



Ministry
of Justice

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Sir Robert Neill
House of Commons
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[By email]

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Dear Sir Bob,

MINISTRY OF JUSTICE MAIN ESTIMATE AND MEMORANDUM 2023/24

Thank you for your letter of 19 June following the Ministry of Justice's (MoJ) publication of the Main Estimate. I have answered your specific questions below.

1. The 2020 Spending Review provided an additional £4bn over four years to increase prison capacity. In 2021-22, 37% of the prison capacity budget was re-profiled into future years; in 2022-23 another 37% of the budget was re-profiled into future years. To date, only £1.1bn of the £4bn has been spent.

i. How many additional places have been created so far?

So far, around 5,400 additional places have been completed. This includes the places from our two new c.1,700 place prisons, HMP Five Wells, which opened last year, and HMP Fosse Way, which accepted its first prisoners at the end of May. It also includes 160 Rapid Deployment Cells at HMP Hollesley Bay which began accepting prisoners on 26 June.

ii. Of these, how many are operational/ in use?

Of the currently delivered 5,400 places, around 3,400 places are already operational (i.e. they are either occupied or ready to receive prisoners). The remaining places are expected to become operational over the next 12 months although this will depend on the live operational conditions in each establishment. This process of making places available over time ensures that we safely increase the total number of prisoners that can be accommodated at an individual site.

iii. How many will be created and operational by the end of 2023-24? And then by 2024-25?

At least c.6,400 new prison places are anticipated to be delivered by the end of May 2024, rising to c.8,200 by the end of May 2025, including places already delivered to date. We will push for earlier delivery of places wherever possible. These dates correspond to when first prisoners will be in residence; this will be followed by a ramp up to achieve full capacity in accordance with the requirements of operational stability.

iv. If there are programme delays, as indicated by the repeated reprofiling of investment expenditure, can you explain the reasons for this?

Our prison builds are complex capital projects, which are being delivered in challenging market conditions. As the Lord Chancellor has said, it is worth reflecting that the second biggest programme in Government after High Speed 2 is in prison building. As with other construction programmes, prison expansion plans have been affected by high levels of inflation and market-led price increases over the last year, which have had a material impact on actual and estimated costs. Supplier vulnerability to wider economic conditions has also been an issue in the construction market – for example, we have seen a supplier and a sub-contractor go into administration, impacting delivery timelines.

Securing planning permission is also a factor; we have submitted planning appeals following refusal of three applications for sites in Lancashire, Leicestershire and Buckinghamshire and await decisions. If planning is successful, these prisons would open as soon as possible to meet the pressing demand on prison places.

v. Can you confirm how much of the £1,773m CDEL budget included in the Estimate for 2023-24 is for the prison capacity budget? We would be grateful if you could also continue to separate the prison capacity budget in your annex tables

as you have done in previous Estimate iterations to ensure transparency of these costs.

Of the £1,773m CDEL provided to HMPPS in the 2023-24 Main Estimate, £1,556m is allocated to prison capacity. This funding is ringfenced by HMT and is reported separately in the Memorandum on page 13 (where it is described as delivery of additional 20k prison places). I expect this ringfence to remain in place for the foreseeable future and will continue to report on the funding provided and changes between Estimates in the body of the Memorandum.

2. Under subheading ‘2.1 Explanations of changes in spending’ in the Estimate Memorandum it is described that HMCTS funding has increased. However, in the Excel tables that accompany the memorandum, overall HMCTS RDEL has stayed roughly the same. We have observed a £132.9m increase within the priority ‘Deliver swift access to justice’, but we have also observed a £130m decrease within the priority ‘Strategic enablers.’ Can you explain this decrease?

Overall, we agree that HMCTS RDEL has only marginally increased from 2022-23 to 2023-24. In terms of how this is shown between objectives, funding attributed to ‘Deliver swift access to justice’ has materially increased. The reason for that is that in our previous 2022-23 Supplementary Estimates, the spending by HMCTS Digital was combined with that of other HMCTS corporate functions. These were collectively counted as a ‘Strategic Enabler.’ Now that HMCTS has improved its classification of spending in the Estimate process, from 2023-24, HMCTS Digital spending is being identified separately. As this spending covers the development, maintenance, and improvement of HMCTS’s frontline operational systems, it more closely relates to the ‘Deliver swift access to justice’ priority, and is counted as such in 2023-24 Main Estimates.

3. Funding for the newly established ‘Oasis Restore Trust’ is coming from the existing budget for ‘Youth Custodial Services’. What are the implications of this on youth custodial services that remain within the Department?

HMPPS has agreed it has sufficient headroom in the Youth Custodial Services (YCS) budget for the cost of operating a Secure School. This remains a priority for the MoJ and the YCS, and it is part of our strategy for moving towards smaller, geographically dispersed accommodation.

4. Does the Department intend to revisit the Legal Aid budget to take consideration of current high inflation levels?

The Legal Aid budget is set on the basis of our best estimate of likely demand, and current fee levels.

We are committed to supporting the legal profession to ensure the legal aid sector is put on a sustainable footing. In November 2022, we published our full response to the Criminal Legal Aid Independent Review and consultation on policy proposals. We have boosted the system with immediate investment to address the most urgent concerns, including uplifts of 15% to most legal aid fee schemes. This, alongside our proposed long-term reforms, is anticipated to increase spend by up to £141m a year - taking expected criminal legal aid spend to £1.2 billion per year. We have set up the Criminal Legal Aid Advisory Board which will provide independent advice to the Lord Chancellor on the operation and structure of the existing and future criminal legal aid fee schemes in England and Wales.

In January 2023, we also launched the Review of Civil Legal Aid. The purpose of the Review is to identify evidence-based options for moving to a more effective, efficient, and sustainable system for legal aid providers and the people who rely on legal aid.

Finally, thank you for your comments on our compliance with the Scrutiny Unit's guidance – we will continue to do so.

Yours ever
Antonia

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