Dear Ms Hillier,

**PAC INQUIRY INTO DISCLOSURE AND BARRING SERVICE**

At the hearing on 1 April, I undertook to provide further details about the evidence for, and the governance process involved in, the decision to approve the Disclosure and Barring Service (DBS) Programme’s revised Full Business Case (FBC) in June 2014.

In accordance with its role and responsibilities, the revised FBC was approved by the Home Office Portfolio and Investment Committee (PIC) on 13 June 2014. PIC’s approval of the business case was informed by:

- two independent assurance reviews of the programme that were organised by the then Major Projects Authority (now the Infrastructure and Projects Authority) and conducted in February and June 2014;
- approval of the revised FBC’s contractual implications by the Home Office Commercial Oversight Group; and
- analysis provided by individual Home Office officials who assessed the revised case on its economic, finance, commercial, technology and programme delivery aspects.

PIC approved the revised FBC subject to some agreed changes, which were addressed before it was then submitted to HM Treasury for approval and shared with the Government Digital Service on 27 June. Treasury approval was subsequently received on 4 August.
As set out in the original 2012 FBC, the aim of the programme was to deliver disclosure and barring services, a common operating model, the creation of a single delivery organisation, reduced operating costs and, as a result, reduced cost of service to customers. It covered DBS running costs over a six year period as well as the cost of modernisation. The revision of the FBC reflected increasing demand for enhanced and standard disclosures, reduced demand for the Update service and increased cost to deliver modernisation. It did though also confirm that significant progress had been made – DBS was formally established in December 2012, the new filtering solution that was required following the Court of Appeal ruling in January 2013 was implemented in May 2013, and, although delayed, the cutover from Capita/CGI to Tata Consultancy Services (TCS) was successfully achieved on 12 March 2014. This progress was also acknowledged in the June 2014 independent assurance review report. While this report also identified areas for further improvement, DBS accepted and addressed these.

Looking back at these events, I remain satisfied that the decision taken to approve the June 2014 FBC was reasonable based on the information available at that time.

Moving forward, and as the Committee is aware, the original DBS Programme is in the process of being closed as the business case came to an end on 31 March this year. In view of the disappointment that TCS were unable to deliver a robust solution for enhanced and standard disclosures, DBS decided not to proceed with the remaining elements of R1 (the modernising disclosure and barring systems component of the programme) and this decision was endorsed by PIC at a meeting on 30 August 2018. Instead, a new Service Transition Programme will procure new suppliers to ensure continuity of the current IT and contact centre provision and lay the foundations for future DBS transformation. I also want to highlight that DBS is already processing more disclosure checks faster and cheaper than ever before. Since it started, DBS’ workload has increased by 78% while its costs have only increased by 3%. DBS now processes over 80% of basic disclosure checks in 24 hours and more than a third of other disclosure checks, with a total of 86% of their applications received electronically. By the end of March this year, DBS had issued more than 29m certificates, barred 21,000 people and has 1.5m people subscribed to the Update Service.

The DBS Programme closure report is now in production. It will include a section on lessons learned and will come to PIC for approval prior to formal programme closure. The IPA are also about to undertake an independent closure review prior to the programme coming off the Government Major Projects Portfolio (GMPP) and it is expected that the Service Transition Programme will then join the GMPP in its place. In addition, the Home Office
has confirmed its commitment to respond to a previous PAC recommendation ‘to conduct a full lessons learnt exercise, setting out what it has learnt from the issues arising from its two biggest projects (DBS and ESN) and how these lessons will be applied to its other major projects’.

Yours sincerely,

MARK SEDWILL