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Competition in prisons

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This short paper traces the history of competition in the prisons sector, assesses what we currently know about its impact and concludes with some tentative lessons for those seeking to introduce greater competition in public services.

History

In May 1992, HMP Wolds, the UK's first privately run prison was opened. Today, 14 out of 141 prisons in England and Wales are private or contracted out.[1]

The UK has a developed market and is second only to the US in the number of privately run prisons, which is a 'first mover' in the sector.[2]

The momentum for privatisation began in the late 1980s. Margaret Thatcher had a strong desire to extend the free market in public services based on the contested assumption that private sector provision would be more cost effective, efficient and catalyse system-wide improvement.[3]

Since then, the pace of change has been remarkably uneven with periods of accelerated reform as well as complete stasis.

This history can be split into four periods:

Figures

14 out of 141 prisons in England and Wales are private or contracted out.

12.9% of the prisoner population are held in private prisons.

Prisons contracts are shared between three companies: Serco, Sodexo and G4S.

Combined value of private prisons contracts is around £4 billion.

- 1980 – 1990: Gathering momentum
- 1990 – 1998: Introducing competition
- 1998 – 2010: Moving back and forth between the public and private
- 2010 – present: Deepening and expanding competition.

1987	Select Committee on Home Affairs report recommends that the Home Office should enable private sector companies to tender for the management of prisons.
1991	Criminal Justice Act introduces competition into offender management services.
1992	HMP Wolds, the UK's first privately run prison opens.
1992	Conservative government announces its private finance initiative (PFI).
1997	New Labour government comes to power and adopts the PFI approach.
2000	Two privately run prisons are returned to the public sector.
2003	Carter Review recommends greater use of competition in the prisons sector.
2004	National Offender Management Service (NOMS) is established.
2010	Coalition Government comes to power and pushes ahead with a policy of privatisation.
2011	HMP Doncaster becomes the first prison to be run on a 'payment by results' (PBR) basis.
2011	HMP Birmingham becomes the first public sector prison to be privatised.
2011	Coalition Government announces competition for nine prisons.

1980 – 1990: Gathering momentum

Concerns about a rapidly increasing incarcerated population and associated problems of rising costs, overcrowding and deteriorating conditions led to demands for expanded prison capacity and regime improvement.[4]

In 1984, the Adam Smith Institute championed privatisation as the most cost-effective solution to the crisis based on the contested assumption that the management experience, results driven culture and efficiency of private contractors would enable them to deliver prison services of a higher quality at a lower cost.[5]

These arguments found favour among Conservative ministers who had already begun to privatise nationalised industries and outsource local government services.[6] Further, it would give them the opportunity to challenge the power of the Prison Officers' Association, one of the few trade unions that had not already been marginalised since Thatcher came to power in 1979.

In 1986, a parliamentary Select Committee on Home Affairs examined the state of prisons in England and Wales, and, after a visit to US private prisons, published a report entitled *Contract Provision of Prisons* (1987). It recommended that the Home Office should, as an "experiment", enable private sector companies to tender for the construction and management of prisons.[7]

Initially, the Home Office adopted a highly cautious approach and spent over four years commissioning a number of studies and hearings to assess the possible costs and benefits of private prisons.[8]

1990 – 1998: Introducing competition

In 1990, the Major administration accepted the idea of prisons privatisation, but restricted this "experiment" to unsentenced prisoners (remand) in newly built facilities. Only if this was a success would the government consider contracting out other aspects of the system.[9] The Criminal Justice Bill 1990 provided enabling legislation by giving the Home Secretary the power to contract out the running of newly built remand prisons. At the report stage, however, a Conservative backbencher tabled amendments to extend that power to sentenced prisoners in newly built prisons.[10] So, when it was enacted, the Criminal Justice Act 1991 allowed the management of any prison, not just remand centres, to be contracted out to whoever the Home Secretary considered appropriate.[11]

Following a tendering process in which the public sector was barred from participating, Group 4 was awarded a contract to manage HMP Wolds, a newly built remand prison that opened in April 1992. What started as an "experiment", however, soon became routine policy. By the end of 1994, three other privately run prisons had opened: Blakenhurst, Doncaster and Buckley Hall. In all these cases, private sector involvement was limited to short-term management contracts only and the government retained ownership of the prison buildings.

