

# ACCOUNTING OFFICER ASSESSMENT DECEMBER 2024

## Immigration Removal Centre (IRC) Expansion Programme (IRCEP)

### Background and Context

It is normal practice for Accounting Officers (AO) to scrutinise significant policy proposals or plans to start or vary major programmes, and then to assess whether they measure up to the standards set out in Managing Public Money. From April 2017, the Government has committed to making a summary of the key points from these assessments available to Parliament when an AO has agreed an assessment of projects within the Government's Major Projects Portfolio (GMPP).

### Summary

Immigration Enforcement has been tasked to deliver an additional 1,000 detention bed spaces. IRCEP will be central to the Government's priorities "**Strong Foundations: Secure Borders**" and "**Safer Streets**", by supporting the Home Office's ambitions to increase the removal rates of those here unlawfully over time and strengthen public safety. It will also help address the need to manage the immigration detention estate and maintain capacity while wider detention facilities are, where required, being refurbished or improved.

### Regularity

The original case for change was motivated by successive prime ministerial commitments and new legislation. Following the change in Government in July 2024, the case for change remains one motivated by a prime ministerial commitment: most significantly, to increase removal volumes of those with no legal right to remain in the UK, including Time Served Foreign National Offenders (TSFNOs).

IRCEP's expansion of the immigration detention estate will enable the Government to enforce swiftly the removal of more individuals without leave to remain in the UK, further protect the public, and make our streets safer by removing more TSFNOs.

Ongoing small boat arrivals and sustained pressure on prison capacity add further weight to the need to expand the detention estate to increase removals and relieve this pressure.

IRCEP has robust governance and assurance processes in place including approval of the Programme's business case suite by the Home Office Investment Committee. Internally, IRCEP reports into the Migration & Borders Transformation Board. Externally, IRCEP is a part of the GMPP and reports quarterly to the Infrastructure and Projects Authority (IPA).

Funding for the projects within IRCEP is provided by His Majesty's Treasury (HMT) following submission of approved business cases. Costs are continually reviewed, monitored and challenged across the life of the Programme.

## **Underpinning Statutory Framework**

- The legislative framework for the management and operation of IRCs is set out in Part VIII (sections 147 to 153) of the Immigration and Asylum Act 1999 and in the Detention Centre Rules 2001 (Statutory Instrument 2001/238). Section 147 of the 1999 Act was amended by section 66 of the Nationality, Immigration and Asylum Act 2002 (which changed the name from detention centres to removal centres). Paragraph 18(1) of Schedule 2 to the Immigration Act 1971 states that individuals may be detained in such places as the Secretary of State may direct. Places where a person may lawfully be detained under Immigration Act powers are then specified in the Immigration (Places of Detention) Direction 2021.
- Section 153 of the Immigration and Asylum Act 1999 requires rules to be made for the “regulation and management” of detention centres (now known as IRCs). This requirement was given effect by the Detention Centre Rules, which came into force on 2 April 2001.
- The rights of all detained individuals are safeguarded by a multi-layered framework of Statutory Instruments (the [Detention Centre Rules 2001](#) (DC Rules) and [Short-Term Holding Facility Rules 2018](#) (STHF), published [Operating Standards for IRCs and individuals under escort](#) and a suite of [Detention Services Orders \(DSOs\)](#) published on gov.uk). The [Operating Standards Manual for IRCs](#) sets out the minimum auditable requirements for an IRC. DSOs are guidance documents containing operational instructions to be followed by Home Office staff and staff working on behalf of the Home Office, in relation to the management of specific issues within the immigration detention estate. DSOs ensure that operational activity adheres to the DC Rules, STHF Rules where appropriate and the Operating Standards for IRCs.

## **Propriety**

This proposal is considered as part of the long-term development of the immigration detention estate and forms part of the new Government’s mission to secure the UK’s borders.

IRCEP continues to deliver within the limits of the authority delegated to the Senior Responsible Officer (SRO). The Programme’s funding is now allocated as part of the Spending Review process and the Programme is being delivered within the allocated funding agreed with HMT.

As a GMPP Programme, IRCEP is subject to high standards of internal and external governance and assurance. The Programme’s business cases are submitted to the Home Office Investment Committee, which provides governance, assurance and oversight of the Home Office’s significant investment decisions. Business cases are further scrutinised and approved by HMT and the Cabinet Office.

IRCEP ensures that outcomes are delivered through a structured approach, enabling the Programme to run consistently and successfully. The governance structures that support IRCEP delivery and performance provide for external and internal challenge.

