



National Audit Office

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## **Report**

by the Comptroller  
and Auditor General

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## **Ministry of Justice**

# Investigation into Just Solutions International

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National Audit Office

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Ministry of Justice

# Investigation into Just Solutions International

Report by the Comptroller and Auditor General

Ordered by the House of Commons  
to be printed on 29 January 2016

This report has been prepared under Section 6 of the  
National Audit Act 1983 for presentation to the House of  
Commons in accordance with Section 9 of the Act

Sir Amyas Morse KCB  
Comptroller and Auditor General  
National Audit Office

28 January 2016

This report describes the creation, activity and closure of Just Solutions International (JSi), a commercial arm of the National Offender Management Service.

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## **Investigations**

We conduct investigations to establish the underlying facts in circumstances where concerns have been raised with us, or in response to intelligence that we have gathered through our wider work.

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# What this investigation is about

1 Just Solutions International (JSi) was the commercial arm of the National Offender Management Service (NOMS), which aimed to help improve justice systems across the world by selling products and consultancy services. JSi was not a separate legal entity; it was a small team within the Commercial Development Group (CDG) in NOMS.

2 According to its website, JSi operated as a specialist management consultancy helping private and public sector organisations improve their criminal justice sector activities through the provision of:

- consultancy advice to address existing problems or in the development of plans for improvement;
- accredited training and development of prison and probation officers and staff, in association with partners on policing and prosecution;
- design and delivery of internationally recognised intervention programmes for offenders and re-offenders; and
- licensing of NOMS-registered intellectual property for legal and controlled use by independent organisations and individuals.

3 The Parliamentary Under-secretary of State for Prisons, Probation, Rehabilitation and Sentencing announced the closure of JSi to Parliament on 9 September 2015.

4 Shortly after the announcement of its closure, we received correspondence raising concerns around the transparency of JSi activities and requesting that we investigate. This report sets out the result of our investigation. It records the underlying facts and does not assess the value for money of JSi. Appendix One sets out our methodology.

5 The aim of this investigation is to:

- provide a definitive timeline for the establishment, activities and closure of JSi;
- explain the rationale for the structure of JSi and consider the current guidance for pursuing this type of wider market activity; and
- set out the costs incurred and revenue generated by JSi over the period it was operating.

6 The report has three sections covering the **establishment**; **activities**; and **closure** of JSi.

# Summary

## Key findings

**7 Just Solutions International (JSi) was created in 2012 to exploit commercial opportunities arising from National Offender Management Service (NOMS) activities relating to IT, training and consultancy services.** The target market was primarily overseas governments originally facilitated through the Foreign & Commonwealth Office (FCO) then directly with overseas governments from 2014. JSi aimed to make a commercial return on work contracted from overseas governments.

**8 JSi was established as a brand within the NOMS Commercial Development Group (CDG) after the NOMS board rejected a proposal to establish JSi as a company.** A number of consultants were engaged from 2010 to 2014 to undertake pilots and develop business cases that formed the basis of JSi. We have set out a timeline of JSi in **Figure 1** on pages 6 and 7.

**9 In establishing JSi, NOMS followed the current guidance from HM Treasury, the National Archives and the Cabinet Office where this guidance was available.** This included: *Managing Public Money* (HM Treasury), which gives guidance on public bodies undertaking commercial services; the National Archives' guidance on best practice in information trading; and Cabinet Office guidance for sponsorship of public bodies including companies. However, this Cabinet Office guidance is limited because it does not cover the question of whether a company is the most appropriate form for new operations.