In November 1992, the Conservative government announced its Private Finance Initiative (PFI) which had the aim of increasing the involvement of the private sector in the provision of public services. The Criminal Justice and Public Order Act 1994 therefore amended the 1991 Criminal Justice Act to extend the role of the private sector into construction as well as management. Under the 1994 act, all new prisons could be designed, constructed, financed and managed by the private sector under a PFI contract.[12] The Parc prison, the only private prison in Wales, opened in 1997, and was the first of many PFI prisons to be opened in the late 1990s and early 2000s.

After the first two private contracts were awarded for the Wolds and Blakenhurst, the Home Office began to push the Prison Service to compete with private firms for management contracts thereby testing its market viability as a prison manager. The then Home Secretary, Kenneth Clarke, argued that market testing would incentivise the Prison Service to improve its performance and "encourage the spread of those reforms across public sector prisons much more quickly than would otherwise have been the case".[13]

The Labour Party strongly opposed the Conservatives' policy on private prisons. The then shadow Home Secretary, Jack Straw, stated that "[i]t is not appropriate for people to profit out of incarceration. This is surely one area where a free market certainly does not exist". He pledged to bring all prisons that had been contracted out back under public sector control, if Labour won power.[14]

But within a week of being elected in 1997, Labour made a dramatic u-turn. Jack Straw decided to sign those contracts for privately financed jails which were in the pipeline. A month later, he had renewed one private prison contract and had signed contracts for two further establishments. In 1998,Straw explained that the transfer of existing private prisons back to the public sector would not offer value for money, and that market testing would continue with the Prison Service being allowed to bid for the management of privately managed prisons.[15] By the late 1990s, then, Labour had very much converged with Conservative policy on the use of competition in the prisons sector, and, between 1997 and 2003, eight further PFI prisons were opened.

1998 – 2010: Moving back and forth between the public and private

Between 1998 and 2003, several developments indicated that the role of the private sector might not continue to expand. In 1999, the Prison Service held open competitions for two privately managed prisons (Buckley Hall and Blakenhurst) when their five year contracts came up for renewal. These were returned to the HM Prison Service which submitted bids that were judged lower on cost and higher on quality.

Around the same time, a market testing exercise for one public sector prison, Manchester, resulted in the Prison Service successfully outbidding the private sector and retaining the service level agreement (SLA) which specifies the required level of performance in terms similar to a PFI contract.[16] An important feature of the public sector bids was the active participation of the Prison Officers' Association (POA) in the bidding process and their acceptance of significant reductions in staffing levels.[17]

The return of privately managed prisons to the public sector undermined the private sector's confidence in the integrity of the competitive process with claims that the Prison Service only won due to unequal treatment of costs.[18] Indeed, in 2001, an attempt to contract out the management of an underperforming public sector prison, Brixton, failed when not a single private sector bidder came forward, no doubt deterred by the anticipated cost of transforming a failing prison.[19] There was then a brief pause and the momentum behind privatisation clearly slowed down. Even in the US, several private contracts were lost and prisons de-privatised.[20]

The Carter Review (2003) signalled a critical turning point. It recommended the creation of the National Offender Management Service (NOMS) to facilitate end-to-end management of offenders. This was established in 2004 and set the ambitious mandate of directly managing the Prisons Service and introducing greater 'contestability' in prisons and probation services.[21] This dual objective was to be achieved by creating a purchaser and provider split between NOM's commissioning and provider arm. The reforms indicated a significant change in the landscape.

In practice, however, a number of the reforms NOMS was charged with implementing were never actually followed through and momentum slowed down. For example, in May 2005, the Home Secretary decided to suspend the competition for the management of a cluster of three prisons on the Isle of Sheppey in Kent following discussions with representatives from NOMS, Prison Service Management, the POA and the Chairman of the Trade Union Congress (TUC).[22] In the end, the Prison Service was successful in its bid and was awarded a SLA for three years. As a result, private sector companies began to lose faith that there was actually a market to compete in.

There was, however, a resurgence of interest in the market towards the end of the decade. In March 2010, Jack Straw launched the first 'social impact bond'. This is an innovative financial instrument that raises capital for investment in the social sector with returns to investors contingent upon specified social outcomes being achieved – in this case, prisoner rehabilitation. It was during this period that two charities (Rainer and Turning Point) partnered with private security company Serco to create "the alliance". It secured some key successes including HMP Maghull and HMP Belmarsh West (June 2009).[23] Although HMP Maghull was shelved in 2010 by the Coalition, HMP Belmarsh West opened in March 2012 (renamed as HMP Thameside).

