



Accounting Officer Memorandum

Drug Testing Service Project (DTSP) – 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

Drug testing is a longstanding practice within the criminal justice system in England and Wales. Testing identifies people in prison and on probation who are using drugs and helps prevent harm to these individuals – and to the public – by managing the risk of reoffending.

The project is seeking to award two new contracts for delivery of drug testing services for offenders in custody and the community from July 2025 when the current contracts expire. The two new contracts will run for an initial fixed period of 5 years, whereupon the optional extensions for a further 2 years could be invoked. Lot 1 is for laboratory services and Lot 2 is for Point of Care Testing (Kits). This assessment has been made at FBC stage. Assessment against the accounting officer standards

Regularity

The FBC for the Drug Testing Service Project is assessed as regular. HMPPS has legislative powers to collect samples from offenders in custody and in the community for the purposes of drug testing. The programme has been deemed affordable across the life of the contracts.

Propriety

The Drug Testing Service Project is assessed as proper. The proposal for the re-competition and its implementation aligns with managing public money standards and obligations and will be administered to a standard that meets public expectations. I am satisfied that all relevant governance and assurance procedures were completed ahead of submission to HM Treasury and Cabinet Office for final approval. 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 contract.



Value for Money

The Drug Testing Service Project is assessed as value for money. The project is aiming to best meet the stakeholder requirements whilst at the same time offering good value for money to the taxpayer and an affordable solution to HMPPS. The procurement strategy used an open competitive tendering procedure to attract competition and achieve best value for money through the evaluation strategy of balancing the quality of tender Bids, with the associated prices submitted. Testing types and volumes have been subject to a prioritisation exercise to ensure the best value can be driven from the contracts and there is sufficient flexibility in the new contracts to increase the range and volume of testing over time dependant on requirements and availability of funding.

Feasibility

The Drug Testing Service Project is assessed as feasible. Project management arrangements, internal governance and assurance processes are in place and embedded to control, oversee, and manage the project. The risks associated with the re-competition are known, manageable and acceptable. The project is in the Governments' Major Projects Portfolio and is subject to independent Gateway Reviews at key stages of the project lifecycle.

Conclusion

I have considered this assessment of the Drug Testing Service Project against the four accounting officer responsibilities of regularity, propriety, value for money and feasibility and I am satisfied that these responsibilities have been met.

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.

As the Accounting Officer for His Majesty's Prison and Probation Service, I approved this memorandum on 6 March 2025.

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 Chief Executive and Accounting Officer