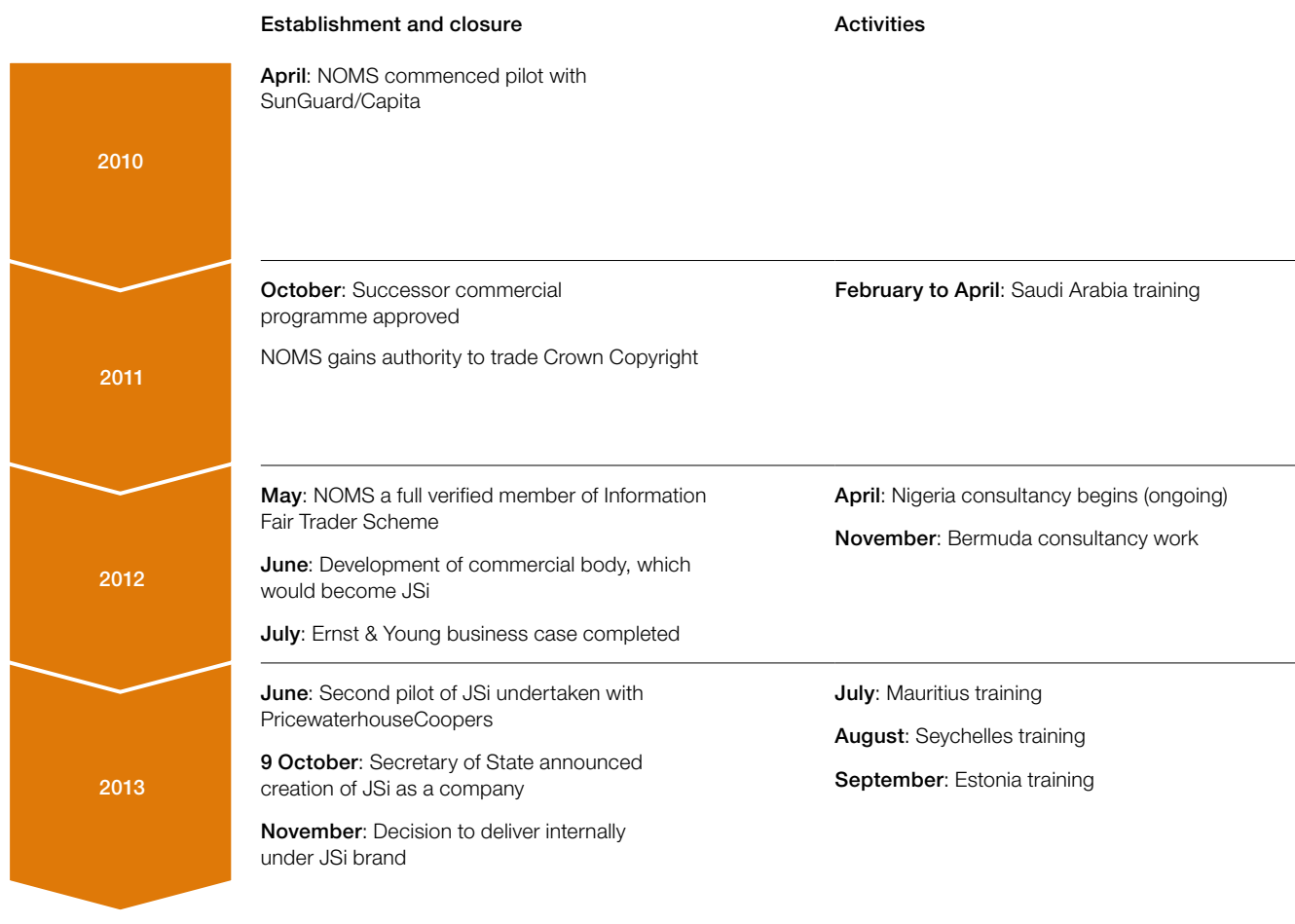
**10 The total income generated by JSi was less than £1 million.** The main contracts delivered by NOMS, under the JSi brand, between 2012 and 2015 were for training Royal Oman Police officers (£255,000), consultancy on prison design in Libya (£128,000) and contracts in Nigeria (£130,000), Australia (£89,000) and the Seychelles (£34,000).

**11 The cost of setting up JSi exceeded the income generated by completed contracts.** We estimate that JSi's costs were approximately £2.1 million from 2012 until its closure, including £239,000 on consultancy services. Therefore JSi made a net loss of approximately £1.1 million in this period. This is due, in part, to the decision to withdraw from prospective arrangements with Saudi Arabia and Oman. We also note that had JSi not been created, NOMS would have committed funding to support wider international engagement with countries to support FCO and wider Government objectives.

**12 In September 2015 the Secretary of State for Justice closed JSi and decided not to pursue any commercial activities in Oman. In October 2015 JSi withdrew from the bid for work with Saudi Arabia.** This followed the launch of a judicial review into JSi and significant media and political interest in the proposed work with Saudi Arabia. There were no financial penalties for withdrawing from contract negotiations with Saudi Arabia.

