Ministry of Justice

Supplementary Estimate 2019-20: Estimates Memorandum

1 Overview

1.1 Objectives

The Ministry of Justice's objectives, as set out in its published Single Departmental Plan, are as follows:

System outcomes:

1. Ensure access to justice in a way that best meets people's needs;
2. Support a flourishing legal services sector;
3. Provide a transparent and efficient court system;
4. Ensure that prisons are decent, safe and productive places to live and work;
5. Protect the public from harm caused by offenders;
6. Reduce rates of reoffending and improve life chances for offenders;

Other objectives:

7. Provide excellent functional services; and
8. Support delivery of Brexit.

The department's spending is designed to support its objectives. Detail of how expenditure contributes to objectives is provided at Section 3.1.

1.2 Spending controls

Departmental spending is managed according to spending control totals, for which Parliament's approval is sought.

The spending control totals that Parliament votes are:

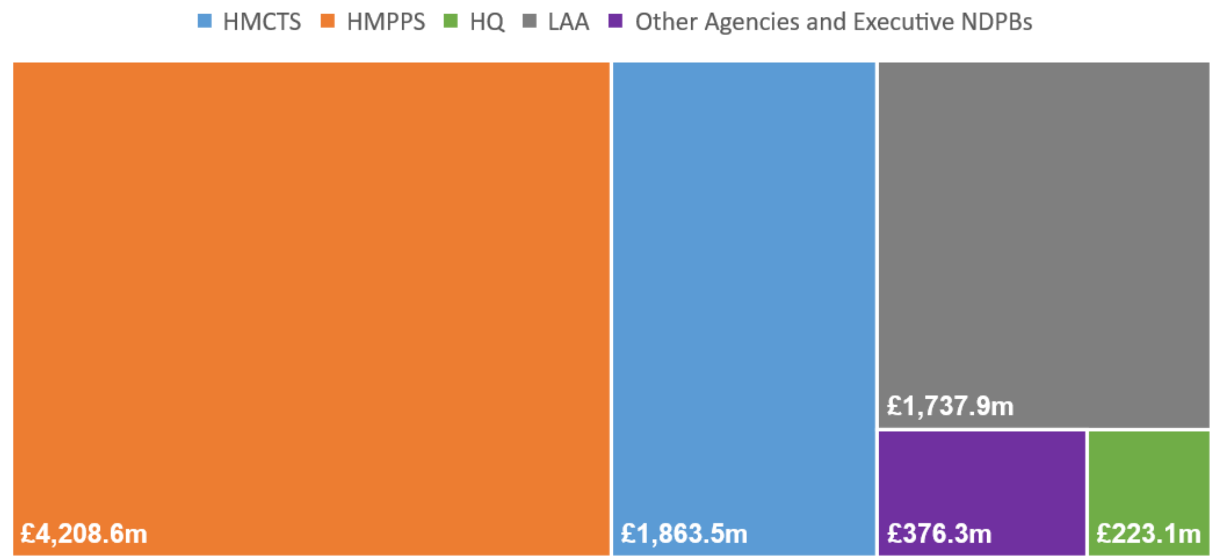
- Resource Departmental Expenditure Limit ('**Resource DEL**'): the cost of running the department and delivering its programmes;
- Capital Departmental Expenditure Limit ('**Capital DEL**'): investment in infrastructure, including net expenditure on capital assets; and
- Resource Annually Managed Expenditure ('**Resource AME**'): less predictable day to day spending, which for MoJ mainly comprises impairments of assets to represent true and fair value and movements in provisions.

Parliament also votes a Net Cash Requirement designed to cover the cash and other working capital movements to support the spending control totals.

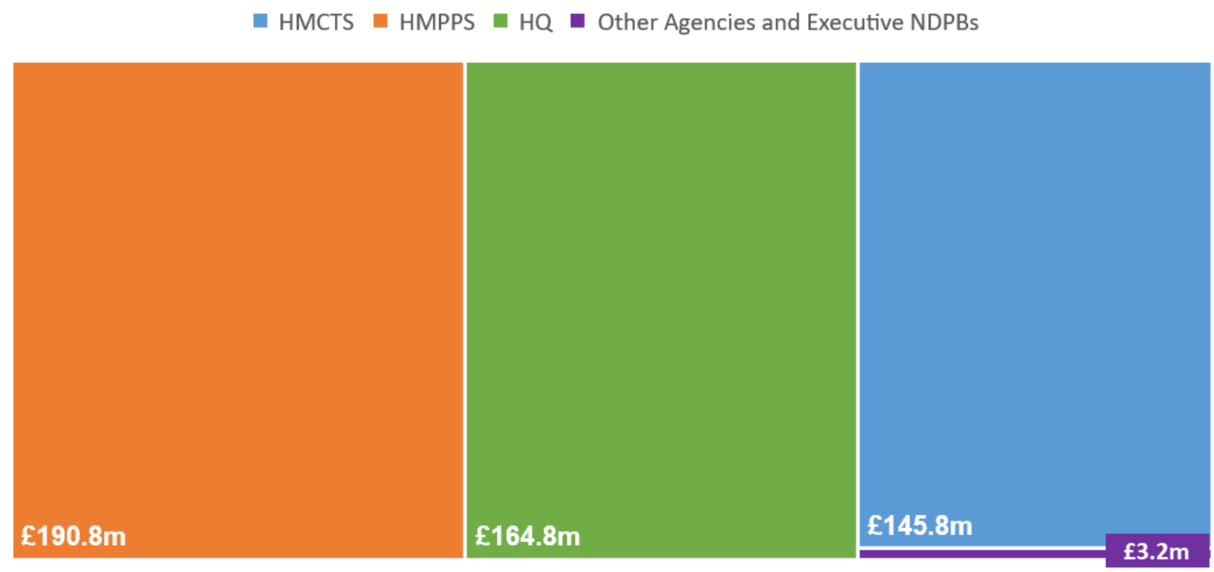
1.3 Main areas of spending

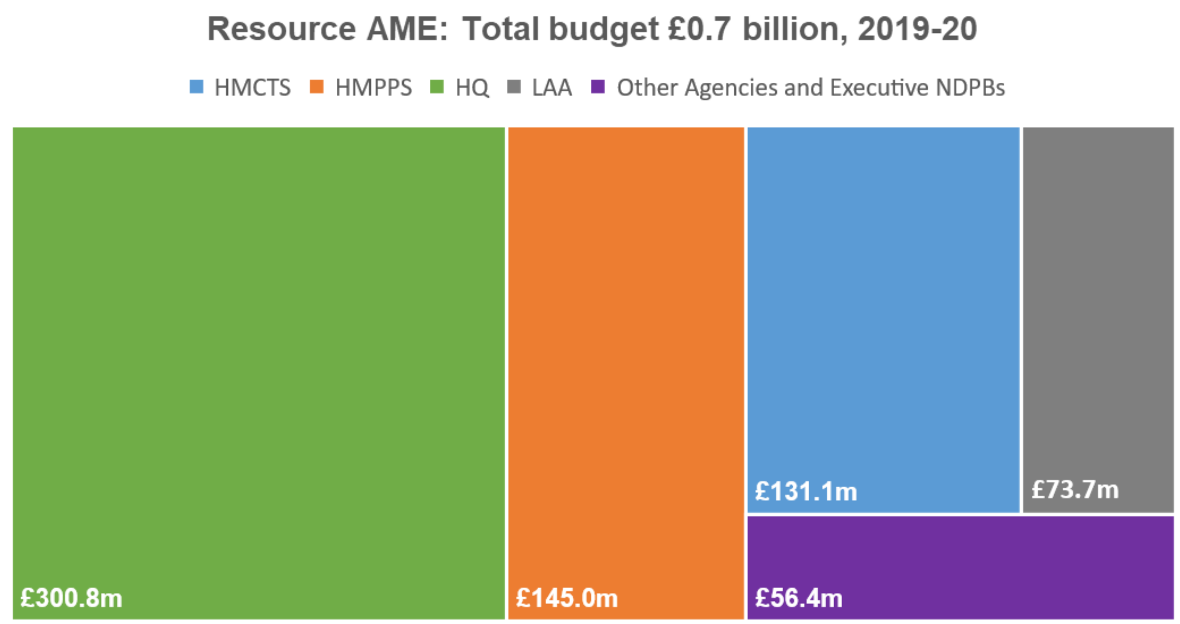
The department's revised spending totals for 2019-20, allocated to each spending body and after taking account of the Supplementary Estimate, are presented in the charts below.

