



To: Robin Seaton, Senior Responsible Owner for the Four New Prisons Programme
From: Dr Jo Farrar, Second Permanent Secretary of the Ministry of Justice; and
Nick Smallwood, Chief Executive Officer of the Infrastructure and Projects Authority

May 2022

Dear Robin,

APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE FOUR NEW PRISONS PROGRAMME

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Four New Prisons Programme with effect from June 2021. This letter sets out your responsibilities and the support you can expect from your department and the Infrastructure and Projects Authority.

As SRO, you are directly accountable to the Chief Executive Officer, HM Prison and Probation Service (HMPPS), under the oversight of the Permanent Secretary, as Principal Accounting Officer for Ministry of Justice, and Victoria Atkins, Parliamentary Under Secretary of State in the Ministry of Justice.

The Four New Prisons Programme forms part of the Ministry of Justice's Portfolio, under the oversight of the Chair of the Ministry of Justice's Portfolio Committee, with tolerances set by the Investment Committee at each approvals point. The programme is included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of the programme and will be held accountable for the delivery of its objectives, with policy intent and outcomes expected. This encompasses securing and protecting its vision, ensuring that it is governed responsibly, reported on honestly, escalated appropriately and for influencing the context, culture, and operating environment of the programme. You are also responsible for ensuring the ongoing viability of the programme and recommending its pause or termination if appropriate. Where issues arise which you are unable to resolve, you are responsible for escalating these to the Ministry of Justice's Investment Committee.

You remain accountable to Ministers, as set out in the Civil Service Code, and should deliver the project in accordance with the objectives and policy intent as set by Ministers.

In addition to your internal accountabilities, SROs for GMPP projects and programmes are personally accountable to Parliamentary Select Committees. This means that, from the date of this letter, you will be held personally accountable to and could be called by Select Committees to account for and explain the decisions and actions you have taken to deliver the Four New Prisons Programme

It is important to be clear that your accountability relates only to implementation, within the agreed terms in this letter; it will remain for the Minister to account for the relevant policy decisions and development.

More information on this is set out in [Giving Evidence to Select Committees - Guidance for Civil Servants](#), sometimes known as the Osmotherly Rules. Information on the roles and responsibilities of the SRO are detailed in the Infrastructure and Project Authority's guidance on [the role of the senior responsible owner](#). You should also make yourself familiar with the [Government Functional Standard for Project Delivery](#), the requirements of the Government Project Delivery Framework, and the guidance and requirements for project delivery as set by the Ministry of Justice's Portfolio Management Office.

Time commitment and tenure

This role will require 50% of your time to enable effective delivery of the role and execute your responsibilities in full.

You are expected to undertake this role until achievement of programme close, planned for March 2027. Progress towards this should be reflected in your personal objectives. Progress towards this will be reflected in your personal objectives. Any changes to the agreed time commitment or tenure of the role, as set out above, will require both departmental and Infrastructure and Projects Authority consent.

Objectives and performance criteria

The objectives and vision of the programme is to build and mobilise four new prisons creating at least 6,240 places – one next to HMP Full Sutton and three others (sites TBC) – to support the achievement of the 2019 manifesto pledge of 10,000 additional prison places. The additional capacity in these prisons will contribute to meeting the forecast increase in the prison population and will address the current problem of holding prisoners in a security category higher than that for which they have been assessed for. This programme will deliver a Category B Training Prison and three Category C Resettlement Prisons. It will provide modern environments that are safe, secure and decent in which to rehabilitate prisoners, offer lower running costs and are more environmentally sustainable. The new prisons should be capable of delivering better outcomes than the legacy estate, contributing to the Government's objective of making communities safer.