**13 JSi is now closed and NOMS does not plan to perform further work for overseas governments on a commercial basis.** NOMS will continue to receive visits and requests for assistance from overseas governments through FCO and other UK departments for the achievement of cross-government objectives.

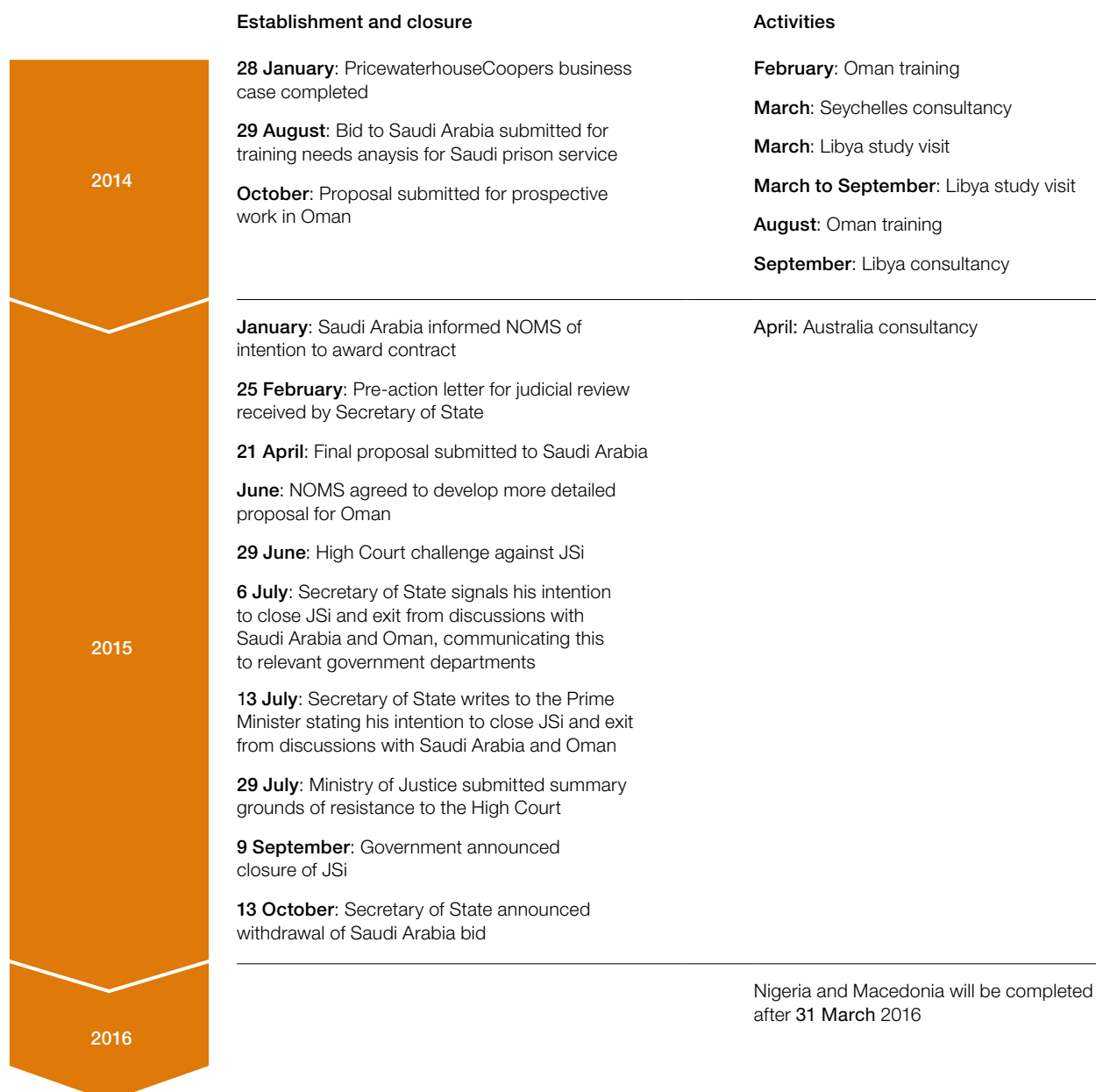
**Figure 1**  
Timeline of JSi from establishment to closure





**Figure 1** *continued*

## Timeline of JSi from establishment to closure



Source: National Offender Management Service

# Establishment of JSi

## Commercial Activities Pilot

**14** Prior to 2010 the National Offender Management Service (NOMS) tested the market to see if there was an appetite for its services prior to the creation of Just Solutions International (JSi). NOMS developed a number of products for internal use which also had commercial potential. These included IT tools, training programmes and consultancy services. One such example was the Case Assessment and Tracking System (CATS), a software tool for the case management and monitoring of offenders. From 2004 NOMS received a series of approaches from other countries interested in acquiring the CATS system for their own use.