Resource DEL: Total budget £8.4 billion, 2019-20



Capital DEL: Total budget £0.5 billion, 2019-20





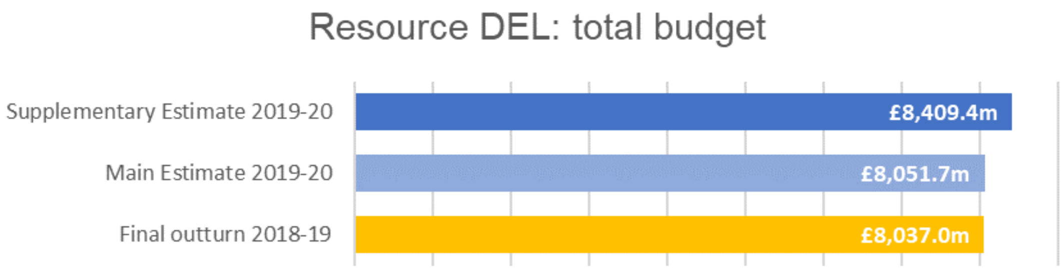
The spending totals for Other Agencies and Executive NDPBs are shown in the table below.

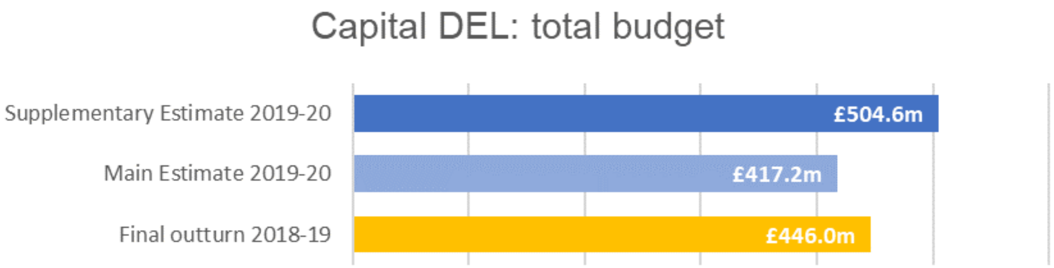
	Resource DEL £m	Capital DEL £m	Resource AME £m
Criminal Injuries Compensation Authority	150.3	0.9	45.7
Office of the Public Guardian	-13.9	0.1	0.3
Youth Justice Board	85.6	0.6	-
Parole Board	18.5	0.1	0.1
Legal Services Board	-	0.4	-
Office of Legal Complaints	-	0.1	-
Judicial Appointments Commission	7.5	0.8	-
Cafcass	122.3	-	10.0
Criminal Cases Review Commission	6.0	0.2	0.3
Totals	**376.3**	**3.2**	**56.4**

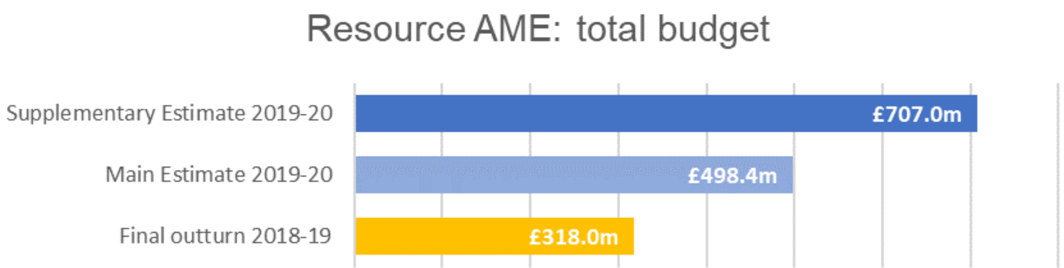
1.4 Comparison of spending totals sought

The table and charts below show how the totals sought for MoJ compare with the Main Estimate 2019-20 and the final outturn for 2018-19.

Amounts sought in Supplementary Estimate 2019-20		Changes from Main Estimate 2019-20		Comparison to Final Outturn 2018-19	
Control Budget	£m	£m	%	£m	%
Resource DEL	8,409.4	357.7	+4.4%	372.4	+4.6%
Capital DEL	504.6	87.4	+20.9%	58.6	+13.1%
Resource AME	707.0	208.6	+41.9%	389.0	+122.3%







1.5 Key drivers of spending changes since original budget

Further details of the following changes in spending are provided at section 2.1.

The Main Estimate largely represents the Spending Review 2015 settlement subject to funding changes described in section 1.9. The additional funding agreed at that time for the Supplementary Estimate covers the areas set out below.

Funding agreed with HM Treasury in advance of the Supplementary Estimate

- Resource DEL additions of £187.8m comprising:
    - £111m budget exchange from prior years, to support unfunded Resource DEL budgets in current year;
    - £64m funding agreed at the 2016 Autumn Statement for HMCTS Reform;
    - £8m for refunds of fees paid to the Office of the Public Guardian which the Ministry had handed back to HM Treasury as prior year over-recoveries; and
    - £4.7m for EU Exit preparations.
- Capital DEL additions of £63m for:
    - £54m budget exchange from prior years to support Capital DEL budgets in 2019-20; and
    - £9m for the new prison build at Glen Parva

Other funding additions agreed as part of the Supplementary Estimate process

- Resource DEL of £163.9m Resource DEL, comprising:
    - £122m to cover a shortfall of probate fee income;
    - £30m to maintain prison operating capacity;
    - £10m brought forward from 2020-21 for improved security in prisons; and
    - £1.9m to fund Government Finance Function activities.
- Capital DEL of £22m ringfenced funding relating to property disposal contingent risks.
- Resource AME of £208.6m, made up of:
    - £182m creation of and movement in provisions;
    - £8.6m increase in Judicial Pensions provision arising from ongoing litigations; and
    - £18m for property impairments.

The Supplementary Estimate also includes various small budget cover transfers to/from other government departments, which net to £6.0m Resource DEL and £2.4m Capital DEL.

