



# Accounting Officer Memorandum

## Women's Estate Expansion – Outline Business Case (OBC)

It is normal practice for accounting officers to scrutinise significant policy proposals or plans to start or vary major projects, and then assess whether they measure up to the standards set out in Managing Public Money. From April 2017, the Government has committed to make a summary of the key points from these assessments available to Parliament when an accounting officer has agreed an assessment of projects within the Government's Major Projects Portfolio.

### Background and Context

In 2019 the Prime Minister announced an investment of up to £2.5bn in creating 10,000 additional prison places. This resulted in formation of the Prison Capacity Sub-Portfolio (formerly the Additional Prison Places Programme). Relevant funding was subsequently increased at the autumn 2020 Spending Review (SR). Further new funding was also provided at that SR to deliver an additional c.4,000 places, which along with the two new prisons already being constructed, amounted to a total of 18,000 additional places.

The purpose of this OBC is to secure funding for up to c.500 additional places across the women's estate. The programme will undertake detailed design and planning to inform the final costs or constructing new modular units across the sites set out in the OBC.

We are working alongside other projects within HMPPS to manage capacity issues ahead of any new accommodation being mobilised. A long-term estate strategy is currently in development for the Women's Estate. Whilst the scope of this work falls outside of the Women's Estate Expansion Project, this work will remain aligned to ensure long-term plans to address the quality and effectiveness of the Women's Estate are not hindered by any current plans to expand in response to demand needs.

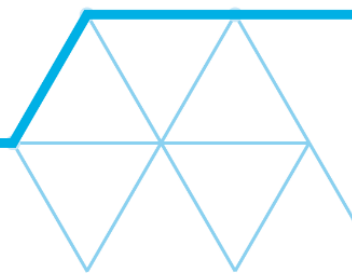
### Assessment against the accounting officer standards

I considered that this OBC met the four accounting officer tests.

#### Regularity

The Prison Act 1952 includes that the Secretary of State may, with the approval of the Treasury (or with relevant delegation) alter, enlarge or rebuild any prison, and build new prisons.

The plans set out in the OBC were fully compliant with relevant legislation. The procurement route complies with the Public Procurement Regulations 2015. Approval is subject to the programme



complying with all legal requirements as it continued to be developed, such as obtaining planning consents and meeting relevant construction standards.

The estimated cost of the programme at OBC was assessed as being affordable based on the department's Spending Review 2020 settlement.

## **Propriety**

This OBC was developed as part of the response to HM Treasury approval of a Strategic Outline Business Case (SOBC) for the delivery of the 10,000 Additional Prison Places Programme. It was produced by an experienced team with the relevant professional expertise and passed the department's internal governance processes ahead of submission to HM Treasury and Cabinet Office.

The assumption was that all projects within the Programme would be sourced through an established design framework to drive economy as part of the value for money approach, with relevant contracts being aligned with Government sustainability requirements and targets, including those relating to net zero carbon, BREEAM 2018 and biodiversity net gain. The project will target a BREEAM rating of 'outstanding' where this demonstrates value for money and is affordable, with an excellent rating to be achieved as a minimum standard.

The Programme was/is subject to an ongoing, embedded, formal risk management process to proactively identify risks to the achievability of the Programme's critical success factors, and take actions to mitigate and control them

## **Value for Money**

The programme is 'no regrets' in that if the expected increase in prison population did not materialise, existing accommodation not suitable for a place in the future estate would be considered for closure, or the additional capacity could be used to undertake more maintenance of existing prisons places.

The OBC sets out that all capacity would be delivered using a repeatable design specifically tailored to the specific needs of women in custody, which would be designed to improve safety, reduce violence, and rehabilitate offenders, thus delivering overall value for money.

## **Feasibility**

A design did not exist for a modern, fit for purpose accommodation block for the women's estate, and the OBC recognised the need to progress as quickly as possible to deliver the required additional places had to be balanced with the necessity for careful planning, particularly at the design stage to ensure the final product was fit for purpose and met its gender specific objectives.

The OBC received an Amber rating from the department's internal review process primarily in recognition of the challenging timeline and level of external dependencies. The project has received positive feedback and support from the relevant governance boards. We are engaging with HMT, Cabinet Office, Commercial, IPA, and others as we progress through governance.

## Conclusion

As the Accounting Officer for Her Majesty's Prison and Probation Service. I considered this assessment of the Women's Estate Expansion Programme and endorsed it in April 2021. I have prepared this summary to set out the key points which informed my decision. If any of these factors change materially during the lifetime of this project, I undertake to prepare a revised summary, setting out my assessment of them. This summary will be published on the government's website (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

**Dr. Jo Farrar**

HMPPS Chief Executive and Ministry of Justice Second Permanent Secretary