**15** NOMS was also receiving a number of visits, around 10 per month, from officials in other countries. These visits were managed by the NOMS International Unit. There was a growing demand from other governments for consultancy or training in NOMS' accumulated knowledge.

**16** By 2010 NOMS faced issues maintaining oversight and control of the products that it had developed. The knowledge gained by staff was being shared without central oversight and some of this knowledge was also being sold by ex-NOMS employees. In other areas, such as enquiries from other governments about CATS, NOMS did not have a framework within which to handle requests or the resources to respond. In 2010 NOMS identified it needed greater central oversight, better risk management and procedures to control its intellectual property. In addition, it wanted to make the most of the commercial opportunities that these products offered.

**17** In April 2010 the Commercial Development Group (CDG) within NOMS started a pilot, the Commercial Activities Pilot, with SunGuard PS (later bought out by Capita). This aimed to test the commercial viability of software products developed by NOMS while also developing new technology products that could be used commercially. The pilot also developed the provision of prison management training for domestic and international prison providers and tested how interventions could be shared internationally under a commercial banner. The pilot was initially to run for 12 months but was extended until October 2012.

**18** The main training aspect of the pilot was delivered to Saudi Arabian prison managers on two visits to the UK in 2011. The training focused on core regime management, incident management, prisoner management, and leadership and management training. A total of 32 participants took part in the two training sessions, 16 in each session, for which NOMS received £331,000. Other than training, the pilot delivered software products to primarily UK customers.

**19** The other aim of the pilot was to ensure better oversight and proper use of intellectual property. NOMS applied for delegated authority to trade with Crown Copyright and this was granted by the Controller of HM Stationary Office in 2011. In 2011 NOMS also applied to join the Information Fair Trader Scheme (IFTS) run by the National Archives. This is the best-practice model for public sector bodies wishing to demonstrate compliance with the Re-use of Public Sector Information Regulations legislation. NOMS was scored as a medium-risk organisation when assessed against the risk criteria and became a full accredited member by May 2012.

**20** Over its life, the pilot generated a surplus of £242,000 (see **Figure 2**).

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### **Figure 2**

Approximate income and costs from the pilot

	<b>Value</b>
Total income	759,000
Total costs	517,000
<b>Net surplus</b>	<b>242,000</b>

#### **Note**

1 Primary records were held by Capita. A final credit was transferred to NOMS after the completion of the pilot.

Source: National Offender Management Service

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**21** Documents supplied by NOMS detail an agreement with HM Treasury requiring that any surplus funds could not be used to subsidise the core business of NOMS but instead would be reinvested in innovation and delivering efficiency and cost savings back to the ministry. NOMS informed us that it ensured that it followed the rules of HM Treasury guidance, *Managing Public Money*, which allows for a small profit when selling commercial services in a competitive market.

**22** The pilot demonstrated the commercial potential within NOMS and established the infrastructure (through IFTS and Crown Copyright) to trade products more widely. In October 2011 the NOMS Executive Management Committee approved a successor commercial programme, which was a precursor of JSi.

## **Business case for JSi**

**23** In June 2012 CDG set itself a target to be completely self-funding by April 2013. This ambition led to the development of a business case for a commercial vehicle called JSi, which would be ready to trade by April 2013.

**24** The first business case for JSi was prepared by consultants Ernst & Young and presented to the NOMS Executive Management Committee in June 2012. The cost to NOMS of preparing this business case was £118,000 (including VAT). The rationale behind JSi was the commercialisation of knowledge, skills, products and services within NOMS to generate income, which could be reinvested in the justice sector.

**25** The business case aimed to exploit commercial opportunities both nationally and internationally. The principal products that it was hoped JSi would market and sell were IT (especially CATS), rehabilitation interventions, learning and development and other consultancy (for example, prison design or security arrangements).

