



Accounting Officer Memorandum

Electronic Monitoring: Expansion and Future Service Full 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 purpose of the Full Business Case (FBC) is to confirm the estimated whole life cost of the chosen Electronic Monitoring (EM) future service delivery model, based on preferred bidder submissions and internal resource costs, and to seek approval to award new EM contracts to enable continued delivery. These new contracts, alongside enhancements to departmental internal functions, will enable the delivery of the EM vision and spending objectives alongside the government's ambition to maximise the use of EM.

Since approval of the last version of the Programme Business Case (PBCv2) in August 2022, procurement activity has commenced which has determined costs of the future service based on actual supplier prices rather than the estimate should cost models.

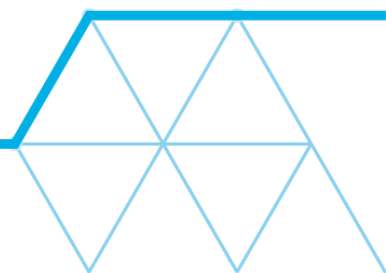
In addition, the FBC provides an update on the implementation and delivery of EM expansion initiatives and the development of the EM evidence base. The FBC is not seeking any additional approvals related to expansion.

As the Accounting Officer for HMPPS, I have considered that the EM Expansion and Future Service FBC has met the four Accounting Officer responsibilities, and there are no material Accounting Officer risks.

Regularity

The MoJ has cover in the Supply Estimate for EM under "policy and activities relating to sentencing and offender reform". The proposal within the FBC would represent a continuation and expansion of existing services for which current legislation remains in place.

Several initiatives under the programme relate to provisions in more recent legislation, the Police, Crime, Sentencing and Courts Act 2022 and Domestic Abuse Act 2021, all projects will be scoped to ensure new legislation, if required, is put in place. In relation to the service provided to the Home



Office Immigration Enforcement, legislative provisions are being given effect by the Home Office through the Immigration Act 2016.

It is therefore our assessment that the regularity standard is met.

Propriety

The FBC seeks to maximise the provision of EM in line with the programme's strategy, MoJ's Outcome Delivery Plan, the 2020 White Paper 'A Smarter Approach to Sentencing', Ministerial ambition and the Conservative manifesto commitment to expand the use of tagging.

The proposal and its implementation plan accord with the principles of Managing Public Money, alongside good practice as regards to internal governance, including risk management. The risks associated with the proposal have been deemed acceptable relative to the risks associated with alternative options, or of doing nothing.

The FBC confirms that the EM programme is affordable within MoJ's budget allocation and is in line with Public and Parliamentary expectations.

It is therefore our assessment that the propriety standard is met.

Value for Money

The two new contracts that will be awarded replace eight contracts in the current service and are aimed at improving and simplifying current service delivery and enabling EM to be a more robust, innovative and data-driven service which delivers better value for money.

The whole life costs are lower than the previous iteration of the case due to significant efficiencies across the two contracts driven out through the procurement process and therefore the programme continues to provide value for money.

The programme returns a positive net present value (NPV) for both core service and expansion given they both benefit from the reduction in contract costs. Remaining benefits are generally qualitative and cannot be monetised for purposes of providing an NPV.

Expansion initiatives will go through a separate structured appraisal and evaluation process.

It is therefore our assessment that the value for money standard is met.

Feasibility

The FBC provides detailed assessment of risks relating to the programme, lessons from current and previous service delivery and initiatives and how these are to be managed.

The new contracts are designed to embed lessons learned from current and previous delivery and provide MoJ with the right commercial and contractual levers to ensure a better EM service is then maintained over the life of the new contracts. The approach to implementation has been designed to ensure a safe and stable transition, to minimise service disruption and ensure value for money.

There are appropriate resources in place to deliver the programme.

It is therefore our assessment that the feasibility standard is met.

Conclusion

Subject to further evaluation being conducted on the outcomes and benefits of expansion following approval of this business case, the four tests have been sufficiently met.

As the accounting officer for HMPPS I considered this assessment of EM Expansion and Future Services FBC and approved it on 25th July 2023

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

A copy has also been provided to the Principal Accounting Officer for the Ministry of Justice, who has seen my assessment and endorsed my decision on the basis of my assurance that my Accounting Officer responsibilities are met.

Amy Rees

HMPPS CEO



Amy Rees

HMPPS CEO

25th July 2023

Clearances Table:

ROLE	NAME
SRO	Chris Taylor
MOJ Finance Director (SCS2)	Caroline Patterson
Sponsoring Director/SCS2	Jim Barton
Agency CEO/AO (if relevant)	Amy Rees
MOJ Press Office	Alex Robertson
MOJ Policy	Christina Pride
MOJ COO	James McEwen
PAO	Antonia Romeo