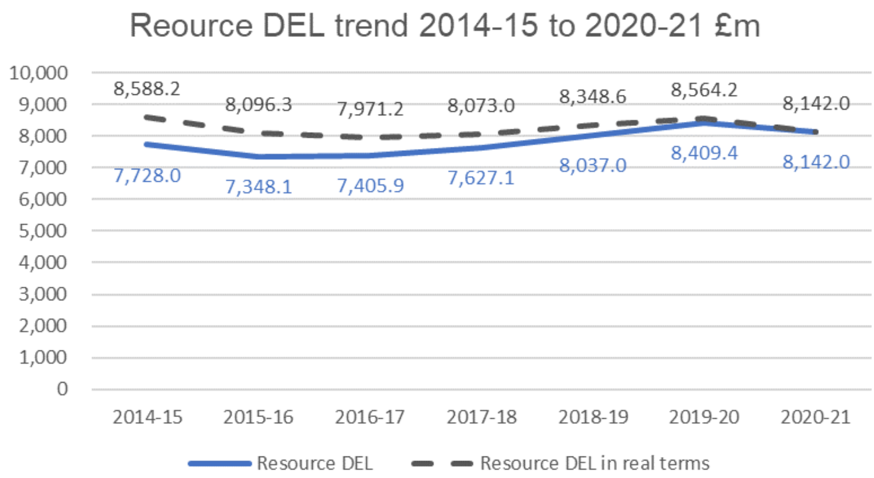
1.6 New policies and programmes; ambit changes

In May 2019 the department assumed responsibility for the project to establish the Independent Monitoring Authority for the Citizens' Rights Agreements (IMA) from the department for Exiting the European Union (DExEU). As sponsor, the department is responsible for ensuring the IMA is operational by the end of the EU Exit Implementation Period, which is 31 December 2020. Funding of £1.6m has transferred from DExEU to MoJ at the Supplementary Estimate to support this work in 2019-20.

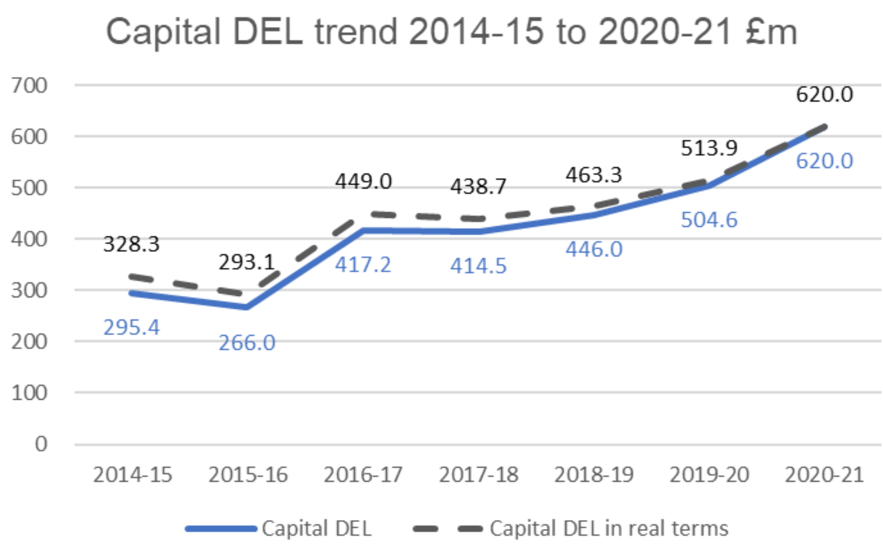
There have also been some minor drafting changes to the ambit for clarification purposes since the Main Estimate Memorandum.

1.7 Spending trends

The charts below show overall spending trends covering the last five years, plans presented in the 2019-20 Supplementary Estimate and future spending plans reflecting the department's 2019 Spending Round settlement. All figures described as 'real terms' are quoted at 2020-21 prices.



In real terms, Resource DEL is 0.3% lower in 2019-20 than it was in 2014-15 and 6% higher than in 2015-16 (the first year of Spending Review 2015). The increase since the start of SR2015 is driven by increased expenditure in HM Prison and Probation Service (HMPPS) from the need to respond to operational challenges, including increased staffing levels; Legal Aid expenditure driven by increased demand in the family courts and case complexity in the criminal courts; and an increase in non-fiscal expenditure. All amounts in the above chart include depreciation, except for 2010-21 which excludes depreciation as this has not yet been agreed with HM Treasury. 2020-21 Resource DEL excluding depreciation is 2.4% higher in real terms than in 2019-20.

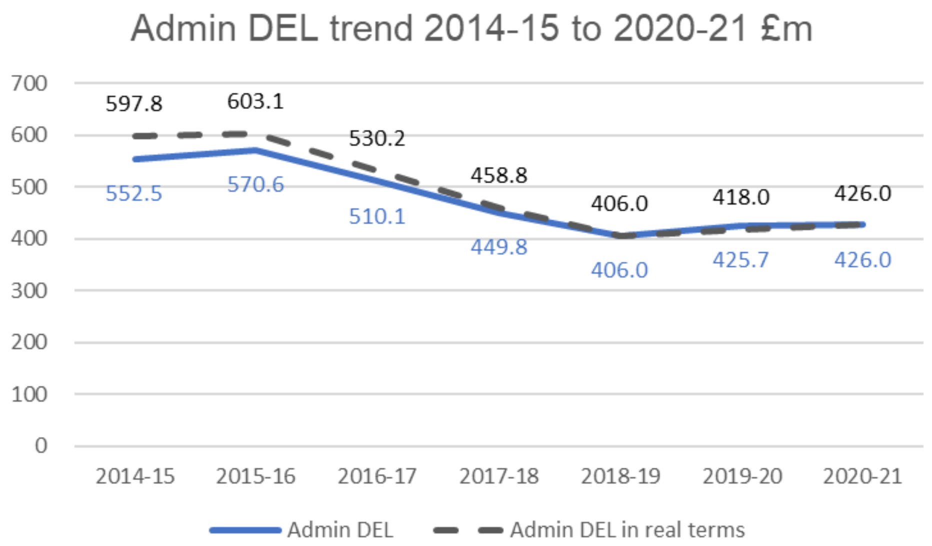


In real terms, Capital DEL is 56% higher in 2019-20 than it was in 2014-15 and 75% higher than in 2015-16.

1.8 Administration costs and efficiency plans

Administration costs are set to increase by 1.8% compared to the Main Estimate. This is largely driven by increased funding for EU Exit preparations.

Amounts sought in Supplementary Estimate 2019-20		Changes from Main Estimate 2019-20		Comparison to Final Outturn 2018-19	
Control total	£m	£m	%	£m	%
Resource DEL Admin	425.7	7.7	+1.8%	19.7	+4.9%



In real terms, Admin DEL is 30% lower in 2019-20 than it was in 2014-15 and 31% lower than in 2015-16. Since 2014-15 the proportion of administration cost to total Resource DEL budget has decreased from 7% to 5%. Savings in administration budgets have been achieved by a comprehensive restructuring of back office functions, including a move to a functional leadership model, smarter working practices maximising use of technology, and moving staff from central London to Canary Wharf, Croydon and other locations.

1.9 Funding: Spending Review and Budgets

The levels of DEL funding for the department are based on plans published in the 2015 Spending Review. Since that time, the government has made a number of changes to 2019-20 spending plans, including announcements of some additional funding in Budgets and Autumn Statements. Details of the department's funding changes are set out in the Table at Annex B.

The most significant changes are:

- £216m reserve claims agreed at Autumn Statement 2016, of which £93m for Prison Safety and £73m for policy revisions;
- £130m budget transfer from BEIS for education costs in prisons;

- £30m for EU Exit;
- £123m for increased employer pension contributions following quadrennial pensions revaluations for both the Civil Service Pension Scheme and Judicial Pension Schemes, and including the increase in the SCAPE discount rate announced in the 2018 Budget; and
- £1,325m additional funding from the reserve in 2019-20 Main Estimate, comprising:
  - £275m for demand led expenditure of the Legal Aid Fund, Legal Support and the Criminal Injuries Compensation Authority;
  - £324m to cover shortfall of fee income, including Probate, and provision of refunds of fees incorrectly charged;
  - £229m for operational pressures in prisons, including pay costs, estates maintenance and the maintenance of prison decency;
  - £176m for reform and investment in HMCTS; and
  - £321m for other policy and forecast adjustments.