**26** The business case recommended that JSi should be established as a private company with a significant stake held by NOMS. The recommended model was a company limited by guarantee (that is, with no shareholders), with the intention that no sale could take place in the future. The business case recommended that a company structure at arm's-length would not be so restricted by the National Archives or HM Treasury rules and so could carry out projects more effectively and quickly. Under this structure it was felt JSi could grow market share, develop quickly and innovate.

**27** The Cabinet Office has issued some guidance on sponsorship of public bodies including companies. However, there is no guidance on when a company is the most appropriate form for new commercial operations.<sup>1</sup> NOMS has, however, told us that it worked closely with the Cabinet Office to understand the most appropriate governance structure for JSi. NOMS informed us that it checked the JSi development with Cabinet Office and involved them in meetings, for example, on model development. The Cabinet Office encouraged the thinking on alternative models of delivery but not particular company constructs. NOMS also met with the Shareholder Executive and other parts of UK Trade & Investment and the Department for Business, Innovation & Skills to explore governance models.

**28** In November 2012 NOMS advised the then-Secretary of State for Justice of the developments in JSi. NOMS' proposed model was of a company limited by guarantee, following the Ernst & Young recommendation in the business case, and a second pilot was proposed, this time with PricewaterhouseCoopers.

<sup>1</sup> National Audit Office, *Companies in government*, December 2015, paragraph 9.

## The second pilot

**29** From June 2013 NOMS launched a second pilot of JSi in partnership with PricewaterhouseCoopers. This pilot was designed to test the market potential of the services offered by NOMS, carry out agreed development work, and work with NOMS to identify and contract with potential customers. As with the Capita pilot, any surplus from activities would be held for the benefit of NOMS and earmarked for future commercial activities. PricewaterhouseCoopers was paid £121,000 (including VAT) for the pilot.

**30** As part of the second pilot JSi began undertaking international activity in Oman, Bermuda and Pakistan. It also established a pipeline of work in Libya, Algeria and Nigeria (a full explanation of activities is included in the next section on Activities of JSi). To manage these activities NOMS set up a shadow JSi board, which worked with PricewaterhouseCoopers to develop the business.

**31** The pilot culminated in a final business case in January 2014. This business case was produced by the JSi shadow board in partnership with PricewaterhouseCoopers and focused on the benefits to government of creating a company limited by guarantee. The business case described how JSi would move from its “incubation period”, where it was largely reliant on inflows of business through the Foreign & Commonwealth Office (FCO), to a growth phase, where a full roll-out of consultancy, training, intervention and intellectual property services could be rolled out to a global client base. The business case did not focus on particular regions but looked at opportunities across the world, primarily opportunities to expand FCO-facilitated work, especially in Nigeria and Libya. In addition, opportunities to work directly with overseas governments in Oman, Saudi Arabia and Qatar as well as countries in South America, such as Brazil and Chile.

**32** The business case projected total revenue of £6.3 million in year 1 (2014-15) rising to £8.8 million in year 4. Retained profit was projected at £183,000 in the first year, rising to £202,000 in year 4. Actual revenues and costs for JSi until its closure in July 2015 are shown in the Activities of JSi section of this report.

**33** Although the business case recommended that JSi should operate as a company limited by guarantee, the structure of JSi was subject to some debate. The then-Secretary of State announced the creation of JSi as a company in October 2013 at the World Probation Congress. However, in November 2013 the NOMS board (which oversees the NOMS Executive Management Committee) decided not to establish JSi as a separate company but instead maintain it as an internal function. The board made this decision as it did not want to divert commercial staff who were needed on other projects; did not have the capacity to invest the necessary funding upfront; and felt that it was not necessary to create a separate company at that point in time. JSi continued to operate as an internal function within NOMS until its closure in 2015.

