



Ministry
of Justice

Lord Timpson
Minister of State for Justice

Andy Slaughter MP – Chair, Justice Committee
Justice Select Committee
House of Commons
London
SW1A 0AA

MoJ ref: SUB124440

5 June 2025

Dear Andy,

RE: CONTRACTUAL AGREEMENT AND FUTURE MANAGEMENT OF HMP FOREST BANK

Thank you for your letter of 21 May 2025 and your supplementary questions regarding the contractual arrangements for HMP Forest Bank. As requested, I am responding to the specific questions raised in your letter.

1. Given the previous contract for HMP Forest Bank was a Private Initiative (PFI), will the new contract follow the same model?

The new contract is not a PFI contract. It is a 10 year manage and maintain contract with Sodexo. PFI contracts were set up as long-term contractual arrangements between a public sector entity and a private sector entity for the purposes of the design, construction, operation, and maintenance of an asset, in our case, a prison. The PFI contract is funded via private sector investors who appoint a Special Purpose Vehicle (SPV) to manage the contract on their behalf. At HMP Forest Bank, the SPV appointed Sodexo as the operational sub-contractor responsible for the management of the asset and service. The contractual relationship for the PFI contract is between the Authority and the SPV. Additionally, payments for PFI contracts included a financing element, similar to a mortgage, as part of the overall delivery framework. There is thus no longer a requirement for a PFI contract.

2. How do the terms of the new contract with Sodexo differ from the previous PFI contract?

As outlined in the response to question 1, the new contract is referred to as a 'Manage and Maintain' contract made directly with Sodexo as the Operator and is specifically focused on the management and maintenance of the prison. This direct relationship enables MoJ to deal with

and manage the Operator without the additional layers of governance that are inherent in a PFI contract. Unlike PFI contracts, it does not include any capital repayment component.

Furthermore, the terms of the new contract reflect current operational and maintenance standards and requirements, ensuring that they align with today's operational needs. The new contract also incorporates learnings from existing contracts and are more detailed and robust than existing PFI prison contracts. For example, PFI contracts have limited expiry and mobilisation provisions, including no specific exit or mobilisation schedule which adds complexity to the preparations for exit and transfer of the service. The new contract for HMP Forest Bank (and all contracts let under the Prison Operator Services Framework (POSF)) have dedicated exit and mobilisation schedules. A summary of the model call off contract used as the basis of the new HMP Forest Bank contract can be found in the following footnote¹.

3. What practical day-to-day differences can staff and prisoners expect to experience under the new contract in comparison to the previous PFI arrangement?

In our previous correspondence, I addressed concerns about the current performance regarding safety and security at HMP Forest Bank.

In all operator competitions run under the POSF, the aim is to secure an operator to provide high quality, sustainable, innovative, and value for money (VfM) custodial and maintenance services which meet our requirements for a 21st Century custodial service that is safe, decent, secure, and rehabilitative. Competition for existing prisons such as HMP Forest Bank also provides an opportunity to build on existing good practice while addressing areas of improvement including investing in the physical asset, people and technology.

Through the new HMP Forest Bank contract, the provider, Sodexo, have committed to deliver several important enhancements compared to the previous Private Finance Initiative agreement, emphasising rehabilitation, safety, staff welfare, capacity, sustainability, security, and infrastructure upgrades. These include:

- **Rehabilitation** – increased purposeful activity; providing local Court Liaison Officers to aid prisoners' transition; and a new community liaison officer to support families.
- **Safety** – use of Body Worn Cameras and creating a 'calmer community' focused on health and wellbeing, particularly for older and mobility impaired prisoners.
- **Staffing** – an increase in staffing in the early years of the contract to support implementing the new operating model and additional training.
- **Security** – investment in technology to reduce the entry of illicit items, use of drone technology and an improved system of monitoring phone calls to prevent criminal activity.
- **Infrastructure** – creating a mental health unit; additional video conferencing hubs and a remand support centre. In-cell tech to improve staff and prisoner interactions.

Crucially, these commitments made by the provider will help mitigate risks that have historically affected safety and security performance at HMP Forest Bank. With stronger preventive systems

¹ https://data.parliament.uk/DepositedPapers/Files/DEP2019-0490/PETP_Prison_Operator_Competition_Contract_Summary.pdf

in place, staff will be better equipped to maintain order, reduce disruptions, and ensure a safer custodial setting.

While the new contract with Sodexo includes commitments to make significant improvements at HMP Forest Bank, it is important to set out that contract transitions, especially in complex environments like prison management, and even when there is no change in operator, come with inevitable challenges. Our experience in all sectors is that with large and complex contracts it is challenging for the provider to deliver on all of the commitments. The on-site contract management team will monitor delivery and will take action where commitments are not met or performance is poor. They will also be supported by a dedicated mobilisation team and together they will support and challenge the provider to deliver the service effectively.

If you need any further information, please do let me know.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'James', written in a cursive style.

Lord Timpson
Minister for Prisons, Probation and Reducing Reoffending