Details of changes implemented in the 2019-20 Supplementary Estimate are provided at section 1.5. Spending plans for 2020-21 are based on the published 2019 Spending Round settlement.

1.10 Other funding announcements

There have been no other spending announcements since the Main Estimate Memorandum that affect spending in 2019-20.

2. Spending detail

2.1 Explanations of changes in spending

Resource DEL

The table below shows how the department's 2019-20 Supplementary Estimate Resource DEL spending plans compare with the 2019-20 Main Estimate.

Estimate Subheads	System Outcome	Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate 2019-20	
		£m	£m	£m	%
A,D,E,F,G,H	Access to justice	1,669.6	1,638.8	30.8	2%
A,J,K,O	A flourishing legal services sector	13.9	7.1	6.8	96%
A,C,I,N	A transparent and efficient court system	674.6	705.6	-31.0	-4%
A,B	Decent and safe prisons	2,817.5	2,785.5	32.0	1%
A,B,L	Public protection	1,061.4	1,058.3	3.1	0%
A,B,M	Reduce reoffending	412.6	405.9	6.7	2%
A,B,C	Excellent functional services	1,759.8	1,450.5	309.3	21%
	Totals	**8,409.4**	**8,051.7**	**357.7**	**4%**

Changes that are more than 10% and more than £10m are explained below. Further detail of spending within these totals is given in the Table at Annex A.

Excellent functional services

The increase since the Main Estimate includes a £122m reserve claim to cover a shortfall of Probate fee income and £8m for the refund of OPG fees incorrectly charged.

The Supplementary Estimate also includes £111m Resource DEL Budget Exchange from prior years to support the department in managing its challenging Resource DEL position. The allocations process at the start of the year provided funding to front line services in excess of the Main Estimate settlement. This was balanced by a negative central adjustment pending the additional funding now provided as part of the Supplementary Estimate.

A further £4m increase is explained by net transfers to/from other government departments.

Capital DEL

The table below shows how the department's 2019-20 Supplementary Estimate Capital DEL spending plans compare with the 2019-20 Main Estimate.

Estimate Subheads	System Outcome	Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate 2019-20	
		£m	£m	£m	%
A,D,E,F,G,H	Access to justice	1.2	5.7	-4.5	-79%
A,J,K,O	A flourishing legal services sector	0.5	0.7	-0.2	-29%
A,C,I,N	A transparent and efficient court system	89.0	86.4	2.6	3%
A,B	Decent and safe prisons	179.7	188.4	-8.7	-5%
A,B,L	Public protection	8.1	7.0	1.1	16%
A,B,M	Reduce reoffending	4.3	4.3	-	0%
A,B,C	Excellent functional services	221.8	124.7	97.1	78%
	Totals	**504.6**	**417.2**	**87.4**	**21%**

Changes that are more than 10% and more than £10m are explained below. Further detail of spending within these totals is given in the Table at Annex A.

Excellent functional services

The Supplementary Estimate includes £58m Capital DEL Budget Exchange from prior years to support the department in managing its challenging Capital DEL position. The allocations process at the start of the year provided funding to front line services in excess of the Main Estimate settlement. This was balanced by a negative central adjustment pending the additional funding now provided as part of the Supplementary Estimate. The remainder of the increase includes additional funding for delays to Capital receipts.

Resource AME

The table below shows how the department's 2019-20 Supplementary Estimate Resource AME spending plans compare with the 2019-20 Main Estimate.

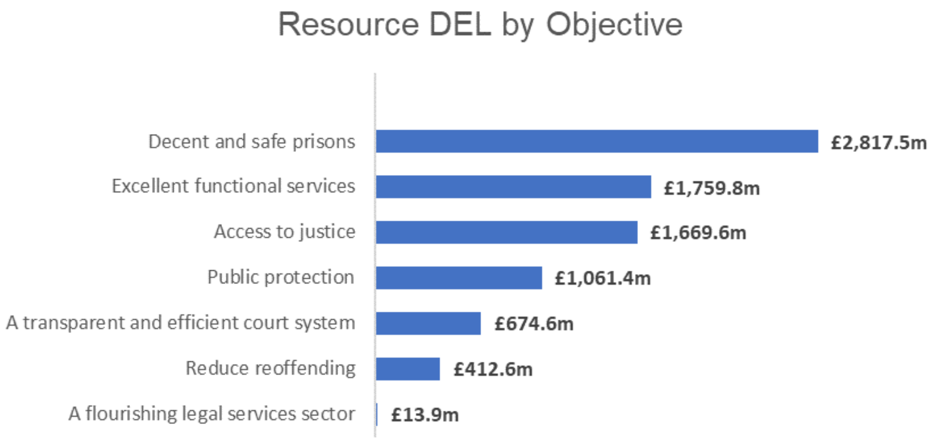
Estimate Subheads	System Outcome	Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate 2019-20	
		£m	£m	£m	%
A,D,E,F,G,H	Access to justice	132.5	84.8	47.7	56%
A,J,K,O	A flourishing legal services sector	0.0	-	0.0	-
A,C,I,N	A transparent and efficient court system	135.7	127.1	8.6	7%
A,B	Decent and safe prisons	145.0	145.0	-	0%
A,B,L	Public protection	0.1	-	0.1	-
A,B,M	Reduce reoffending	-	-	-	-
A,B,C	Excellent functional services	293.7	141.5	152.2	108%
	Totals	**707.0**	**498.4**	**208.6**	**42%**

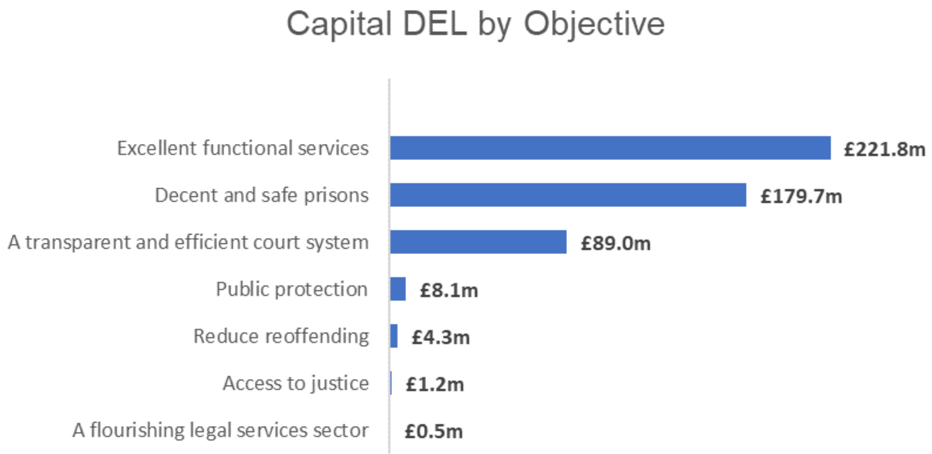
Changes that are more than 10% and more than £10m are explained below.

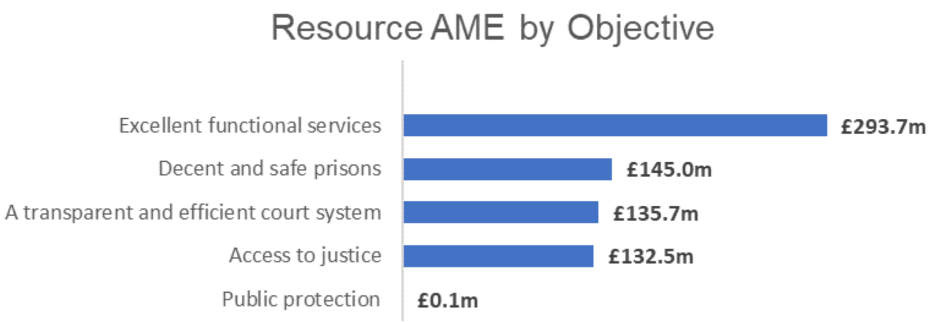
Excellent functional services

The increase of £208.7m in Resource AME since the Main Estimate is due to movements in provisions and property impairments.