2010 – present: Deepening and expanding competition

Cuts in public spending underpinned a renewed drive towards privatisation from 2010, with Justice Secretary Kenneth Clarke endorsing the contested idea that privately run prisons are cheaper than their public sector equivalents.[24] He opened the competition for eight prisons which represents a massive acceleration in the pace of contracting out and will be the largest privatisation programme in the history of the sector. And, in April 2012, HMP Birmingham became the first public sector prison to be fully privatised meaning that the private company both runs and owns the asset.

Alongside this push towards privatisation, the Ministry of Justice is adapting the way it contracts with the private sector. It has introduced a "payment by results" (PbR) pilot system with the aim of encouraging prisons to reduce reconviction rates. The aim is to ensure that service providers are increasingly paid not simply for the activities they perform, but on the basis of the results they achieve. In 2011, Doncaster Prison became the first prison whose service contract includes a re-offending PbR element. The winning consortium (Serco, Catch 22 and Turning Point) has been tasked with reducing re-conviction rates by 5%, with 10% of the total contract revenue at risk for non-delivery. Success will be determined by applying a binary measure of whether any sentenced prisoner released from HMP Doncaster is re-convicted within 12 months of release.[25]

The Ministry of Justice has also set out ambitious plans to reform the related service area of probation by extending competition and opening up the management of low-risk offenders to a wide range of private, voluntary and public sector providers.[26] In July of this year, Serco won the first private probation contract and took over the supervision of offenders on "community payback" sentences in London in October 2012.[27]

This trend towards marketisation seems likely to continue under the new Justice Secretary, Chris Grayling. He recently restated his intention to use more competition and roll out payment by results across probation services.[28] However, in November 2012, the MoJ unexpectedly suspended the competition for HMPs Coldingley, Durham and Onley, all of which will remain in the public sector. And, G4S, lost the contract to manage HMP Wolds, which it has been running since 1992.[29] While some see this as an expected u-turn that amounts to the end of competition in the sector, others simply see it as a prelude to a more radical approach to contracting.[30]

Impact

Performance

The operational performance of PFI prisons has been mixed, and the differences between them can be significant.[31] For example, in 2003, the National Audit Office (NAO) found that the best PFI prison outperformed most public prisons, but the lowest performing PFI prison was among the worst in the prison estate, while the top two performing prisons were public.[32]

The heterogeneity within public and private sector prisons makes it extremely difficult to compare the performance of one type with the other. In fact, direct comparisons are impossible for two reasons. First, the two types vary in the way they are measured and the targets they are set. PFI and privately managed prisoners are monitored against a range of contractual performance measures whereas public prisons are assessed against a range of key performance targets (KPTs). Second, Victorian-era prisons (primarily run by the public sector) are generally more difficult and expensive to run than new-build ones (primarily run by the private sector) which is also likely to skew performance figures.

As a result, there has been no conclusive evidence to suggest that public and private prisons can be distinguished in terms of key outputs (e.g. keeping prisoners in custody, providing decent conditions and reducing the re-offending rate). This means that claims are often made about the superiority of each sector on the basis of little empirical evidence.[33]

Cost effectiveness

There is a dearth of empirical evidence assessing the relative cost effectiveness of privately run prisons. The most recent comparative study is over 10 years old (1998-99), and was sponsored by the Home Office. It uses four publicly owned, but privately managed facilities each with its own public sector comparator. The report found that privately operated prisons offered an average savings of 13% in cost per prisoner.[34] This figure has sparked disagreement with some claiming that privately managed prisons offer little or no savings after accounting for their greater rates of overcrowding,[35] while others argue that they actually offer higher savings when accounting for taxes paid by the private providers and the full cost of public sector pensions.[36]

It has been difficult to resolve this area of disagreement since financial information on private prisons is currently kept confidential.[37] Comparisons of unit costs between public and private prisons are further complicated by the fact that each model relies on different methods of financing and service specifications.[38] For example, it has been suggested that the Prison Service does not include the full cost of overheads in their bids and therefore can artificially lower the price.

