



Georgia Gould MP
Parliamentary Secretary
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Andy Slaughter MP
House of Commons
London
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Our reference: MC2025/09406

By email: slaughtera@parliament.uk

July 7 2025

Dear Andy,

Thank you for your letter dated 11 June 2025 regarding Serco's electronic monitoring contracts.

The award of the Electronic Monitoring Contract was concluded in October 2023 under the Public Contract Regulations 2015 (PCR 2015) by the Ministry of Justice.

The performance of suppliers to the Government is monitored by the relevant Contracting Authority (in this instance Ministry of Justice), with Cabinet Office maintaining oversight of Government's Strategic Suppliers through the Crown Representative and Strategic Partnering Programme. Strategic Suppliers that Cabinet Office maintains oversight of can be located here: <https://www.gov.uk/government/publications/strategic-suppliers>.

The government must ensure that there are sufficient safeguards in place to allow the prevention of companies with a history of serious contractual failures from being awarded public contracts. I am happy to confirm that the recently launched Procurement Act 2023 has strengthened our ability to respond where issues arise and address poor performance. The Act makes it easier for contracting authorities to exclude suppliers from procurements of public contracts for past poor performance or where there has been breach of contract.

Exclusion decisions are dealt with on a case-by-case basis and, depending on which exclusion ground applies (and providing the relevant tests are met), the supplier will be an excluded (mandatory) or excludable (discretionary) supplier and contracting authority either must or may use its discretion to exclude a supplier. A company may still be an excludable supplier even if a Deferred Prosecution Agreement is in place. While the majority of mandatory exclusion grounds require a conviction, discretionary exclusion grounds do not require a conviction for an offence. A supplier may still be excluded from competing for a public contract on the basis that a discretionary exclusion ground, such as professional misconduct, applies and the relevant tests have been met.

Schedule 6 of the Act sets out the mandatory exclusion grounds, which are the most serious, high risk scenarios. The grounds in Part 1 require a conviction of specific offences in the UK. The grounds in Part 2 do not require a conviction for an offence and cover national security threats in relation to particular contracts and certain tax misconduct and competition law infringements.

Schedule 7 of the Act sets out the discretionary exclusion grounds, which mostly do not require a conviction but represent situations which may pose unacceptable risks. These cover a broad range of situations, such as insolvency, potential competition law infringements, professional misconduct, breach of contract and poor performance, general national security threats, as well as misconduct in areas like labour and the environment

The Act also introduced a central debarment list on which a Minister may enter the names of suppliers who then either must or may be excluded from public procurements across the whole of the public sector. All contracting authorities must check the debarment list in each procurement and must exclude (or will have a discretion to exclude) suppliers, if they are on the debarment list. I would be more than happy to meet with you and colleagues on the justice committee to discuss the debarment powers in the Procurement Act 2023.

Yours sincerely,

A handwritten signature in cursive script that reads "Georgia Gould". The signature is written in dark ink on a light background.

**Georgia Gould MP
PARLIAMENTARY SECRETARY**