The department's revised spending totals for 2019-20, allocated to the system outcomes and functional services objective in the Single Departmental Plan and after taking account of the Supplementary Estimate, are presented in the charts below. Funding for the 'Support delivery of Brexit' objective is allocated across the department's six system outcomes and functional services objectives.







2.2 Restructuring

There have been no machinery of government changes, restructuring of Estimates sub-heads or changes to recording of similar spending since the department's Main Estimate Memorandum 2019-20.

2.3 Ringfenced budgets

Within the totals, the following amounts are ringfenced. There have been no changes to ringfenced budgets in the Supplementary Estimate 2019-20 compared to the Main Estimate.

Resource DEL

Amounts sought in Supplementary Estimate 2019-20		Changes from Main Estimate 2019-20		Comparison to Final Outturn 2018-19	
Control Budget	£m	£m	%	£m	%
Depreciation	603.0	0.0	-	2.4	+0.4%

2.4 Changes to contingent liabilities

The following contingent liabilities have been recognised or have changed since the publication of the department's Main Estimate Memorandum 2019-20. Unless otherwise stated, the amount of each contingent liability cannot be determined with sufficient reliability or to quantify it would jeopardise the outcome of the legal cases.

Update on contingent liabilities reported in the 2019-20 Main Estimate memorandum

Liability	Value at Supplementary Estimate	Value at Main Estimate
HMCTS: Schemes to refund court fees which were charged in error, or incorrectly set.	£5.9m	£22.0m
Employment Tribunal Refunds: In July 2017, the UK Supreme Court handed down a judgment that quashed the Employment Tribunals and the Employment Appeal Tribunal Fees Order 2013/1893. HMCTS is making refunds of fees paid under the order to those who paid them.	£15.2m	£16.5m
HMCTS is involved in a number of legal cases dealing with ex gratia, compensation and other claims.	£1.3m	£4.5m
In November 2017 a review of other fees for courts and tribunal proceedings identified that in some cases fees had been incorrectly charged and in other cases fees had inadvertently been set above cost without the legal authority to do so. In July 2018 a Written Ministerial Statement announced that a refund scheme would be established to reimburse people the amounts they have been over-charged.	£1.7m	£1.8m

Liability	Value at Supplementary Estimate	Value at Main Estimate
EU Exit: In 2016, the UK Government announced that it would guarantee a number of EU funded projects after the UK has left the EU. These included the payment of awards where UK organisations successfully bid directly to the European Commission on a competitive basis for EU-funded projects while the UK remains in the EU. The financial settlement has now been signed-off by both UK and EU Commission negotiators in the Withdrawal Agreement and the contingent liability therefore no longer exists.	No longer a contingent liability	Unquantified

Contingent liabilities recognised since the 2019-20 Main Estimate memorandum

Liability	Value at Supplementary Estimate
Fee-paid judicial office holders' claims: There is an ongoing litigation regarding the pension liability for fee paid judges. Following the judgment of the Court of Justice of the European Union in December 2018, it has been determined that additional pension benefits are payable to eligible fee-paid judges in respect of service incurred prior to the date (April 2000) that the Part-Time Worker Directive should have been transposed into domestic law. The department is currently involved in litigation activity as a defendant, which may result in significant liabilities in relation to judicial pensions.	Unquantified
Employment Tribunals: The department is currently defending a number of Employment Tribunal claims.	Unquantified
Other European Court of Human Rights claims: The department is currently engaged in several cases at the European Court of Human Rights, some of which may involve possible financial liabilities and others which are unquantifiable.	Unquantified
Headquarters legal claims: There are a number of outstanding legal claims against the department's headquarters, some of which involve possible financial liabilities. These legal claims include Judicial Reviews challenging refusal to pay compensation for miscarriages of justice and legal aid funding.	Unquantified
Data Protection Act: There are claims against the department for alleged failure to comply with the Data Protection Act. These cases are ongoing.	Unquantified

Liability	Value at Supplementary Estimate
The Lord Chancellor's discount rate: In deriving an award value for pre-tariff cases CICA applies a discount rate on expected future care costs and loss of earnings. The rate applied to these cases is -0.25%, being the Lord Chancellor's discount rate. Given that the value of provision for the remaining pre-tariff cases is high, there is an outstanding risk that until all pre-tariff cases are resolved, changes in the Lord Chancellor's discount rate may have material financial impacts to CICA.	Unquantified
The 'Same Roof Rule': The 'same roof rule' (formerly paragraph 19 of the Criminal Injuries Compensation Scheme 2012) prevented an award being made to applicants injured before 1 October 1979 by an assailant who they were living with as a member of the same family. In July 2018, the Court of Appeal found that the same roof rule had unfairly denied compensation to a claimant. The government chose not to appeal this judgment to the Supreme Court and announced in September 2018 that the rule would be abolished. A statutory instrument to remove the rule came into force on 13 June 2019, enabling fresh applications from people who were previously refused, or who had never applied, because of the rule. This will increase the compensation which is payable under the amended Criminal Injuries Compensation Scheme 2012, but the value of this increase cannot be reliably established. CICA has assessed that the liability is between £56m and £123m across a 10-year period.	Unquantified
Incidents Incurred But Not Yet Received (IBNYR): CICA has an unquantifiable contingent liability in respect of individuals who have been victims of violent crime but have not yet applied to the CICA. This depends upon an application being submitted which meets the criteria set out in the relevant Criminal Injuries Compensation Scheme in force at the date of the application. CICA therefore recognises that a contingent liability exists for IBNYR. It is not practicable to estimate the financial effect of IBNYR because it is not possible to establish the total number of eligible criminal injuries or other relevant factors, such as the likelihood of an application being made.	Unquantified
HMPPS: Claims against HMPPS by staff, prisoners and third parties, where the likelihood of a liability arising is deemed possible but not likely, or is not reliably measurable, amount to a contingent liability of £116.3m.	£116.3m

3. Priorities and performance

3.1 How spending relates to objectives

The table below shows how expenditure against each subhead contributes to the department's system outcomes and functional services objective in the Single Departmental Plan. Funding for the 'Support delivery of Brexit' objective is allocated across the department's six system outcomes and functional services objectives.

System Outcome / Estimates subhead	Access to justice	A flourishing legal services sector	Transparent and efficient court system	Decent and safe prisons	Protect the public from harm	Reduce reoffending and improve life chances	Excellent functional services
Part A, D, E, F, G and H	x						
Part A, C, I and N		x					
Part A, J, K and O			x				
Part A and Part B				x			
Part A, Part B and L					x		
Part A, Part B and M						x	
Part A, Part B, Part C							x
Part Q, T, U, V, W, X	x						
Part Q, S		x					
Part Q, AA			x				
Part Q and Part R				x			
Part Q, Part R					x	x	
Part Q, Part R, Part S							x

3.2 Measures of performance against each priority

The indicators that the department uses to measure performance for each objective are listed below. Details of the objectives and the latest update to the performance measures are provided in the department's Single Departmental Plan.