Recently, cost-related concerns have centred on the fact that PFI contracts lack sufficient flexibility to accommodate changing policy requirements, not least because this is inevitable over a 25 to 30 year contract period. Amending the service specification is burdensome and costly and can often undermine any initial cost savings that may have been achieved.[39] For example, in 2006, the Ministry of Justice had to pay an estimated £54m to contractors to undertake changes to existing PFI contracts to reflect new policy priorities.[40]

Prison regimes

Recent research indicates that the type of regimes nurtured in public and private prisons differ considerably with public prisons performing better on 'security measures' (order and safety) and private prisons performing better on 'relationship measures' (respect, humanity and trust).[41]

Although better treatment of prisoners was never one of the overriding goals of privatisation (advocates mainly focused on cost-effectiveness arguments), academic research has shown that the quality of prison life, including staff-prisoner relations, is much higher in private prisons.[42]

This can often simply be a product of the fact that all private prisons are newly-built, which can itself contribute to a more relaxed atmosphere, higher quality of life and thus better staff-prisoner relationships.[43] At the same time, staff in PFI prisons have actively promoted the 'decency agenda' through, for example, the use of first names, mentoring schemes, more out of cell time, and greater resistance to punitive government policies.[44] An NAO commissioned survey found that, as a consequence, prisoners held in PFI prisons felt that they were treated better and shown greater respect than prisoners in public prisons.[45]

Various studies have noted that although privately run prisons nurture better staff-prisoner relations, they tend to perform less well on order and safety measures.[46] For example, there are relatively high levels of prisoner-on-prisoner assaults in PFI prisons.[47] It is, however, unusual for any prison to perform equally well on both 'security' and 'relationship' measures which suggests there is often a difficult balance to be struck between the two.[48]

System effects

One of the anticipated benefits of private sector competition was an improvement in the system as a whole. A number of government sponsored reviews and commissions conclude that the use of the PFI has helped generate an alternative market that, through market testing, has increased competition, reduced costs and catalysed innovation in the prisons sector.[49]

There is broad agreement that the most significant impact lies in the increased competitiveness of the Prisons Service demonstrated by its success in replacing private sector management at two prisons in the early 2000s (Buckley Hall and Blackenhurst) and beating off all private sector bidders to win Manchester (2000). It achieved this, in part, by reducing the price of its bids through more flexible staffing arrangements negotiated with the POA.[50] In the case of Blakenhurst, the winning public sector bid was 10% lower on cost than the incumbent private sector contractor, and was also ranked first in terms of quality.[51]

There are, however, concerns as to whether competition has in actuality fostered higher standards across the whole market. A NAO report concluded that competitively priced bids are often priced too low, which can make meeting performance and contractual obligations extremely difficult.[52] This tension between achieving significant costs savings on paper and the ability to deliver in practice lies at the heart of the debate on how to design effective contracts that offer value for money over the long term.

There is less evidence to suggest that competition has stimulated greater innovation and improvement in prison management. Although the private sector has introduced the use of CCTV cameras, magnetic key cards and privacy locks in managing inmates, the level of innovation and exchange of best practice has been limited.[53] The OFT suggests that this is because commissioners are often highly prescriptive in the way they specify tenders reducing the scope for innovation and alternative delivery models.[54]

This appears to be changing. In 2011, the Ministry of Justice (MoJ) published its *Competition Strategy* and indicated that it would move away from telling providers how to deliver a service to letting them decide for themselves how best to achieve a particular outcome.[55] It is too early to assess how this has been implemented and the impact it has had.

Lessons

The history and impact of competition in the prisons sector suggests four potential lessons for those considering applying market mechanisms in public services.

1. **Politics matters:** It is clear that the pace of change in the sector has been determined by the political preferences of the governing party. The momentum for privatisation first began under the Thatcher administration that was deeply committed to extending the free market in public services and curtailing the strength of trade unions. Privatisation advocates were able to point to the effectiveness of the prisons market in the United States, a first mover in this sector. Although New Labour by and large converged with Conservative party policy on the use of PFIs in the delivery of public services, there was a brief period of stasis from the mid-2000s onwards. Since the Coalition Government came to power in 2010, the pace has accelerated once again with efforts to deepen and expand the market.

2. **Institutional restructuring can distract as much as it assists:** The major institutional change in the sector came with the establishment of NOMS in 2004. Although it was set the ambitious mandate of introducing greater competition in the sector, its establishment seems to have attracted the lion's share of political attention, effort and resources thereby exhausting any remaining political will for future reforms.

