



Rt Hon Sadiq Khan MP
Shadow Lord Chancellor
and
Shadow Secretary of State for Justice
(with responsibility for political and constitutional reform)

Rt. Hon Chris Grayling MP
Secretary of State for Justice
Ministry of Justice
102 Petty France
London
SW1H 9AJ

29 August 2013

Dear Chris,

Re: Ministry of Justice Contracts with Serco and G4S

Thank you for your recent letter on the electronic monitoring contract scandal.

Yesterday's further allegations against another Serco contract with the Ministry of Justice suggest that the scale of the problem may be more widespread. As a result, I am calling on you to immediately rule out G4S and Serco from all future Ministry of Justice contracts until a time when both the SFO and the National Audit Office have given them a clean bill of health, and the police have been allowed to complete their inquiries. Failure to do so risks further misuses of public money, and a dangerous erosion in the public's confidence in the ability of our justice system to keep them safe, something we can scant afford.

You will recall that in the House of Commons on the 11 July I asked whether the Government would exclude G4S and Serco from the bidding for the £800million of probation privatisation contracts. In response, you refused to support such a move. I hope that developments in the last 24 hours will persuade you that this was the wrong decision, and that you will now agree with me that halting any further awarding of taxpayers' money to both companies is the right thing to do.

It is simply unacceptable that despite repeated allegations of fraud, decisive action has not been taken to bar both companies until those responsible have been held to account and we can be satisfied that the circumstances which gave rise to such behaviour have been addressed. In the Financial Times, you were reported as saying that G4S and Serco will need to go through a process of "corporate renewal" if they are to work with Government in the future. However, there was little elaboration what "corporate renewal" means for the awarding of future Ministry of Justice contracts, some of which are imminently to be put out to tender. Whilst I'm sure your advice on business strategy would have been appreciated by those companies' shareholders, I would suggest that the events of the last few weeks take us beyond "corporate renewal": this is now a question of value for money and the integrity of our justice system.

Given your decision to privatise the probation service – a service that supervises some of our most serious and violent offenders – there is an even stronger case for ensuring that the Ministry of Justice takes a robust line on the handing out public money to private companies. So in summary, I ask you to:

- Confirm that G4S and Serco will be **barred from bidding** for any future Ministry of Justice contracts until such a time as both the SFO and NAO have given them a clean bill of health and the police have completed their investigations and held those responsible to account;

- **Publish the PWC report** into the actions of both G4S and Serco, which to date, you have refused to make public – so that there can be complete transparency;
- Request that the NAO immediately examine **all** Ministry of Justice contracts with private companies over a value of £1million;
- **Publish the details of any meetings** you, other ministers and senior officials have held with G4S and Serco over the last year, along with the minutes of those meetings.

I am sure we agree on the importance of maintaining public confidence in our justice system. But this confidence has been dented by the electronic monitoring contract scandal, and unless decisive action is taken now, there is a real risk that this confidence could be undermined yet further.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Sadiq Khan', with a small mark below the 'a'.

Rt. Hon Sadiq Khan MP
Shadow Secretary of State for Justice