System Outcomes:

1. Ensure access to justice in a way that best meets people's needs:
    - Family court timeliness;
    - First Tier Tribunal (Immigration and Asylum Chamber) timeliness;
    - Social Security and Child Support timeliness; and
    - Employment Tribunal timeliness (single cases).
2. Support a flourishing legal services sector:
    - No measures specified.
3. Provide a transparent and efficient court system:
    - Work in hand in the Criminal Courts.
4. Ensure that prisons are decent, safe and productive places to live and work:
    - Assaults on prisoners by prisoners;
    - Assaults on staff by prisoners; and
    - Self-inflicted deaths in prison custody.
5. Protect the public from harm caused by offenders:

- Escapes from prison and prison escorts; and
- Serious further offences.

6. Reduce rates of reoffending and improve life chances for offenders:
   - Adult reoffending;
   - Youth reoffending; and
   - Prison population.

Other Objectives:

7. Provide excellent functional services:
   - People survey engagement score;
   - Representation of female, ethnic minority and disabled staff;
   - Greenhouse gas emissions;
   - % of spend that is allocated to SME; and
   - Property space per FTE.
8. Support delivery of Brexit:
   - No measures specified.

3.3 Commentary on steps being taken to address performance issues

Funding in the Supplementary Estimate designed specifically to address performance issues includes:

- £30m Resource DEL funding for maintaining prison operating capacity; and
- £10m Resource DEL funding for enabling mobilisation works for improving prison security.

3.4 Major projects

This section provides information on the MoJ projects included in the Government Major Projects Portfolio (GMPP) from the Infrastructure and Projects Authority (IPA). The information reflects that contained in the IPA's Annual Report 2018-19, published in July 2019.

Public Protection

Electronic Monitoring

The Electronic Monitoring Programme is set up to implement a new electronic monitoring system and a service for the day-to-day monitoring of subjects wearing the devices.

Project start date (latest approved start date)	10/05/2011
Project end date (latest approved end date)	31/08/2024
Whole Life Cost TOTAL Baseline (including non-government costs)	£580.5m

Prison Education

To procure a framework agreement and contracts for the provision of prison education, including standard education, bespoke education, library services, information advice and guidance to replace, the Offender Learning and Skills Service 4 (OLASS4) contract at the point this ceases. The Ministry of Justice has a legal requirement to secure the provision of education and training for prisoner (Apprenticeships, Skills, Children and Learning Act 2009)

Project start date (latest approved start date)	01/04/2017
Project end date (latest approved end date)	30/06/2019
Whole Life Cost TOTAL Baseline (including non-government costs)	£1,223.20m

The programme closed during Financial Year 2019-2020 and has undertaken all final assurance activity.

Youth Justice Reform Programme

The Youth Justice Reform Programme has two aims: 1) To make youth custody a place of safety, both for children and those who work there; and 2) to improve the life chances of children in custody.

Project start date (latest approved start date)	12/12/2016
Project end date (latest approved end date)	31/12/2022
Whole Life Cost TOTAL Baseline (including non-government costs)	£311.13m

Decent and Safe Prisons

Prison Estate Transformation Programme (PETP)

To transform the prison estate to help prisoners turn their lives around, through the construction of new prisons; and reconfiguring the estate ultimately to hold prisoners in the right conditions which provide safer environments for both staff and those held in custody.

Project start date (latest approved start date)	01/04/2016
Project end date (latest approved end date)	07/05/2026
Whole Life Cost TOTAL Baseline (including non-government costs)	£30,165.85m

The programme closed during 2019-20, and has now been replaced by its constituent projects, Glen Parva New Prison Build and Wellingborough New Prison Build.

Prisoner Escort and Custody Services (PECS) Gen. 4

Re-procurement of business-critical PECS contracts which are set to expire on 28 August 2020. PECS contracts enable the Criminal Justice System by providing for the physical movement of prisoners between police stations, courts and prisons, inter-prison transfers and the movement of children and young people between Secure Children's Homes, Secure Training Centres and Courts.

Project start date (latest approved start date)	01/04/2017
Project end date (latest approved end date)	31/03/2021
Whole Life Cost TOTAL Baseline (including non-government costs)	£1,622.30m

Probation Programme

The probation programme aims to: 1) Open commercial discussion with the Community Rehabilitation Company (CRC) parent organisations which run probation services, to agree an option for early termination of contracts by mutual agreement in 2020 rather than 2022; 2) Negotiate amendments to current contracts to secure probation service improvements during an exit period; and 3) Introduce more effective delivery arrangements for probation services.

Project start date (latest approved start date)	01/10/2017
Project end date (latest approved end date)	01/03/2020
Whole Life Cost TOTAL Baseline (including non-government costs)	£1,200m

A transparent and efficient courts system

HMCTS Facilities management Re-procurement Project (FMRP)

This project will re-procure the expiring Facilities Management contracts which provide services to the HMCTS estate.

Project start date (latest approved start date)	01/03/2017
Project end date (latest approved end date)	31/12/2019
Whole Life Cost TOTAL Baseline (including non-government costs)	£787.20m

HMCTS Reform

The aim of the HMCTS Reform Programme is to modernise the infrastructure and deliver a better and more flexible service to court users and to modernise and transform courts and tribunal services to increase efficiency, improve service quality and reduce the cost to the tax payer.

Project start date (latest approved start date)	05/01/2015
Project end date (latest approved end date)	31/03/2020
Whole Life Cost TOTAL Baseline (including non-government costs)	£1,546.83m

Functional Support

MoJ Future FM

To re-procure the expiring facilities management contracts which provide services to the shared estates cluster, comprised of MoJ HQ, Probation, CPS, DfE and a number of Arm's Length Bodies.

Project start date (latest approved start date)	01/07/2016
Project end date (latest approved end date)	01/04/2018
Whole Life Cost TOTAL Baseline (including non-government costs)	£430.20m

The programme closed during 2019-20 and has undertaken all final assurance activity.

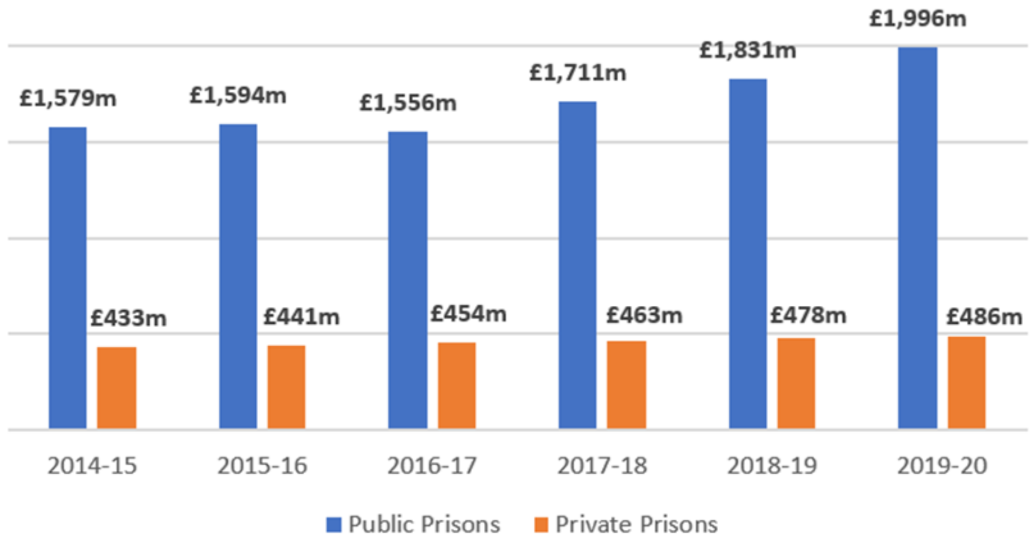
Progress reports on Major Projects are available via the link below:
https://www.gov.uk/government/publications/infrastructure-and-projects-authority-annual-report-2019.