As SRO for the Four New Prisons Programme you will support the Ministry of Justice's vision for environmental sustainability, this means supporting the Ministry of Justice to lead the way in Greening Government, embedding sustainability in everything the Ministry of Justice does and using sustainability to support the Ministry of Justice's strategic objectives. The prisons will align with Government commitments on environmental sustainability and in particular will be net zero ready, will deliver 10% biodiversity net gain and will apply Government Buying Standards to both design and delivery. The projects will comply with the Ministry of Justice's sustainable construction policy and achieve "Outstanding" BREEAM ratings. Innovation will also be a key part of delivery of the Ministry of Justice's environmental ambition and, where possible, you should seek opportunities for innovation throughout the programme.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by the Ministry of Justice's Investment Committee and may be subject to further levels of approval.

Your personal objectives and performance criteria that relate to the programme are:

1. To ensure the new prisons are built to the relevant standards and requirements, on time and within budget.

You should ensure that the prisons are delivered on time, to enable first prisoner dates to be met and capacity to be ramped up to full capacity swiftly and reliably, within budget, and that they meet the relevant standards and requirements, including those of HMPPS. You should ensure that the impacts of

external risks, including Covid-19, are managed and mitigated as far as possible and ensuring transparency and escalation of risks where required to keep delivery on track.

2. To ensure the procurement of an Alliance of Contractors, using the Crown Commercial Service Construction and Associated Services Framework, and the allocation of individual projects to the members of the Alliance.

You should ensure that the tendering process supports open and fair competition; that the successful parties are contracted on time to allow the programme to meet delivery dates; and that they are successfully contract managed to deliver the programme's objectives, driving value for the taxpayer.

3. To deliver competitions for the operation of up to three of the four prisons to baseline timescales, and to work with Public Sector Prisons to mobilise at least one prison in the public sector.

This will require the delivery of a credible, competitive procurement to secure the best value for money provider, driving an affordable, high quality outcome for each competition. It will also require the development of a public sector operating model and mobilisation plan that contributes to the programme objectives, reflects the challenges of the contemporary prison operations environment, and supports swift and reliable ramp up of the new prison's capacity.

4. To assure the mobilisation of the prisons, to ensure first prisoner dates are met and the subsequent ramp up to capacity at each prison within the required timeframe.

Mobilisation is a challenging period. You must ensure that the winning bidders, and HMPPS, are held to account for mobilising the prisons safely, on time and meeting HMPPS's requirements within the set budget before handing responsibility to BAU six months after first prisoner or as otherwise agreed by the Programme Board and the Prison Capacity Sub-Portfolio Board.

5. To deliver four new prisons in line with the Ministry of Justice's commitment to improve the environment and to be net zero carbon by 2050.

Delivery of "near zero energy" buildings is required by the UK Building Regulations for all public sector buildings. HM Treasury agreed to fund £97m to deliver a c. 70% reduction in energy consumption and c. 90% reduction in carbon reduction compared to Glen Parva and to deliver BREEAM Outstanding, along with the capability to connect the sites to future off-site renewable energy generation should the need arise for the prisons to become fully zero carbon in operation. The Ministry of Justice's mandatory BREEAM credits must be delivered across the programme (unless proven to be technically or commercially not feasible, poor value for money or unaffordable, or to otherwise jeopardise the successful delivery of other essential project deliverables) in such cases a derogation to 'Excellent' may be granted.

You are expected to run your project in accordance with the [Government Functional Standard for Project Delivery](#), the other [Functional Standards](#) as applicable to this project and the requirements of the Government Project Delivery Framework, ensuring that the project follows best project delivery practices and effective risk management processes, ensuring that the programme follows best delivery practices and effective risk management processes.

Extent and limit of accountability

Finance and Controls

HM Treasury spending controls will apply on the basis set out within the department's delegated authority letter. Where the programme exceeds the delegated authority set by HM Treasury, the Treasury Approval

Point process will apply, and the details of each approval process must be agreed with your HM Treasury spending team. You should consult departmental finance colleagues on how to go about this.

