitoring.pdf (publishing.service.gov.uk)

9.4.1 If performance or delivery issues are identified, you should consider whether completing a Performance Improvement Plan with the recipient will be helpful. This should be discussed in the first instance with the grant recipient.

9.5. Financial monitoring and assurance

9.5.1 In accordance with Managing Public Money guidance[17], it is expected that grant funding payment models will reflect need, and avoid paying portions of funding up-front, except where that can be justified (see section 4).

9.5.2 Grant recipients must provide evidence of their grant expenditure, for example, through the regular submission of Statements of Grant Usage (SoGU) or an equivalent, which must be validated to ensure accuracy. Failure to submit financial returns, whatever form they take, or irregularities identified through validation, should usually result in payment suspension, investigation and in serious cases a full audit to establish the cause. The grant agreement should require the recipient to maintain an audit trail of all grant related expenditure and provide full access for the authority on request.

9.5.3 Grant awarding bodies need to gain assurance on how recipients use their grant funding and obtaining an independent accountants' report is one way of doing this. When designing an assurance model, reference could be made to, for example, to the guidance contained in Technical Release AAF 01/10[18].

9.5.4 If the organisation does not already have independently audited accounts, it can provide a certificate that the accounting is correct which must be signed by two representatives e.g. a trustee and the finance director.

9.5.5 Recommended activities for performance and financial monitoring might include:

9.5.5.1. regular financial returns such as Statements of Grant Usage which require reporting of expenditure by eligible expenditure category and are linked to the release of future payments;

9.5.5.2. regular checkpoint meetings to discuss progress against a pre-agreed schedule;

9.5.5.3. regular monitoring visits to the grant recipient;

9.5.5.4. peer review and impact evaluation of delivery;

9.5.5.5. review of supporting documentation and other evidence from the grant recipient;

9.5.5.6. the use of technology, such as time-stamped digital photos and the use of video call functionality on mobile phones to undertake virtual tours of remote sites to assess progress;

9.5.5.7. a requirement for the submission of pre-defined periodical performance delivery reports; and an end of grant or annual delivery and financial report.

9.6 Risk, controls and assurance

9.6.1 A code of conduct for grant recipients[19] was published on gov.uk in late 2018. It was developed to help grant recipients understand the standards and behaviours that are expected of them when working with the government, and how they can help the government deliver value for money for taxpayers.

9.7. Annual review

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[17] https://www.gov.uk/government/publications/managing-public-money

[18] aaf-0110-framework-document-for-accountants-reports-on-grant-claims.ashx (icaew.com)

[19] Codes of conduct for suppliers and grant recipients - GOV.UK (www.gov.uk)

9.7.1 The purpose of the Annual Review and Reconciliation[20] is to ensure grant funding is being used for the intended purpose, in line with the grant agreement. This will include consideration of delivery against the performance measures and outcomes defined in the grant agreement. Annual or end of grant reconciliation should result in one of the following decisions depending on the findings:

9.7.1.1 continue the award of a grant for next financial year in line with existing plans;

9.7.1.2 increase or decrease funding for the next financial year

9.7.1.3 re-define and agree amended outcomes with grant recipients

9.7.1.4 recover surplus funding or clawback where misuse is identified

9.7.1.5 termination of the award if performance is consistently below tolerance or quality thresholds are not met

9.7.1.6 deploy exit plan activities for awards which come to a natural end;

9.7.2 A standard template for financial reconciliation is available[21].

9.8. Recognising and sharing good practice

9.8.1 We will look to put in place arrangements, for instance regional provider forums, to support the recognition and sharing of good practice.

10. Involving and informing potential grant recipients

10.1 Involving organisations in commissioning planning

10.1.1 We should seek input from relevant stakeholders, non-profit organisations and service user representatives to understand from their point of view the priority areas for funding and the types of services that could be provided. These should feed into our planning of specific grant schemes and competitions. NB this is part of wider probation commissioning guidance to involve stakeholders in informing commissioning planning.

10.2. Funding small organisations for expertise or evaluation support

10.2.1 Where we are seeking detailed input from a small number of experts from non-profit organisations, we should consider funding them for their time. A single standard day rate of £300 can be paid, to include pre-reading, attendance at a workshop or event and any follow-up feedback. To ensure such opportunities and funding are distributed fairly, we should consider engaging with Clinks to invite appropriate organisations for the relevant topic or asking relevant networks to nominate a small number of representatives, or an alternative way to ensure fairness. To note that this does not apply to market warming regarding specific competitions, nor to wider consultations available to all non-profit organisations.

