

BROOK HOUSE INQUIRY

FIRST WITNESS STATEMENT OF MARTYN LLOYD KENYON

I, **Martyn Lloyd Kenyon**, Commercial Director, G4S Government Services, 46 Gillingham Street, London, SW1V 1HU will say as follows:

INTRODUCTION

1. G4S Government Services is a business unit of G4S Care and Justice Services (UK) Limited ('CJS').
2. My date of birth is DPA and I make this statement in response to the Inquiry's Rule 9 request dated 5 February 2022.

BACKGROUND AND ROLE

3. I hold a joint BSc honours degree in Economics and Marketing. I also hold an MBA and am a PRINCE2 Practitioner.
4. I summarise below my relevant career history prior to joining G4S:
 1. 1991 – 2000 Various business and general management roles within NHS Wales.
 2. 2000 – 2005 Business Manager, H Division Basic Command Unit, South Wales Police
5. I summarise below my roles within G4S:
 1. 2005 – 2010 Commercial Director, HMP / YOI Parc
 2. 2010 – 2011 Finance Manager, Offender Management

3. 2011 – 2017 Commercial Director, Custodial and Detention Services
(C&DS although now Care and Rehabilitation Services
(‘CaRS’)
4. 2017 – Present Commercial Director, Government Services

THE CONTRACT

6. I did not have any involvement in the Brook House contract until I was appointed as Commercial Director in 2011 (September). Since that time, I worked with the Home Office to agree numerous variations during the course of the contract. These changes would range from minor physical amendments to the building, through to non-recurring capital investments, or changes to the specification of the service or contractual terms.
7. The Home Office or the Brook House management team would largely generate the proposals for change. My role was to work with the Home Office to document the change and agree the terms and conditions of those changes.
8. The more material changes I have been involved in include the contract extension in 2012 and the subsequent extension in 2017, together with the amendment to increase the operational capacity of the centre, and the closing off of all outstanding commercial matters following the ending of the contract in 2019.
9. I did not have any responsibility for the contract profitability. My role was to provide commercial support to the business i.e., the Brook House Director and the C&DS Managing Director as and when necessary and required.
10. The management team at Brook House were supported by a management accountant, who reported into UK&I Regional Finance. The management accountant would prepare the monthly financial reports, which included the Contract Contribution. This included the profit before deductions for central overheads/expenses such as HR, Finance, Legal, Local and Regional Management costs etc.

11. I am asked to set out the profit G4S made from the contract for the years 2016, 2017 and 2018. G4S does not publish profits at a contract level and I do not have access to such information. Although related to gross rather than net profit, the Inquiry may be assisted by paragraph 2.16 of the National Audit Office's Memorandum for the House of Commons Home Affairs Committee dated July 2019, which addresses the figures for 2012 to 2018 [DL0000175].
12. I am referred to document CJS004484 and asked to explain the extent of my involvement in the 2012 extension. I was part of a G4S team of individuals who worked with the Home Office to agree to the extension from 2012 to 2017. Essentially, my role was to convert the solution developed by operational colleagues and the Home Office into a commercial agreement that would be contractually binding on both parties.
13. While the operational model and the savings that accrued from the model were identified, issues such as the terms and conditions of the agreement needed to be defined and documented - the changes in indexation, redundancy caps and provisions, if any, of the contracts were terminated early. I was also involved in agreeing the drafting of the Change Notice with Home Office colleagues giving effect to the extension.
14. I am also asked what the efficiency savings of Commercially sensitive per year identified in the document were. After all this time, I cannot recall specifically what these related to or how the figure was calculated. It is however likely that they were in respect of operational savings, which was not within the scope of my role.
15. In June 2014, the contract was subject to a 360-degree contract review [CJS000803]. The purpose of the 360 Contract Review Process is, among other things, to review the knowledge of the local management team and to test their delivery against the terms and obligations within the contract.
16. Generally, my involvement in the process would be to assist the local management team in compiling the information required for the review, should they require any additional

information from me specifically relating to an ongoing commercial issue that I may have been involved with. This would also be true of the 360 Degree Review of the Brook House contract in June 2014. I cannot now remember whether I was asked to provide any supplementary information for this specific review.

17. Following the review, the review team would produce an action plan of recommended actions (if required), progress against any action plan would be monitored at monthly trading reviews. No matters were identified in this specific review that required my attention.
18. I am referred to the National Audit Office's report into the contract from 2019 (which I refer to above) [DL0000175]. In my view and experience of the contract, the report is accurate.

TRADING REVIEWS

19. During the Relevant Period, I was fulfilling the role of Commercial Director within the Regional structure reporting into Regional General Counsel. I took the lead in providing commercial support to the C&DS business. I attended monthly trading reviews, which were conducted for each of the contracts within the business. The Gatwick IRC trading review was one of these reviews.
20. With specific regards to Gatwick IRCs, the review involved the Director and his senior management team presenting the performance for each of the contracts across a range of areas including Operational, Human Resources, Audits & Assurance, Health, Fire and Safety, Facilities Management, Finance and Commercial. I attended in a support role as part of the Managing Director's team reviewing the performance, while providing guidance and support to the Director in respect of any relevant commercial matters relating to the contract.
21. I am asked to comment on comments made by Ben Saunders in his Verita interview [VER000226] that the focus seemed to be on targets and profit rather than people. I do not agree with him. Trading reviews were intended to cover all aspects of the contract,

so it would naturally cover profit matters. This was one of several topic areas that would be covered, and as I explain above, this also included Operational, Human Resources, Audits & Assurance, Health, Fire and Safety, Facilities Management, Finance and Commercial issues.

INTERACTIONS WITH BROOK HOUSE DURING THE RELEVANT PERIOD

22. I did not attend Brook House during the Relevant Period. I did however attend various meetings and had interactions with G4S colleagues to develop the bid solution for the contract retender.
23. I also attended a number of other regular business meetings with my G4S colleagues, including Ben Saunders and his team (including Steve Skitt), such as the Brook House trading reviews, although these were always either conducted at other premises or via conference call.
24. I recall that during this time, I also had meetings with the Home Office and colleagues at Brook House to understand and resolve issues relating to the condition of the Air Handling Units and Security System at Brook House.. Ben Saunders and/or Steve Skitt were present at these meetings.
25. I attended the Brook House trading review meetings during the Relevant Period where Ben Saunders and/or Steve Skitt were also in attendance.

REACTION TO PANORAMA AND THE EVENTS THEREAFTER

26. My reaction to Panorama was shock and disappointment. I believe we employ very good people to work in sometimes difficult and stressful situations. To see the efforts of those staff undermined by the actions of a small minority was incredibly heartbreaking and frustrating.

27. While I was identified as having responsibility for commercials in the working team in respect of the action plan in response to the Panorama findings, the vast majority of issues and actions relating to the plan related to operational improvements. My involvement in respect of the commercial actions related to the collation and provision of contractual information. The monitoring of the plan was undertaken by the Project Board.

STATEMENT OF TRUTH

I believe that the facts stated herein are true.

I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Signed:

Signature

Dated:15/02/2022.....