



Accounting Officer Memorandum

Young Offenders' Institute Education Services (YES) Retender Project – Full Business Case

Accounting Officers have a standing responsibility to scrutinise policy proposals, projects or programmes and ensure the actions of the public organisation they lead meet the four Accounting Officer standards of *regularity, propriety, value for money, and feasibility* – as set out in Managing Public Money.

From April 2017, the government committed to making a summary of the key points from assessments available to Parliament when an Accounting Officer has conducted an assessment of a project or programme within the Government's Major Projects Portfolio (GMPP).

Background and Context

The UK government's vision for the Youth Secure Estate (YSE) for children and young people (CYPs) given custody in England is that it be comprised of a network of Secure Schools and Secure Children's Homes. Such provision is intended to replace current Young Offender Institute (YOI) and Secure Training Centre (STC) provision.

YOI provision – much of it adapted to, rather than, designed for accommodating children – currently makes up over 70% of YSE accommodation, however; the transition to a vision of secure schools is a long-term ambition that will require sustained development and funding to achieve. YOI provision will continue to be important in accommodating CYPs for the foreseeable future.

Current MoJ Contracts for Education Services (which include classroom-based and outreach provision) for HMYOIs Cookham Wood, Feltham,¹ Werrington and Wetherby end in August 2022 – having been extended following earlier Investment Committee approval.

The vision of the YOI Education Services Retender is to transform the quality of educational services in public sector YOIs, to realise better outcomes for children in custody including in terms of transition and resettlement, and to help promote positive identity shift.

¹ Feltham is a split-site YOI: Feltham A dedicated to children and young people (those under 18 years of age) and Feltham B providing services for young adult offenders (aged between 18 and 21 years old). Feltham A is within scope of the YJ Reform Programme. Unless otherwise stated, references in this OBC to Feltham are to Feltham A.



Overall, the three objectives of this retender are:

- Develop the market to broaden the supply base for education services;
- Improve government understanding of education outcomes for children in custody;
- Ensure the services provided support the integration of custody, education and health services in YOIs

This assessment has been made at Project Full Business Case stage.

Regularity

There is a legal duty on HM Government (HMG) to provide education to all children of school age, equally, access to education is every child's right under UNCRC obligations – and learning a key tool in enabling children to understand and use a wide range of other rights.

Services commissioned, procured and provided by HMG are also required to consider the Public Sector Equality Duty (PSED) – see section 8.4 and Annex D of the same document.

As well as these broad statutory requirements on HMG, rule 38 of the YOI Rules legislation contains specific requirements for a minimum of 15 hours per week of education and training to under 18s in custody.

Propriety

An experienced Senior Responsible Owner (SRO) has been appointed, supported by a specific project board (Youth Education Services Project Board) with representation from relevant professionals (from Youth Custody Service Education Operations, Commercial, Legal, Finance, HR, Analytic Services, and Project Delivery). This project board is well established and is managing the project plan that will deliver the management of the required changes leading to the implementation of the new YES service contracts.

Bids were assessed by an Evaluation Team made up of relevant and competent representatives (as above) with Conflict of interest letters duly signed by each person, with Commercial facilitating and moderating the whole process, and signed off by Legal.

Business case being presented to MoJ Investment Committee and subsequently HMT and the Cabinet Office for approval. The risks associated with the contract re-competition are known, manageable and are acceptable as evidenced by the proactive monitoring and mitigation of risks on the Project Risks Register. Sufficient public resources are available and are likely to continue to be available to support the business-as-usual (BAU) operation and management of the contracts.

The retender of these YES contracts is affordable based on the forecast and costed YOI capacity (and population) projections during the life of the new seven-year contract.

Value for Money

Value for money has been appropriately addressed throughout the Project FBC. The Authority ran a robust procurement exercise with a detailed evaluation of both cost and quality. This procurement offers demonstrable value for money and would award to the Most Economically Advantageous Tenders.

Feasibility

An experienced HMPPS Deputy Director from the YCS Directorate was appointed as SRO for the YES Project, and as SRO, is directly accountable to the Permanent Secretary, Ministry of Justice, under the oversight of the YCS and HMPPS Chief Executive Officer.

Effective governance of the project is assured by a dedicated Project Board with representatives from all key stakeholder groups. Issues incapable of being resolved at Project Board level are escalated to the HMPPS Change Portfolio and from there to HMPPS Agency Board.

A dedicated Project team led by a Senior Project Manager has been established to oversee the day to day management of the project and reports progress and escalates issues regularly to the Project Board. The SRO and the Project Team have the necessary skills and capability to manage the project

The project has a dedicated ring-fenced project budget, spend against budget is regularly tracked, and requires prior approval for any project budget increases.

Award of contracts will be subject to the approval of HM Treasury and the Cabinet Office. Furthermore, the project is subject to independent Gateway Reviews at key stages of the project lifecycle. The February 2022 Gateway 3 review (Investment Decision) gave an overall delivery confidence assessment of Green, acknowledging the readiness of the retender to proceed.

Conclusion for the Accounting Officer

My conclusion is that the YES Project is ready to proceed to seek Cabinet Office and HM Treasury external approval of the Project Full Business Case, required to commence the contract award process.

As the principal accounting officer for HMPPS I considered this assessment of the YES Project and approved it on 28 March 2022.

I have prepared this summary to set out the key points which informed my decision. If any of these factors change materially during the remaining lifetime of this project, I will ensure a revised summary is prepared, setting out my assessment of the changes.

This summary will be published on GOV.UK. Copies will be deposited in the Library of the House of Commons and sent to the Comptroller and Auditor General and Treasury Officer of Accounts.

I have placed a copy in the Commons and a copy has also been provided to the Principal Accounting Officer for the Ministry of Justice, who has seen my assessment and endorsed my conclusion.

Dr Jo Farrar

HMPPS Chief Executive and Ministry of Justice and Second Permanent Secretary

Accounting Officer Assessment Memorandum endorsed by Antonia Romeo Principal Accounting Officer of Ministry of Justice

Date 19/04/2022