You should note that where expenditure is considered novel, contentious, repercussive, or likely to result in costs to other parts of the public sector, HM Treasury approval will be required, regardless of whether the programme expenditure exceeds the delegated authority set by HM Treasury. If in doubt about whether approval is required you should, in the first instance, consult departmental finance colleagues before raising with the relevant HM Treasury spending team.

The overall estimated budget, resourcing requirements and tolerances for your programme will be agreed as part of the approval process. It is expected that you deliver within the agreed cost, and deliverability tolerances and to report quarterly on these as part of GMPP reporting.

You should operate at all times within the rules set out in [Managing Public Money](#). In addition, you must be mindful of, and act in accordance with, the specific HM Treasury delegated limits and Cabinet Office controls relevant to 10,000 Additional Prison Places Programme: New Prisons. Information on these controls can be found here: [Cabinet Office controls](#).

Delegated authority

You are authorised to:

- Approve expenditure that does not exceed the costs agreed for in year overspend or underspend in line with the project FBC taking into account tolerances set by HMT and optimism bias and reflecting the limited levers you have to control the profile and the need to secure a deal with HMT on inter-year capital flexibility across the portfolio;
- Agree project rescheduling within agreed tolerance periods for agreed milestones, but rescheduling beyond that must be agreed with InvestCo; and
- Recommend to the Chief Executive Officer, HM Prison and Probation Service and the Ministry of Justice's Investment Committee governance body the need to either pause or terminate the programme where necessary and in a timely manner.

These authority limits are subject to change and other conditions or tolerances may be set as part of the business case approval and ongoing monitoring processes which you should then operate within.

Where issues arise, which take you outside of these authority limits which you are unable to resolve, you are responsible for escalating these issues to the Chief Executive Officer, HM Prison and Probation Service and the Ministry of Justice's Investment Committee. You should:

- Agree cost changes within the current cost envelope for the programme;
- Endorse any impacts on Optimism Bias;
- Report YTD/In year overspend or underspend of 5% for 3 months consecutively; and
- Agree to spending that does not exceed the costs agreed for in year overspend or underspend in line with the project Outline Business Case (OBC) and Full Business Case (FBC) taking into account tolerances set by HMT and optimism bias.

Appointments

You should appoint a full time Programme Director to support you in the management of this programme and make other appointments as required for the control and delivery of your programme within your delegated authority.

Governance and assurance

You should pay attention to ensuring effective governance for your programme, including the establishment of a programme board with appropriate membership and clear terms of reference.

As primary owner, you must ensure that the programme secures business case approval from HMPPS Estates Sub Committee, the Ministry of Justice's Investment Committee in all cases and Cabinet Office and HM Treasury. You should also ensure that the programme remains aligned to the strategic outcomes, costs, timescales, and benefits in line with the approved business case as well as monitoring the context within which the programme is being delivered to ensure it remains valid.

Where a change impacts the scope, costs, benefits, or planned delivery milestones agreed as part of an agreed business case, you are responsible for following the agreed change request approval process and setting a new, approved, business case baseline.

You should ensure that an accounting officer assessment is completed alongside the approval of the business cases and that this is published on GOV.UK as part of the government's transparency requirements on major projects. You are responsible for bringing to the attention of the accounting officer any material changes in the programme which could require a new accounting officer assessment to be completed and published. [Guidance on completing accounting officer assessments](#) for major projects is available from HM Treasury.

Although you are directly accountable for this programme, you are also expected to support delivery of the department's overall strategic objectives. This means that you are expected to work collaboratively with other SROs and project directors in adjacent projects and programmes and with the Ministry of Justice's Portfolio Management Office and Head of Portfolio to manage dependencies, resources, schedules, and funding to support delivery of the overall change the department needs to achieve its strategic objectives.

You should ensure that appropriate and proportionate assurance is in place and agree on the level and frequency of assurance reviews through the maintenance of an integrated assurance and approvals plan. You should develop this plan and its maintenance in collaboration with the Departmental Assurance Coordinator and the Infrastructure and Projects Authority.