# Activities of JSi

## Activities

- 34** Before 2014 a number of Just Solutions International (JSi) projects were facilitated through the Foreign & Commonwealth Office (FCO). Income from these projects was received from the FCO rather than directly from other governments. The National Offender Management Service (NOMS) charged a fixed mark-up on these projects to cover costs.
- 35** From 2014 JSi started to look for opportunities to expand its business and deal directly with overseas governments. For example, JSi worked directly with Australia and Oman on a commercial basis.
- 36** JSi also performed small pieces of commercial work for private clients, such as the University of Maryland in the United States and the International Centre for Prison Studies.
- 37** JSi carried out non-commercial work (funded by the EU) for a prison and probation system reform programme to Macedonia. This is expected to be completed in 2016 and have a value of up to €1 million.
- 38** JSi also undertook work selling major NOMS products. The majority of its sales were in training and consultancy. Training was provided, for example, in the Seychelles to supply and train four drugs dogs. In Oman, a training programme was developed and delivered for a delegation of 12 senior staff members from the Royal Oman Police.
- 39** Consultancy services were provided, for example, to Nigeria for an ongoing project under the Justice and Human Rights Partnership programme in the FCO. The project is to raise human rights compliance in Nigeria to achieve UN minimum standards. The consultancy visit to Libya was for the Ministry of Justice estate's team to prepare and deliver a workshop on Prison Design. JSi delivered consultancy to Australia for supplying technical consultancy services relating to commissioning and contestability in the corrective services, New South Wales.
- 40** The table opposite (**Figure 3**) summarises the income generated by JSi through its lifetime. The total income from all sources totalled approximately £971,000.

**Figure 3**

## JSi projects and revenues in chronological order

<b>Project</b>	<b>Delivery location</b>	<b>Source of funding</b>	<b>Approximate revenue (£)</b>	<b>Date of delivery</b>
Nigeria – consultancy	Nigeria	FCO	130,000	April 2012 into 2016 (ongoing)
Pakistan – consultancy	Pakistan	FCO	7,000	September 2012 and February 2013
Bermuda – consultancy	Bermuda	Overseas government	37,000	November 2012
International Centre for Prison Studies – study visit	China	Private	3,000	December 2012
Mauritius – training	Mauritius	FCO	9,000	July 2013
China – study visit	UK	Private	5,000	July 2013
Seychelles – training and consultancy	Seychelles	FCO and United Nations Office on Drugs and Crime	34,000	August 2013 and March 2014
Estonia – training	Estonia	Overseas government	10,000	September 2013
Cayman Islands – training	Cayman Islands	FCO	5,000	September 2013
Kosovo – study visit	UK	EU	1,000	December 2013
Turkey – study visit	UK	United Nations Office for Project Services	4,000	January and February 2014
Algeria – study visit	UK	FCO	2,000	February 2014
Oman – training	75% UK; 25% Oman	Overseas government	255,000	February and August 2014
Turkmenistan – study visit	UK	FCO	3,000	March 2014
Libya – study visit	UK	FCO	104,000	March 2014
South Korea – study visit	UK	Overseas government	1,000	April 2014
India – study visit	UK	Private	2,000	June 2014
Libya – consultancy	Libya	FCO	128,000	September 2014
Bangladesh – consultancy	Bangladesh	FCO	8,000	January 2015
United States – study visit	UK	Private	1,000	March 2015
Australia – consultancy	80% Australia; 20% UK	Overseas government	89,000	April 2015
Macedonia – consultancy <sup>1</sup>	Macedonia	EU	133,000	Ongoing
<b>Total</b>			<b>971,000</b>	

**Note**

1 The Macedonia project is ongoing and only the latest accrued amount has been included in the table.

Source: National Offender Management Service

## Costs

**41** Figure 4 shows the revenue from JSi and costs from April 2012. The table does not include revenues from the Capita pilot. The table shows a cumulative loss from 2012 until closure in July 2015 of £1,150,000.

**42** The costs include direct staff costs of those directly involved in the provision of training or consultancy services and travel costs. The consultancy costs include the fees paid to Ernst & Young for the first business case of £118,000 and PricewaterhouseCoopers for the second pilot and business case of £121,000 (both including VAT).

