



Meg Hillier MP
Chair of the Committee of Public Accounts
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By Email Only

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Yen Chair,

**FIFTY SIXTH REPORT OF SESSION 2017-19: MINISTRY OF JUSTICE –
TRANSFORMING COURTS AND TRIBUNALS**

I am writing about prioritising and balancing my department's portfolio of change (in answer to recommendation 6 of your Committee's report: Transforming Courts and Tribunals – Session 2017-19 (HC 976)).

For several years, we have operated an assessment process using a 'change scorecard' which produces a ranked list of the projects bidding for central change funds. This is based on a weighted assessment of financial, economic, strategic and achievability scores, but it also looks at aspects such as committed spend and obligatory projects, such as those which comply with a statutory duty.

More recently, we have developed a further process to assess whether our change portfolio has balance in terms of risk, contribution to strategy, and level of return on investment. This will help us to make investment decisions based on our capacity to deliver change and with a shared understanding of our risk appetite. The process will help ensure that the ranked list of projects as identified in the change scorecard is the most effective set of investments for the Department in terms of delivering all our strategic objectives. In line with your recommendation, we think this approach will allow us more promptly to respond to financial pressures. Having a better understanding of the balance of the portfolio will allow us to identify quickly any areas which could be stopped or delayed.

It is our intention to test this approach with the Department's Investment Committee towards the end of this financial year. This will allow us to make iterative refinements to the process ahead of the next Spending Review.

Finally, my Executive Committee takes a periodic view on whether we have got the balance right across our areas of responsibility, and on whether we are trying to do too much. I would add that a change portfolio that tries to address the need to modernise our justice

system but leaves prisons and probation alone (or vice versa) would feel wholly unbalanced. And a portfolio that is disproportionately dominated by a single programme can generate management problems of its own; in its recent history, the department has experience of that happening.

We would be happy to provide further detail on any of this, if the Committee would find that helpful. Susan Acland-Hood, Chief Executive of HMCTS, will be writing in January setting out our response to the other PAC recommendations.

Yours sincerely,



Richard Heaton