



Accounting Officer Memorandum

Decommissioning and Legacy Risk Mitigation (DLRM) Programme Outline Business Case

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

The DLRM Programme seeks to address the substantial operational, technical and cyber security risks present in the HMCTS legacy IT. The Programme includes around 150 applications of which 73 are critical applications that are essential to the continued operation of HMCTS services. The Programme brings together multiple workstreams all aimed at risk mitigation and including decommissioning applications where functionality will be replaced by alternative applications; migration of services out of legacy data centres to modern hosting platforms (including data migration) and the consolidation and modernisation of the technology and infrastructure across HMCTS. Without this Programme HMCTS will continue to operate critical systems that are significantly outdated, and with no means of managing ongoing risks.

The Programme has an estimated duration of 5 years, of which 2022/23 is the first full year. The first 3 years of funding, and an outline top-level scope, were approved and confirmed at the 2021 Spending Review.

The DLRM Programme is a HMCTS Programme and is assessed at Outline Business Case stage in May 22.

Assessment against the accounting officer standards

Regularity

The DLRM Programme will meet the ongoing requirements of HMCTS IT systems enabling continuous IT & Application services to HMCTS. The Programme envisions the contracting of services to enable HMCTS to continue to provide the Legacy and Future IT services as required.

Funding for the first 3 years of Programme activity has been secured via the Spending Review. This allocation has funded core/necessary activities to mitigate the most immediate/proximate risks, as



well as enabling us to reduce the risk across a number of other heritage applications. The number of applications the Programme can address and the reduction in risk that will be achieved depends on the overall funding position.

The Programme have engaged with relevant professional experts to ensure their approach is in line with current legislation and good commercial practice. Where activity requires such, work is underway to mitigate risks and challenges, with the appropriate specialised support. In addition, the Programme aims to reduce commercial risk which currently arises from the use of legacy systems and services which are not widely supported.

Propriety

The DLRM Programme is run in accordance with good and effective Project management practice.

Value for Money

The DLRM Programme will address a crucial area of vulnerability where failure would seriously impact HMCTS's ability to deliver key public services. The case for this investment was made successfully at the 2021 Spending Review.

Value for money will be assured through competitive tender of all relevant works and services. This Programme contains some services which can only be provided by a single supplier, and these will be subject to rigorous benchmarking of costs and external challenge.

Feasibility

The DLRM Programme will reduce the risks associated with HMCTS' legacy applications. The Programme has a clear strategy to achieve their aim, with a detailed delivery plan. There are significant dependencies on HMCTS Reform and on business process transformation across HMCTS as the organisation moves to new systems and new ways of working.

Conclusion

There is further work to be done to manage risks within this Programme, however this should not prevent approval for the project to commence. The Programme will continue working with Key Stakeholders to ensure it remains on track and develops a well evidenced update to MoJ at Q4 FY22/23.

As the accounting officer for HM Courts and Tribunals Service I considered this assessment of DLRM and approved it on 23 September 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 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.

Accounting Officer: Nick Goodwin 23 September 2022

**Accounting Officer Assessment Memorandum endorsed by Antonia Romeo Principal
Accounting Officer of Ministry of Justice on 29 September 2022.**