### Figure 4

#### Approximate JSi revenues and costs

Revenue by source of funding	2012-13	2013-14	2014-15	2015-16	Total
FCO	5,000	228,000	197,000	–	430,000
Overseas governments	37,000	265,000	1,000	89,000	392,000
EU	1,000	–	–	133,000 <sup>2</sup>	134,000
Other	3,000	9,000	3,000	–	15,000
<b>Total</b>	<b>46,000</b>	<b>502,000</b>	<b>201,000</b>	<b>222,000</b>	<b>971,000</b>
<b>Costs</b>					
Staff direct costs <sup>3</sup>	37,000	386,000	133,000	170,000	726,000
Consultancy (including VAT) <sup>4</sup>	118,000	121,000	–	–	239,000
Central staff	154,000	308,000	308,000	154,000	924,000
Overheads	39,000	77,000	77,000	39,000	232,000
<b>Total</b>	<b>348,000</b>	<b>892,000</b>	<b>518,000</b>	<b>363,000</b>	<b>2,121,000</b>
<b>Net outturn</b>	<b>-302,000</b>	<b>-390,000</b>	<b>-317,000</b>	<b>-141,000</b>	<b>-1,150,000</b>

#### Notes

- 1 To validate the figures we have had to manually extract transactions relating to JSi and it was necessary to estimate some of these costs.
- 2 The Macedonia project is ongoing and only the latest accrued amount has been included in the 2015-16 column of the table.
- 3 Staff direct costs have been primarily obtained from ledger data provided by NOMS. However, where costs could not be fully ascertained, an assumed gross profit margin was used to estimate costs.
- 4 Consultancy costs do not include those charged by Capita during the pilot.

Source: National Offender Management Service



**43** From April 2013 3.5 full-time equivalent staff worked under the JSi brand. These members of staff also worked on other NOMS core business. Although these were not full-time roles, NOMS has estimated that the cumulative annual staff cost was £308,000 based on the proportion of the time spent by individuals on JSi activity. General overheads of £77,000 per annum have also been estimated by NOMS.

**44** NOMS had a cost centre for the Commercial Development Group that was not used exclusively for JSi transactions. Some costs were never posted to the cost centre (such as overheads and salary costs and also direct costs before 2014-15). Therefore we have estimated some JSi costs.

**45** The cumulative loss includes revenues between 2012 to 2015, it does not include significant prospective work in Saudi Arabia and Oman which may have reduced the loss. In addition, we recognise that throughout this period, had JSi not been created, NOMS would have committed funding to support wider international engagement with countries to support FCO and wider government objectives.

# Closure of JSi

## Contract discussions at closure

**46** Through 2014 and 2015 Just Solutions International (JSi) actively engaged with overseas governments to identify and secure commercial contracts. The most advanced of these negotiations were with Saudi Arabia and Oman.

**47** In August 2014 the National Offender Management Service (NOMS) submitted a bid to the Saudi Ministry of Finance to conduct a training needs analysis of all learning and development programmes for Saudi prison officers, in response to a procurement request from the investment arm within the Saudi Ministry of Finance. JSi's initial proposal for the training needs analysis element of this contract was worth £5.9 million for an 18-month programme. Negotiations on the exact requirements and on the value and length of the contract continued.

**48** In October 2014 JSi submitted a proposal for work to Oman to provide consultancy services relating to prison design and building, and policies for offender management. The initial proposal, Phase 1, was for a small piece of work to critique the plans of an existing prison and was valued at £98,000. This was expected to be followed by work to develop a new prison in Oman, Phase 2, valued initially at approximately £4 million but later negotiations increased this to £7.8 million. In addition, preliminary discussions were held in 2014 with the Omani government around a national training programme for prison officers.

**49** In June 2015 JSi agreed to develop a more detailed proposal for Phase 2 and to develop the plans for the training programme further. A detailed scoping visit was proposed with the British Embassy in Oman but this visit did not take place.

**50** Prior to submitting the bid to Saudi Arabia, NOMS completed an Overseas Security and Justice Assistance (OSJA) assessment on 29 January 2015. These are completed to ensure the government's overseas security and justice assistance work meets its human rights obligations and values. Guidance is set by the Foreign & Commonwealth Office (FCO). The OSJA required NOMS to include mitigations to address human rights concerns in Saudi Arabia, for example the main UK members of staff working on the project would be trained in human rights obligations, and all JSi-delivered training was to include appropriate modules on human rights protections.

**51** No other bids for international work were made prior to closure of JSi. Discussions were held with officials from Bahrain in January and March 2015 around consultancy on prison estate and training but these were never formalised in a proposal.