3. **A variety of contracting models can be adopted, but it is unclear which one is most effective:** Today, there are 14 contracted out prisons. Ten of these are owned and run by private companies under a PFI contract (with ownership reverting back to the public sector at the end of the contract); three are government owned but privately run; and one is privately owned and privately run.[56] Alongside this, a 'payment by results' model has also been piloted. It is unclear, however, which contracting model has been the most effective in achieving the government's objectives, whether these relate to cost savings or regime improvement.

4. **It takes time to create and develop a market**: Contracting in the prisons sector began two decades ago. Since then, governments have experimented with a variety of delivery models. It is only through this process of learning that the government can build the capability and institutional processes necessary to develop a more sophisticated approach to contracting. For example, those who gained experience during the early privatisation years were crucial to the development of the innovative social impact bond model first introduced in 2010. Likewise, it takes time for providers to develop and tailor their service offering so that it matches public sector objectives.

Endnotes

[1] Ministry of Justice, 'Contracted-out prisons' available at: http://www.justice.gov.uk/about/hmps/contracted-out

[2] Jones, T and T Newburn, (2002) 'Learning from Uncle Sam? Exploring US Influences on British Crime Control Policy', *Governance: An International Journal of Policy, Administration and Institutions*. Vol. 15. No. 1. pp. 97-119, p. 101

[3] Cardwell, V. (2012), *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation*, London: Criminal Justice Alliance, p.6.

[4] In the 10-year period from 1979-1988, the overall prison population increased quite modestly by 18% from 42,220 (1979) to 49,949 (1988), yet over the same period the remand population increased by as much as 76% from 6,629 to 11,667. Cited in James, A and K Bottomley. (1998). 'Prison Privatisation and the Remand Population: Principle versus Pragmatism?' *The Harvard Journal*, Vol. 37, No. 3, pp. 223-233, p.223.

[5] Pozen, D. (2003), 'Managing a Correctional Marketplace: Prisons Privatisation in the United States and the United Kingdom', *Journal of Law and Politics*, Vol. XIX. No. 253, pp.253-282, p.264.

[6]Gash, T and T Roos. (2012). *Choice and Competition in public services: learning from history.* London: Institute for Government.

[7] Home Affairs Committee. (1987). *Contract Provision of Prisons.* London: House of Commons.

[8] Pozen, D. (2003), 'Managing a Correctional Marketplace: Prisons Privatisation in the United States and the United Kingdom' *Journal of Law and Politics,* Vol. XIX. No. 253. pp.253-282, p.261-262.

[9] Nossal, K and Phillip Wood, (2004), *The Raggedness of Prisons Privatisation: Australia, Britain, Canada and New Zealand and the United States Compared.* Paper presented for the Prisons 2004 Conference on Prisons and Penal Policy: International Perspectives. City University, London, 23-24 June 2004, p.9

[10] Criminal Justice Act 1991 (Contracted Out Prisons) Order 1992. Available at: http://hansard.millbanksystems.com/lords/1992/jul/07/criminal-justice-act-1991-contracted-out

[11] James, A and K Bottomley, (1998), 'Prison Privatisation and the Remand Population: Principle versus Pragmatism?' *The Harvard Journal*, Vol. 37, No. 3, pp. 223-233, p.224.

[12] The PFI is a financial mechanism to obtain private finance for public sector projects without affecting public borrowing (i.e. projects are kept 'off balance sheet'). The private sector undertakes the design and construction of a prison and thereafter maintains and operates it for 25 years, after which the building becomes the property of the Prison Service.

[13] Pozen, D. (2003). 'Managing a Correctional Marketplace: Prisons Privatisation in the United States and the United Kingdom' *Journal of Law and Politics*, Vol. XIX. No. 253, pp.253-282, p. 265-266.

[14] Teague, M. (2012). 'Privatising Criminal Justice: A Step Too Far?' in Cardwell, V. (ed) *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London, Criminal Justice Alliance, p.43

[15] Taylor, P and C Cooper. *Privatised Prisons and Detention Centres in Scotland: An Independent Report*, p.37

[16] If the targets specified in a SLA are not fulfilled, the prison faces closure or being contracted out to the private sector without an in-house bid.

[17] NAO, (2003), *The Operational Performance of PFI Prisons,* London: National Audit Office, p.31.

[18] Ibid., p. 32.