4. Other information

4.1 Additional specific information required by the Select Committee

HMPPS: Split of funding between public and private prisons

£m	2014-15	2015-16	2016-17	2017-18	1028-19	2019-20
Public prisons	1,579	1,594	1,556	1,711	1,831	1,996
Private prisons	433	441	454	463	478	486
Total	**2,012**	**2,035**	**2,010**	**2,174**	**2,309**	**2,482**



Note on source of figures
2014-15 to 2018-19 figures are the full year outturn; 2019-20 is the latest full year forecast outturn.
Note on comparability of figures
Public prison funding includes all public-sector prisons under the responsibility of the Prisons Directorate, HMPPS in Wales and Youth Custody Service, Prison Group Directors and Public-Sector Prisons' HQ. Public prison funding for 2014-15 to 2017-18 is shown net of income of approximately £30m, received from the Youth Justice Board in respect of expenditure by Young Offender prisons accommodating 15-17-year-old young offenders. Public prisons also include Immigration Removal Centres at Dover, Haslar and The Verne for all years and, for 2019-20 only, Morton Hall. These are shown net of UK Border Agency income. The increase in public prisons funding since 2017-18 includes the build-up of Berwyn, which opened in February 2017, and the investment in front line staffing to reduce violence and create a safer environment. The increase also reflects the inclusion of accrued holiday pay entitlement costs backdated to March 2016, increased pay award costs over and above the budgeted 1% and additional investment in Safe and Decent programmes.
Note of future years' data
It is not possible to provide a split of Public and Private Prison funding for future years as this will depend on any changes to prisons capacity and configuration.

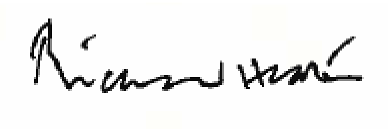
Legal Aid Agency: Expenditure analysed by Administration, Civil, Criminal and Central Funds

Category	2019-20 Supplementary Estimate	2019-20 Main Estimate	2018-19 Supplementary Estimate
	£m	**£m**	**£m**
Administration	67.0	62.6	61.9
Criminal Legal Aid	845.8	849.8	905.2
Civil Legal Aid	777.2	768.9	723.2
Central Funds	47.9	48.0	47.6
Total	**1,737.9**	**1,729.3**	**1,737.9**

5. Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by myself as Departmental Accounting Officer.



Sir Richard Heaton KCB

Principal Accounting Officer

Permanent Secretary

Ministry of Justice

4 February 2020

Annex A / Table A

Subheads	Description	Programme		Resource				Capital			
			Note Nr	Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate		Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate	
				£ million	£ million	£ million	%	£ million	£ million	£ million	%
A, D, E, F, G, H	Access to justice	Access to Justice Policy	1	34.6	19.4	15.2	78.4%	-	0.0	-0.0	-100.0%
		Civil/Family/ Tribunal Fee Income net of refunds		-834.0	-834.0	-	0.0%	-	-	-	-
		Office of Accountant General		0.2	0.2	-	0.0%	-	-	-	-
		OSPT		6.5	6.5	-	0.0%	-	-	-	-
		HMCTS		459.7	445.9	13.8	3.1%	-	-	-	-
		Legal Aid Agency		1,737.9	1,729.3	8.6	0.5%	-	-	-	-
		CICA		150.3	148.8	1.5	1.0%	0.9	1.7	-0.8	-47.1%
		OPG		-13.9	-5.6	-8.3	148.2%	0.1	3.7	-3.6	-97.3%
		Cafcass		122.3	122.4	-0.1	-0.1%	-	-	-	-
		CCRC		6.0	5.9	0.1	1.7%	0.2	0.3	-0.1	-33.3%
	Sub total			**1,669.6**	**1,638.8**	**30.8**	**1.9%**	**1.2**	**5.7**	**-4.5**	**-79.0%**
A, J, K, O	A flourishing legal services sector	International and Rights		8.3	3.6	4.7	130.6%	-	-	-	-
		Judicial and Legal Services Policy		5.6	3.5	2.1	60.0%	-	-	-	-
		Legal Services Board		-	0.0	-0.0	-100.0%	0.4	0.3	0.1	33.3%
		Office of Legal Complaints		-	0.0	-0.0	-100.0%	0.1	0.4	-0.3	-75.0%
	Sub total			**13.9**	**7.1**	**6.8**	**95.7%**	**0.5**	**0.7**	**-0.2**	**-28.6%**
A, C, I, N	A transparent and efficient courts system	Fine and Fee Income		-329.0	-329.0	-	0.0%	-	-	-	-
		Judicial Appointments and Conduct Ombudsman		0.4	0.4	-	0.0%	-	-	-	-
		Judicial Offices and Service Awards		51.9	54.2	-2.3	-4.2%	-	-	-	-
		Support for Victims	2	31.2	31.2	-	0.0%	-	-	-	-
		The Law Commission		2.6	2.2	0.4	18.2%	-	-	-	-
		UK Supreme Court		6.2	6.2	-	0.0%	-	-	-	-
		HMCTS	3	903.8	932.9	-29.1	-3.1%	88.2	86.4	1.8	2.1%
		Judicial Appointments Commission		7.5	7.5	-	0.0%	0.8	-	0.8	-
	Sub total			**674.6**	**705.6**	**-31.0**	**-4.4%**	**89.0**	**86.4**	**2.6**	**3.0%**
A, B	Decent and safe prisons	Branston		3.2	2.8	0.4	14.3%	0.6	0.6	-	0.0%
		Monitoring and Supervisory ALBs	4	11.8	11.8	-	0.0%	-	0.0	-0.0	-100.0%
		Prison Reform		9.0	12.7	-3.7	-29.1%	-	-	-	-
		HMPPS Decent and Safe Prisons		2,793.5	2,758.2	35.3	1.3%	179.1	187.8	-8.7	-4.6%
	Sub total			**2,817.5**	**2,785.5**	**32.0**	**1.1%**	**179.7**	**188.4**	**-8.7**	**-4.6%**