### **Judicial review**

**52** In February 2015 a pre-action letter for a judicial review was received by the Secretary of State for Justice and the Secretary of State for Foreign and Commonwealth Affairs. A private individual, later replaced by the Gulf Centre for Human Rights (GCHR), brought a High Court challenge against the Secretary of State for Justice asserting that he had no power to create or operate JSi and that the bid to provide services to the Saudi Arabian authorities was unlawful.

**53** In July 2015 the Ministry of Justice submitted summary grounds of resistance (that is, a challenge to the claimant's permission to apply for judicial review). This mentioned that the Secretary of State was conducting a review of JSi, which was expected to conclude by the end of August 2015. Until July 2015 the Ministry of Justice had spent £6,500 on contesting the judicial review.

### **Decision to close JSi**

**54** In July 2015 the Secretary of State for Justice signalled his intention to halt the commercial development work being undertaken by JSi. He communicated this to relevant government departments and instructed his officials to cease this work with immediate effect and not to pursue any new contracts.

**55** The Secretary of State wrote to the Prime Minister explaining his intention to wind up the operations of JSi. The Secretary of State explained that this was so his department could focus on its domestic reform agenda. All future work with overseas governments would need ministerial approval and be based on the principle of cost recovery rather than commercial return.

**56** Further to this, in September 2015 the Secretary of State instructed civil servants that should the Saudi Arabia contract be awarded, it should be delivered in the shortest time possible with minimal impact on front-line operations. This was reiterated in Parliament by the Parliamentary Under-secretary of State for Prisons, Probation, Rehabilitation and Sentencing on 9 September 2015, who stated that withdrawing from the bid would be detrimental to the government's wider interests. Following this announcement, there was significant media and political interest in the decision to carry out the proposed work with Saudi Arabia.

**57** In the House of Commons on 13 October 2015 the Secretary of State for Justice stated the bid to Saudi Arabia had been withdrawn. Although there has been no public announcement, we understand from NOMS that at the closure of JSi in September, the exploratory conversations with Oman came to an end and did not progress further.

**58** NOMS has told us that there were no penalty clauses in force at that time regarding proposals or bids to Saudi Arabia and Oman and so there have been no direct financial costs as a consequence of withdrawing from the procurements. The contractual penalties that had been within the bid to Saudi Arabia lapsed in August 2015. We have found no evidence of any such costs in NOMS' financial records.

### **Continuing and future projects**

**59** There are two existing projects set up by NOMS, to which JSi contributed during its existence, and which will be completed following JSi's closure:

- Nigeria: This project is funded by FCO as part of its Justice and Human Rights Partnership programme. It is due to be completed around April 2016; and
- Macedonia: This project is funded by the EU. The project aims to raise standards by providing consultancy on probation and rehabilitation services. It is due to be completed by December 2016.

**60** NOMS will continue to receive visits and requests for assistance from foreign governments and via UK government departments such as the FCO. NOMS has informed us that the Law, Rights and International Directorate of the Ministry of Justice will take over responsibility for these areas. The Law, Rights and International Directorate is responsible for civil and criminal law, and coordinates the ministry's legislative programme. It also leads on human rights and coordinates all of the ministry's international activity – in the European Union, Council of Europe, United Nations and elsewhere.

# Appendix One

## Our investigative approach

### Scope

1 We conducted an investigation into concerns raised by correspondents about the structure and activities of Just Solutions International (JSi). Our scope is to:

- provide a definitive timeline for the establishment, activities and closure of JSi;
- explain the rationale for the structure of JSi and consider the current guidance for pursuing this type of wider market activity; and
- set out the costs incurred and revenue generated by JSi over the period it was operating.

2 Our work does not assess the value for money of JSi's activities. The period covered by this report goes beyond the standards set by government departments for keeping some records. We have based our work on the available documentation.

3 Monetary values have been rounded to the nearest thousand pounds.

### Methods

4 In examining these issues, we drew on a variety of evidence sources.

5 Estimates were used for some of the figures.

6 We interviewed relevant individuals from JSi and the National Offender Management Service (NOMS). The people we interviewed included:

- Head of Commercial Development Group, NOMS.
- Director, Commissioning and Contract Management, NOMS.
- The relevant finance business partner, Finance and Analysis Directorate, NOMS.

7 We reviewed a range of evidence including internal briefings and correspondence, reports produced by consultants, and NOMS' financial data evidencing revenue and costs. We did not verify financial data with evidence from other government departments.

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