



# Home Affairs Committee

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From the Committee Chair

Via email

15 February 2024

Dear Sir Matthew,

Many thanks for your letter of the 30 January regarding the revised value for money assessment of the Bibby Stockholm. I'm writing to you to follow up on some of the points made in that letter.

Your letter states that the latest running costs of the Bibby Stockholm are £120 per person per night, compared with "the latest average hotel cost of £140 per person per night." These running costs exclude set-up costs. Can you therefore provide more detail on the following:

- Your letter states that, once set-up costs are included, there is "a total life saving from use of the Bibby Stockholm of £800,000". Over what period is this life saving calculated?
- You mention that "the overall price per person changes depending on the number of service users accommodated at the site." What level of occupancy is the £120 per person per night cost based on? At what level of occupancy does the Bibby Stockholm cease to be value for money compared to the latest average hotel cost you cite of £140 per person per night?
- You also note that the "average hotel cost per person also fluctuates". What has it fluctuated between over the past year and what level would it have to reach to change your current assessment that the Bibby Stockholm meets the value for money test?
- You say that you "keep the value for money judgment under review" Given the variables outlined above, how often is a revised value for money assessment being made?

We are aware that the NAO is currently undertaking work on the value for money of the Bibby Stockholm and other sites. However, this work is not due to be completed until 22 March 2024, which is after the point at which the House of Commons will have debated and voted on the supplementary estimates. In order for this Committee to be able to properly scrutinise Home office expenditure, we would appreciate full transparency ahead of this point and we look forward to receiving an answer within 10 working days.

Yours sincerely,



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**Rt Hon. Dame Diana Johnson MP**