Annex A / Table A

Subheads	Description	Programme	Note Nr	Resource				Capital			
				Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate		Supplementary Estimate 2019-20	Main Estimate 2019-20	Change from Main Estimate	
				£ million	£ million	£ million	%	£ million	£ million	£ million	%
A, B, L	Public protection	Monitoring and Supervisory ALBs		6.2	6.2	-	0.0%	-	-	-	-
		Office of the Sentencing Council		1.5	1.5	-	0.0%	-	-	-	-
		Youth Justice and Offender Policy		6.3	2.3	4.0	173.9%	-	0.0	-0.0	-100.0%
		HMPPS Public Protection	5	511.9	497.2	14.7	3.0%	6.0	7.0	-1.0	-14.3%
		Probation	5	517.0	532.6	-15.6	-2.9%	2.0	-	2.0	-
		Parole Board		18.5	18.5	-	0.0%	0.1	0.0	0.1	0.0%
	Sub total			**1,061.4**	**1,058.3**	**3.1**	**0.3%**	**8.1**	**7.0**	**1.1**	**15.7%**
A, B, M	Reduced reoffending	HMPPS Reducing Reoffending		151.9	144.5	7.4	5.1%	1.7	1.7	-	0.0%
		Youth Custody Service		175.1	175.8	-0.7	-0.4%	2.0	2.0	-	0.0%
		Youth Justice Board		85.6	85.6	-	0.0%	0.6	0.6	-	0.0%
	Sub total			**412.6**	**405.9**	**6.7**	**1.7%**	**4.3**	**4.3**	**-**	**0.0%**
A, B, C	Functional support	Centrally Held Budgets	6	241.6	-46.4	287.8	-620.2%	26.0	-58.0	84.1	-145.0%
		Estates		444.8	444.8	-	0.0%	86.8	76.3	10.5	13.8%
		Finance		35.4	32.5	2.9	8.9%	-	0.0	-0.0	-100.0%
		HR		46.2	44.8	1.4	3.1%	-	2.2	-2.2	-100.0%
		Other Functional Support	1	141.2	160.4	-19.2	-12.0%	2.6	1.0	1.6	160.0%
		Technology		291.4	284.5	6.9	2.4%	48.8	44.2	4.6	10.4%
		Functional Support HMPPS		59.2	66.2	-7.0	-10.6%	-	0.3	-0.3	-100.0%
		Functional Support HMCTS	3	175.1	138.7	36.4	26.2%	57.6	58.7	-1.1	-1.9%
		HMCTS Estates		324.9	325.0	-0.1	0.0%	-	-	-	-
	Sub total			**1,759.8**	**1,450.5**	**309.1**	**21.3%**	**221.8**	**124.7**	**97.2**	**78.0%**
	Total voted and non-voted			**8,409.4**	**8,051.7**	**357.5**	**4.4%**	**504.6**	**417.2**	**87.5**	**21.0%**

Explanatory notes of movements since Main Estimate

The net overall movement since the Main Estimate is 4.4% Resource DEL and 21.0% Capital DEL. The key drivers of change are explained in Section 1.5. Significant changes are explained in Section 1.9 and in the notes that follow, whose numbers correspond to the note numbers shown in Table A.

Notes:

1. The increase in Access to Justice Policy is offset by a reduction in Other Functional Support. At the Main Estimate, staff costs were held centrally and therefore appeared in Functional Support, but staff budgets were subsequently transferred to individual directorates.
2. The £4m reduction to Support for Victims is because the department transferred £4m to Home Office for Modern Day Slavery.
3. There are offsetting adjustments of c.£30m between HMCTS (a transparent and efficient courts system), and HMCTS Functional Support due to HMCTS reallocating funding from their Multi-Jurisdiction to Headquarters.
4. These bodies are HM Inspectorate of Prisons, the Prisons and Probation Ombudsman, the Independent Monitoring Board and the National Preventive Mechanism.
5. There are offsetting adjustments between HMPPS Public Protection and Probation of c.£15m as HMPPS re-prioritised budget from NPS England (in Probation) to the Electronic Monitoring Programme and Probation Programme.
6. Centrally held budgets at Supplementary Estimate include £122m additional funding Probate fee shortfall and approximately £100m depreciation contingency. At the Main Estimate the negative figures represented over-programming.

Annex B / Table B

How DEL funding plans for 2019-20 have altered since Spending Review 2015	Resource DEL	Capital DEL
DEL baseline for SR2015 (2015-16)	**£6,269.2m**	**£418.0m**
Supplementary Estimate 2015-16		
Information Commissioner: Transfer to DCMS	-£2.9m	-£0.9m
Policy Units attached to ICO: Transfer to Cabinet Office	-£0.3m	-
Policy Units attached to ICO: Transfer to DCMS	-£0.8m	-
Main Estimate 2016-17		
Estates cluster staff from Home Office	£3.8m	-
SB15 transfer for M5513 Illicit Excise Tobacco: 2016-17 to 2020-21 funding from HMRC	£7.0m	-
Illicit tobacco smuggling Home Office	£0.1m	-
Supplementary Estimate 2016-17		
Transfer of education costs in prisons to NOMS from BIS	£130.4m	-
Transfer of education costs in prisons to NOMS from BIS	£0.4m	-
Reserve claim Prison safety	£93.0m	-
Reserve claim Policy revisions	£73.0m	-
Supplementary Estimate 2017-18		
Transfer to DHCLG: Staff	-£0.0m	-
Home Office to MoJ Facilities Management Function	£0.2m	-
Supplementary Estimate 2018-19		
Transfer of funds: HMRC - Land Fill tax	£0.0m	-
Transfer of funds: DfT - 400ft flying ban and airport flying restriction for drones	£0.0m	-
Transfer of funds: HO - Domestic Abuse fund	£0.5m	-
Budget Measures 2018 - Law Commission	0.1m	-
Main Estimate 2019-20		
Reserve claim: General	£1,325.0m	-
Reserve claim - Pensions	£122.8m	-
Reserve claim: EU Exit funding	£29.9m	£0.1m
Transfer of funds: DEFRA - Notice Orders for Rogue Waste Management Companies	£0.0m	-
Transfer of funds: DEFRA - Control of Trade in Endangered Species Regulations (COTES) - use of civil and criminal offences	£0.0m	-
Transfer of funds: DCMS - GDPR Regulations	£0.0m	-
Transfer of funds: HMT - PRIIP's regulation	£0.1m	-
Transfer of funds: HMT - Market in Financial Instruments Directive II	£0.0m	-
Transfer of funds: HMT - Criminal Market Abuse	£0.1m	-
Transfer of funds: CO - Crown Office Succession	-£0.0m	-
Transfer of funds: BEIS - Payslip legislation	£0.1m	-
Transfer of funds: CO - CS Local	-£0.4m	£0.0m
Transfer of funds: HMRC - Operation Delivery Profession	-£0.5m	-
Transfer of funds: HO - Modern day slavery	-£4.0m	-
Transfer of funds: DH - Death in Custody	£0.1m	£0.0m
Transfer of funds: HMRC - Accelerated Payments (Tax Expansion Project)	£5.1m	-
Supplementary Estimate 2019-20		
Reserve claims:		
Budget exchange prior years	£111.0m	£54.0m
HMCTS Court Reform	£64.0m	-
OPG Fee refunds	£8.0m	-
Law Commission	£0.1m	-
New prison build: Glen Parva	-	£9.0m
Bring forward of 2020-21 security in prisons	£10.0m	-
Probate fees	£122.0m	-

How DEL funding plans for 2019-20 have altered since Spending Review 2015	Resource DEL	Capital DEL
HMPPS Facilities Management	£30.0m	-
Government Finance Function	£2.0m	-
HMCTS property disposal contingent risks	-	£10.0m
HMPPS property disposal contingent risks	-	£12.0m
EU Exit funding	£4.7m	-
Transfer of funds:		
DExEU - Independent Monitoring Authority	£1.6m	-
CO - Get Ready communications	£0.0m	-
Defra - Consultation on microbeads ban	£0.0m	-
MHCLG - Offender pilot programme	£2.6m	-
CPS - Emergency Workers	-£0.7m	-
NHS employer discrimination	£0.1m	-
HO - Controlling coercive behaviour	£4.5m	-
HO - Pre-charge bail	£2.5m	-
DfT - Air Navigation Order	£0.0m	-
HMT - Financial Services (EU Exit)	£0.0m	-
WAG - Berwyn education	-£3.3m	-
DWP - Children's Funeral Fund	-	£0.4m
MHCLG - Homes England site transfer	-	£0.7m
CO - Civil Service Live	-£0.1m	-
CO - Outsourcing programme	-£0.6m	-
Cabinet Office - Security and Intelligence Agencies Programmes	£0.2m	£1.3m
BEIS - Intermediate Securities Law Commission	£0.2m	-
NCA - Illicit funding	-£1.0m	-
2019-20 Supplementary Estimate DEL totals	**8,409.4m**	**504.6m**