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Funding Black Hole Will Have Catastrophic Consequences

The Government is setting itself up for a fall if it fails to plug the looming funding gap in the criminal justice system – the interim report of *Community or Custody? A National Enquiry* warns today.

The Enquiry panel, chaired by **Peter Osborne** and including **Lord Ian Blair** (former Commissioner of Metropolitan Police) and **Dame Anne Owers** (former Chief Inspector of Prisons) support the goal of reducing the prison population but argue that new social enterprise models and a shift towards payment by results are not a quick fix. It will take considerable time for new money to flow into the system and for different funders, charities and private providers to come together and work differently. They fear that as the Ministry of Justice prepares to cut £2.5bn from its budget, robust community programmes will struggle to survive.

They call on the Government to learn the lessons of the 1980s-90s Care in the Community scheme which saw a wave of mental hospital closures and a reduction in the number of hospital places which outstripped community-care provision.

Roma Hooper, Director of Make Justice Work, which commissioned the National Enquiry, said:

“Simply having the goal to cut the number of prisoners is not enough. If offenders are not re-directed to tough programmes like those we have seen during the course of our Enquiry, there is a risk that they will simply go on to reoffend. Many of us still remember the disastrous care in the community scheme.

“We are still battling today with the problems caused by such ill thought through policy making, driven by a short term need to cut budgets rather than building a more efficient and effective system.

“Ministers must not repeat the mistakes of the past.”

-ENDS-

Notes to Editors

- The Comprehensive Spending Review cut the Ministry of Justice budget by 23% (£2.5bn) from 2011-2015.
- 60% (£1.5bn) of these cuts will be front-loaded before 2013 – costing an estimated £230m in redundancy payoffs.
- The MoJ aims to reverse the increase in prison numbers so that 6,000 fewer prison places will be needed by 2015 than previously planned.
- A leaked MoJ letter from the CSR outlined cuts in the prison and probation service totalling 9,940 job losses. ([Guardian source](#))

Care in the Community

- A series of criticisms by campaigners and select committees culminated in a **1986** report by the Audit Commission (*Making a reality of community care*) which stated that mental hospital closures and a reduction in the number of hospital places had outrun community-care provisions, and local authorities had not been allocated the resources necessary to provide alternative forms of care.
- Funding arrangements were put in place in **1996** to ensure local authorities could provide alternative forms of care, and in **1998** health minister Frank Dobson stated that “Care in the community has failed” and announced increased funding of £510m for mental health services in England.