10.3. Information on upcoming calls for grants

10.3.1 Before any specific grant competitions, we should hold workshops with organisations that are interested in applying for funding, explaining all aspects of the process, what fixed requirements there

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[20] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1013964/2021-08-26_Grants-Standard-NINE-Review-and-Reconciliation.pdf

[21] Final evaluation – Grants Centre of Excellence (civilservice.gov.uk)

are, what we are looking for in bids and how we will be evaluating and how we will manage and monitor the grants.

10.4. Sector development

10.4.1 We should regularly assess what support small organisations need to develop and to be able to offer services that would be of benefit to people on probation or in prison and offer support where possible to enable those organisations to be ready to engage in applying for funding, providing services and meeting any requirements necessary to do so.

<u>Feedback sought: Question 21</u>

If you have any suggestions for topics on which HMPPS / MoJ or Clinks should provide support to help smaller organisations to be able to offer services that would be of benefit to people on probation or in prison and be able to apply for funding, please state here. (free text; leave blank if no suggestions)

<u>Feedback sought: Question 22</u>

Would you be interested in more networking events to promote partnerships amongst providers? (Yes – with other organisations in my local area / Yes – with other organisations working with similar cohorts or needs / No)

The survey with all of the above questions can be found here:

https://forms.office.com/r/GeFVpnAQPW

Thank you for reading and for providing any feedback.

Annex 1 - Difference and similarities between contracts and grants

The following table sets out the **key differences** between grants and contracts. It is based on standard Cabinet Office guidance on grants and alternative funding options[22], but focuses specifically on aspects of relevance to probation Commissioned Rehabilitative Services.

	Grants	Contracts
Aim	Supports a general policy aim (for instance rehabilitation) but Authority has no direct economic benefit from, or direct liability, for the activities being funded.	Purchasing a specific service, for which the Authority has a direct benefit and/or liability.
Benefit	Should not have a direct benefit to the Authority – e.g. purchasing laptops to be used by the Authority's staff would certainly constitute a direct benefit. CRS are primarily for the benefit if the person on probation and wider society rather than the Authority itself.	Can (although don't need to) have a direct benefit for the Authority.
Consequences of poor performance	If the funded activity is not delivered or the funding is not spent on that activity, the money can be recouped ('claw back'), but this is a blunt instrument and there are limited levers available short of termination by which to remedy poor performance.	A contract can contain various levers for reduced performance including reduced payments, improvement plans, rectification and Authority step-in. Where it is essential that the service is delivered (e.g. for core enforceable sentence delivery activities), it is important that we have these contractual levers to ensure delivery and to be able to step in and take over the service if necessary.
Number of awards	Whilst a single grant for a fixed budget can be competed and awarded, alternatively numerous grants could be awarded to different organisations who meet the criteria, up to the maximum overall budget available.	Generally, only a single contract will be awarded as defined in the invitation to tender.
Profit	The recipient is barred from making any profit on the grant-funded activity.	The recipient may make profit or surplus from the service.
Terms and conditions	Grants **may** be legally binding or not, depending on the wording (but see also similarities table).	Terms and conditions are always legally enforceable under contract law.
Rules	Subject to Cabinet Office Grants Standards.	Subject to public procurement legislation.
Governance	Must be approved by MoJ Challenge Panel; if it is considered novel, contentious or high value, MoJ will also refer to Cabinet Office (although we would not expect most CRS to require this); and finally, also by HMPPS Grants Board. However approval can be given for a whole grant scheme, under which individual grants	Procurement plan must be approved by MoJ Commercial governance (different levels or committees depending on value).

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[22] Cabinet Office, Government Grants and alternative funding options, 2018, annex 1

	Grants	Contracts
	can then be awarded without going via this process.	
VAT	No VAT is payable on a grant, provided that a grant has been correctly used and the funding should not be considered as a service, in which case it could be found that VAT should be applicable.	VAT is payable.

The following table sets out the **key similarities** between grants and contracts.

	Grants <u>and</u> contracts
Governance	Spend for either grants or contracts must be approved by regional governance (including Regional Probation Directors and a finance business partner). The CRS Development Board will consider the proposed operating and commissioning model for groups of similar services.
Competition	The default position is that all grants or contracts should be competed, albeit a case for a direct award can be made exceptionally.
Terms and conditions	Terms and conditions of contracts are legally enforceable under contract law. For grants, as a default we would also expect Ts&Cs to include the fact that the grant will be legally binding.
TUPE	TUPE can apply to grants under the same circumstances as for contracts. For example, if grant funding is provided over a number of years to one recipient which is entirely reliant on such funding, such funding is subsequently re-allocated to a new recipient carrying out fundamentally the same activities and the former recipient ceases to operate, it may be possible to argue that the employees of the organisation previously in receipt of the funding should transfer under TUPE to the new grant recipient. Therefore, care should be taken to ensure that the grant contains coverage for any TUPE implications – legal advice should be sought on this point.