Programme status, reporting and transparency requirements

The programme status at the date of your appointment is reflected in the most recent quarterly return on the programme to the Infrastructure and Projects Authority and is the agreed position as you assume formal ownership of the programme.

You are responsible for ensuring the honest and timely reporting on the position of the programme to the Infrastructure and Projects Authority while it remains on the GMPP and for providing reports and information to the Ministry of Justice's Portfolio Management Office as required and for submitting business cases and reports to the Key Holder process and relevant boards. Where appropriate, governance will include reference to the Ministry of Justice's Investment Committee and Executive Committee. Information on the programme will be published annually by the Infrastructure and Projects Authority.

You should monitor, and report on, status, forecast timescales, costs and benefits, key risks established using the GMPP RAG rating (if appropriate) and dependencies, and ensure that any issues (including any likelihood of exceeding approved tolerances) are reported openly and transparently both within the Ministry of Justice and to the Infrastructure and Projects Authority. Where there are considerations that impact the wider delivery of 20,000 places or fall outside set tolerances, then you will need to escalate to the Senior Sponsor, Gary Badley, through the governance of the Prison Capacity Sub-Portfolio Board.

As the SRO of a programme that is within scope of the cross-government Net Zero Portfolio you are additionally required to report into the Net Zero and Climate Change governance structure, specifically

reporting into the Net Zero National Security Implementation Group Sub-Group and the Climate Action Implementation Committee.

As part of the government's commitment to transparency on major infrastructure projects, you are responsible for publishing on GOV.UK:

- A summary of the accounting officer assessment completed in line with the approval of the OBC and summaries of any subsequent assessments should they be required;
- A summary of the HM Treasury approved FBC; and
- A close out report after the programme has completed.

Development and support

As a member of a current Major Projects Leadership Academy (MPLA) cohort, we both expect, and will support you to continue your ongoing professional development and will encourage you to take an active part in MPLA alumni activities. You are also expected to maintain your continuing professional development as a project leader, including your status as an accredited assurance reviewer. To maintain your accreditation, you will be required to participate in a review at least once every 12 months.

The department will assist you in securing the necessary resources to support the programme, and will set clear guidance, requirements and standards, which align to the [Government Functional Standard on Project Delivery](#), to enable good governance and effective delivery. You will be part of the department's cohort of major project leaders who will be expected to support each other, share good practice and lessons learned and to collectively develop solutions. You should liaise with the department's Head of Profession for Project Delivery to discuss the maintenance and development of your delivery and leadership skills.

The Infrastructure and Projects Authority will be available to you for support, advice, and assurance throughout the programme's time on the GMPP.

Following approval of the business case and entry onto the Ministry of Justice's Portfolio, the Ministry of Justice's Portfolio Committee will provide ongoing oversight and support and will take steps to help resolve and escalate risks, issues or constraints that are acting as a blocker to successful delivery.

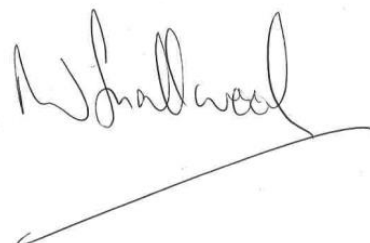
We would like to take this opportunity to wish you every success in your role as SRO.

Yours sincerely,



Dr JO FARRAR

Second Permanent Secretary of the Ministry of Justice and Accounting Officer for HMPPS



NICK SMALLWOOD

Chief Executive Officer, Infrastructure and Projects Authority

Appointment endorsed by:

Antonia Romeo, Principal Accounting Officer of Ministry of Justice: May 2022

CONFIRMATION OF ACCEPTANCE OF APPOINTMENT

I confirm that I accept the appointment of Senior Responsible Owner for the 10,000 Additional Prison Places Programme: New Prisons, including my personal accountability for implementation, as set out in the letter above.



ROBIN SEATON

24.05.2022