Given the Programme’s robust governance framework, compliance with required standards, Parliamentary expectations, and importance to Government Missions, I consider that the funding for the IRCEP constitutes proper and effective use of public funds.

## **Value for Money (VfM)**

The VfM assessment for the IRCEP needs to be considered in the context of the Government's priorities, and the Government's priorities to increase removals of those who have no right to be in the UK and protect the public. IRC facilities, particularly the detention estate capacity increase delivered by IRCEP, are key to achieving these ambitions along with other supporting functions such as escorting.

Harm imposed on UK society by irregular migrants remaining in the country without entitlement includes unentitled use of public services, illegal working that undermines good employers and businesses and, in the case of TSFNOs, potential reoffending. Allocating resource to increase detention capacity contributes to an increase in removals, thereby reducing these societal costs.

The Whole Life Cost includes programme run costs, procurement, design, construction, mobilisation and operational running at both sites. Costs are based on actual costs, forecasting and initial estimates, etc., augmented with VAT, inflation, quantified risk and optimism bias (at various rates). To avoid compromising the Home Office's commercial position, this cost information has not been included in this AO Assessment.

The Home Office has employed independent experts to ensure that it is getting VfM from IRCEP. This allows IRCEP to achieve cost-effective delivery, a reduction of financial risk and compliance with regulatory requirements.

The Ministry of Justice (MoJ) Construction Commercial Team, given its considerable experience of delivering large custodial infrastructure projects, is supporting the Home Office with the Haslar and Campsfield redevelopments. In addition, Home Office Commercial is responsible for the tendering and procurement of the Operator Service Providers at both sites covered by IRCEP.

Considering all these factors, my judgement is that delivery of the 1,000 beds through redevelopment and expansion of the Campsfield and Haslar facilities does deliver VfM and is the recommended approach to supporting the Government's priorities. Further, I will assess each key programme investment decision, in line with Home Office governance arrangements, to revalidate this judgement.

## **Feasibility**

The Programme's delivery is overseen by the Home Office Project & Portfolio Delivery Directorate and the IPA. It has robust change control procedures, with active risk and issue management and defined escalation routes to the SRO and senior boards.

The IRCEP business case suite details cost, funding and an assessment of investment affordability.

Delivery of IRCEP remains on track. As a major project, IRCEP is registered with the IPA for inclusion in the GMPP and submits quarterly returns as part of IPA governance and assurance.

IRCEP's most recent delivery confidence rating, as of September 2024, was "Amber". This aligns with the last IPA review and reflects the level of risk and complexity in the baseline plan for 2024 and beyond.

IRCEP has developed and implemented a comprehensive risk and issue management strategy that aligns with the Government Functional Standard for project delivery. Risks and issues associated with delivery / mobilisation can be thematically grouped as follows:

- **Approach / Construction Complexity** - construction procurement is led by MoJ, making layers of approvals and assurance more challenging. The Programme set out to have two phases of work at each site: reconstruction of existing facilities, then expansion. Exploration work required to create the designs found that both sites would require additional work, including demolition work, changing the nature of the renovation (now reconstruction) and expansion phases.
- **Construction Industry Material Supply** – EU-Exit and the Russian invasion of Ukraine have made more challenging the availability of, and lead times in securing, the materials necessary for IRC construction.
- **Resourcing** - build and operating service contracts. Supply issues in the labour market, coupled with aggressive recruitment by airports, airlines and others in the private sector, mean that many Home Office suppliers are struggling to retain staff and / or recruit in sufficient numbers to meet the shortfall. This is not an issue solely for immigration activity; other Government departments are also struggling, and the need for a co-ordinated cross-Whitehall response continues.

Each of these factors has impacted upon and continues to impact upon programme delivery. Specific risk and issue themes are managed within the Programme's Risk and Issue Logs.

## **Conclusion**

As the AO for the Home Office, I considered this assessment of IRCEP, which conforms to the four accounting officer standards of regularity, propriety, VfM and feasibility, and approved it on 06 December 2024. This document sets out the key points which informed my decision. If any of these factors change materially during the lifetime of this Programme, I undertake to prepare a revised summary, setting out my assessment of them.

This AO Assessment will be published on the Government's website (GOV.UK). Copies will be deposited in the library of the House of Commons and sent to the Comptroller and Auditor General, the Treasury Officer of Accounts and the Chair of the Public Accounts Committee.

**Sir Matthew Rycroft KCMG, CBE**

**Permanent Secretary for the Home Office**