[19] Nathan, S. (2003), 'Prison Privatisation in the United Kingdom' in Coyle et al. *Capitalist Punishment: Prison Privatization and Human Rights.* Clarity Press Inc, p.169.

[20] Nossal, K and Phillip Wood. (2004). *The Raggedness of Prisons Privatisation: Australia, Britain, Canada and New Zealand and the United States Compared.* Paper presented for the Prisons 2004 Conference on Prisons and Penal Policy: International Perspectives. City University, London. 23-24 June 2004, p. 2.

[21] Carter, P, (2003), *Managing Offenders, Reducing Crime*, London, Home Office, and Cardwell, V. (2012), *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London: Criminal Justice Alliance, p.7.

[22] MCG Consulting, (2005), *Privately Managed Custodial Services*, p.18.

[23] Wright, C and Peter Jones. (2012). '*Something old, something new: Catch 22's work in Doncaster Prison'* in Cardwell, V. (ed) *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London, Criminal Justice Alliance, p. 55.

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[27] BBC, 'London Probation Contract Won by Private Firm*',* 13 July 2012, available at: http://www.bbc.co.uk/news/uk-18827469

[28] http://www.instituteforgovernment.org.uk/blog/4983/big-bang-will-graylings-payment-by-results-rocket-boosters-reduce-reoffending-rates/

[29] http://www.justice.gov.uk/news/press-releases/moj/next-steps-for-prison-competition

[30] http://www.instituteforgovernment.org.uk/blog/5132/making-a-quick-escape-from-prisons-contracting/

[31] NAO, (2003), *The Operational Performance of PFI Prisons,* London, National Audit Office, p. 10.

[32] Ibid, p. 8.

[33] Crewe, B and A Liebling, (2012), *'Inside Views on Private Sector Competition'* in Cardwell, V. (ed) *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London, Criminal Justice Alliance, p.25.

[34] Home Office, (2000), *Review of Comparative Costs and Performance of Privately and Publicly Operated Prisons, 1998-1999.* London, Home Office.

[35] Pozen, D, (2003), 'Managing a Correctional Marketplace: Prisons Privatisation in the United States and the United Kingdom'*,* *Journal of Law and Politics*, Vol. XIX. No. 253. pp.253-282, p. 273.

[36] Sturgess, G. (2012), 'The Sources of Benefit in Prison Contracting' in Cardwell, V. (ed). *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London, Criminal Justice Alliance, p.32.

[37] Pozen, D, (2003), 'Managing a Correctional Marketplace: Prisons Privatisation in the United States and the United Kingdom', *Journal of Law and Politics*, Vol. XIX. No. 253. pp.253-282, p.278.

[38] Ministry of Justice, (2011), *Costs per place and costs per prisoner by individual prison.* London: Ministry of Justice. Available at: http://www.justice.gov.uk/downloads/statistics/hmps/prison-probation-performance-stats/prison-costs-summary-10-11.pdf

[39] For analysis see NAO. (2008). *Making Changes in Operational PFI Projects.* London: National Audit Office.

[40] NAO. (2003). *The Operational Performance of PFI Prisons.* London: National Audit Office, p. 6.

[41] Sturgess, G. (2012), 'The Sources of Benefit in Prison Contracting' in Cardwell, V. (ed). *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London, Criminal Justice Alliance, p.33.

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[43] Shefer, G and A Liebling, (2008), 'Prison Privatisation: In Search of a Business-like Atmosphere?' *Criminology and Criminal Justice,* Vol. 8. No. 3. pp. 261-278, p.268.

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[46] Teague, M, (2012), *Privatising Criminal Justice: A Step Too Far?* in Cardwell, V, (ed) *Delivering Justice: The Role of the Public, Private and Voluntary Sectors in Prisons and Probation,* London, Criminal Justice Alliance, p.43.

[47] NAO, (2003), *The Operational Performance of PFI Prisons,* London, National Audit Office, p.25.

[48] Ibid, p.7.

[49] For example see Carter, P, (2003), *Managing Offenders, Reducing Crime*. London, Home Office, Laming, Lord. (2000). *Modernising the Management of the Prisons Service: An Independent Report by the Targeted Performance Initiative Working Group Chaired by Lord Laming of Tewin CBE,* London, Home Office, and Sturgess, G and B Smith. (2006). *Designing Public Service Markets: The Custodial Sector as a Case Study,* London, Serco Institute.

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[51] Ibid, p.31.

[52] Ibid.

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