



**Bob Neill MP**

Chair, Justice Select Committee  
House of Commons  
LONDON  
SW1A 0AA

8<sup>th</sup> July 2019

Dear Bob,

**PRISON OPERATOR FRAMEWORK**

Thank you for your response to my letter dated 18 June 2019. It is encouraging to see that the future of the prison estate continues to be a significant matter of interest to the Committee.

In replying to your letter, it may be helpful for me to explain a little more about the procurement process for the Prison Operator Services Framework Competition and the consideration given to the SFO investigation.

For a provider to be appointed onto the Prison Operator Services Framework, all potential bidders are assessed against selection criteria testing both their capability to provide safe, secure and decent custodial services and their financial robustness. However, it is important to note that having gained access to the Framework, all operators will still need to bid for specific prisons – for example at Wellingborough and Glen Parva. During these mini competitions bidders will be required to set out site-specific, detailed proposals which will be subject to a further detailed level of evaluation against clearly identified quality and financial evaluation criteria and a public-sector comparator.

This process provides the assurance to ensure that any previous service delivery issues are fully addressed and lessons learned are reflected and enables us to meet our aim of securing an operator for the prisons we compete who can provide safe, secure, decent and rehabilitative regimes. Together with effective contract management following contract award it will provide us with confidence in the delivery and maintenance of the contracted prisons over their lifetime.

Given the recent announcement by the Serious Fraud Office (SFO) into its investigation of Serco, I thought it would be helpful to clarify the position in respect of their place on the Operator Framework. Firstly, we welcome the fact that the SFO has reached a conclusion in its investigations of Serco. This investigation relates to historical contracts, which ended in 2014 and were awarded as long ago as 2004, under a previous Government. The agreement will allow the parties to draw a line under the matter. Following the successful conclusion of this process, and following a process led by colleagues at the Cabinet Office to ensure that the corporate renewal measures which were put in place at the time these incidents first came to light continued to be robust and effective, we see no reason why Serco should not continue to be a strategic supplier to government and compete for government contracts.

I understand that the SFO's investigations continue with respect of G4S. While these investigations continue it would not be right to comment on the investigation itself. However, in terms of your specific questions about G4S, it is important to remember that they operate four existing prisons in England and Wales which have historically performed well and have a good track record in delivering custodial

services. For example, HMP Altcourse and HMP Oakwood have both received excellent feedback from recent HMIP inspections.

The framework contract contains the rules under which mini competitions are run. These rules ensure that no work will be awarded to any supplier under the framework unless MoJ is satisfied that the exclusion grounds under Regulation 57 of the Public Contracts Regulations 2015 do not apply to that particular supplier.

In respect of your point concerning expressions of interest from Small or Medium-sized Enterprises (SMEs), of the 20 organisations that submitted an expression of interest, 10 are classified as SMEs including some that are specialist education and training providers and others that are secure building service contractors. Although not everyone who expressed an interest decided to participate in the competition, we want to encourage successful Framework members to use SMEs and deliver social value in the delivery of custodial services and we will be specifically testing this in subsequent mini competitions.

The SME agenda is a crucial engine for the Government Growth Agenda and a key element of MoJ's Commercial Strategy as we look to create a more competitive and diverse supply chain, encourage innovation and improve value for money. Our recently published SME action plan can be found on our website.

I hope you find this update helpful; I look forward to working with you and the Committee in the future.

*Yours ever,  
Robert*

**ROBERT BUCKLAND QC MP**