

SCOTTISH PRISON SERVICE

ANNUAL PROCUREMENT REPORT

APRIL 2019 - MARCH 2020



HELPING TO BUILD A SAFER SCOTLAND - UNLOCKING POTENTIAL - TRANSFORMING LIVES

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About the Scottish Prison Service

The Scottish Prison Service (SPS) is an agency of the Scottish Government. The SPS's principal objective is to contribute to making Scotland Safer and Stronger. Our principal objective is to contribute to making Scotland Safer and Stronger. The SPS does this through its duty to protect the public by keeping those who have been sentenced in safe and secure custody. Our commitment to public safety is delivered through constructive engagement with those in our care, focussing on recovery and reintegration.

The SPS sets out its business objectives in a three year [Corporate Plan](#) and an [Annual Delivery Plan](#) which are published in the SPS website in the spring of each year. 2019 reflected that the SPS entered a new three-year corporate planning cycle.

In line with its legislative obligations under the Procurement Reform (Scotland) Act 2014, SPS also publishes a [Procurement Strategy](#) the most recent one covering a period to coincide with the Corporate Plan. The strategy is maintained by the SPS Procurement Department and it aligns procurement activity with the SPS Corporate Plan and Delivery Plans which, in turn, are drawn from Scottish Government priorities and outcomes. The Procurement Strategy reflects SPS's five Strategic Themes - *Development, Engagement, Impact, Standards and Collaboration* and provides the Strategic Context in terms of the relevant National Outcomes of the Scottish Government - *Economy, Fair Work & Business, Environment, Poverty and Human Rights*.

The SPS realises the importance of effective procurement in supporting the SPS's operational activity, ensuring that SPS derives value for money from its external expenditure and that the goods, services and works procured are fit for purpose. PPSD also has responsibility for the range of commercial / sales activity undertaken at SPS Fauldhouse (Central Stores) to support Prison Industries.

The management of public procurement activities in Scotland is subject to a general duty to undertake 'Regulated'¹ procurement in a transparent and proportionate manner, and obligations to treat all potential suppliers fairly and without discrimination. The Procurement Reform (Scotland) Act 2014 also places a statutory obligation to consider the Sustainable Procurement Duty (i.e. wider socio-economic-environmental factors) within its procurement activity; to publish both a Procurement Strategy and subsequently an Annual Procurement Report (APR) which indicates performance against the strategy. Whilst the Act prescribes that the strategy and APR address specific subjects, many of these align directly with the SPS's Strategic Themes and Context.

The SPS has now published two Annual Procurement Reports which cover the periods Apr 17-Mar 18 and Apr 18-Mar 19 respectively. These are available on the SPS website.

This third APR relates to the first year of current SPS Procurement Strategy 2019-22 and covers the period Apr 19-Mar 20. The strategy had included an Annex [Forward Work Plan](#) of anticipated Regulated procurement over the coming two years. This APR provides an updated Forward Plan as Section 5.

¹“Regulated” procurement reflects requirements whose aggregate value over the term of the contract is estimated to be >£50k (Goods or Services) and >£2m (Works).

Foreword from the Head of Procurement

I am delighted to publish the third Annual Procurement Report (APR) in accordance with the requirements of the Procurement Reform (Scotland) Act 2015. SPS has endeavoured to extract and publish relevant information to inform all of our stakeholders, including members of the public and Scottish Ministers of the range of contracts and outcomes achieved by the SPS through its procurement activity.

The APR sets out the extensive programme of procurement activity undertaken by the SPS Procurement team in conjunction with its stakeholders. This year's report also provides details of the numerous positive social, economic and environmental outcomes achieved through procurement and commercial activity in conjunction with suppliers and partners. Not only does this reflect the impact of the Sustainable Procurement Duty but underlines the importance of these matters to SPS in general and to our stakeholders in the communities in which SPS operates.

Ensuring that SPS maintains compliant procurement activity, reflects lessons learned and continues to develop its procurement capability remain key themes for the APR.

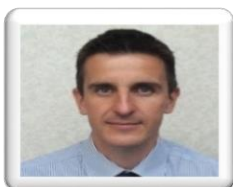
2019-20 was a notable year for SPS in which we made huge strides towards the realisation of the strategy for women in custody with contracts being awarded for the new National Women's Facility in Stirling and also the first two Community Custody Units (CCU) for Women – in Glasgow and Dundee. These projects represent a major investment in the prison estate and a core part of the current SPS Corporate and Annual Delivery Plans.



Figure 1: Artist's impression of the new Community Custody Unit (CCU) in Glasgow.

I am also very pleased that SPS was also able to commence the development of our electronic Purchase to Pay (P2P) capability with significant progress being made with the pre-implementation phase and a very positive response from stakeholders across the SPS. This project will see the implementation of the Scottish Government's PECOS system across the prison estate over a 3-year period and will add to SPS's already extensive use of e-commerce tools for advertising our contract opportunities, e-tendering and contract management.

The programmes for all of these projects were impacted by the Covid-19 outbreak at the end of the period and the ensuing lockdown. However, we look forward to the projects resuming at the earliest opportunity in 2020 in line with Scottish Government's Restart and Recovery plan. Whilst Covid-19 only started to impact towards the end of the reporting period, SPS can already be proud of the way the organisation has responded to the challenge presented by the pandemic for those who live and work in our prisons. This includes the work undertaken by procurement and stores staff, and to our supply base which has responded impressively.



We look forward to working constructively and effectively with all of our suppliers as we continue to manage our response to Covid-19 and also as we move closer to the UK's planned exit date from the EU at the end of 2020. In the meantime, we can take an opportunity to reflect on a highly productive year as set out in this APR.

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SPS Procurement Annual Summary

Looking back at 2019 / 2020



£153m procured external spend



£88m new contracts awarded



106 new contracts awarded



8 Regulated/Call-off procurements



£198k spend with Supported Business (incl via supply chain)



1 new contract awarded to a Supported Business



£30m spend with SMEs (i.e. within the payment terms stated in the contract)



99.1% invoices paid on time



4 new Regulated procurements with Community Benefits



£810k Commercial Sales of Prison Industry products generated by SPS Fauldhouse

Contextual Background – Procurement in SPS

SPS has a well-established Procurement environment with mature policies and practices which support effective public procurement. The elements set out in this section are key enablers of being able to discharge effective procurement per se – both Regulated and OJEU. SPS expects its procurement activity to be delivered in a way which ensures that it meets the legal, ‘best practice’ and wider socio-economic-environmental obligations required by legislation and through Scottish Government policy.

1.1 Compliance with Legislation

The SPS Procurement Strategy reflects SPS’s ongoing legal obligation to ensure ongoing compliance with the EU Public Procurement Directive, the Scottish Regulations and associated Statutory Guidance across its procurement activity. The legislative requirements, including the obligations which flow from areas such as the Sustainable Procurement Duty, the General Data Protection Regulations (May 2018) or Cyber-Resilience provisions continue to feature in SPS’s handling of procurement activities.

SPS continues to actively contribute to the cross-sectoral Procurement Policy Forum and disseminates emerging procurement policy and guidance (including [Scottish Procurement Policy Notes \(SPPNs\)](#) and [Construction Policy Notes \(CPN\)](#) within the team. Regular discussion on policy and best practice is held in SPS procurement contract development, contract management and full team meetings to ensure awareness of policy and its application within our procurement activity.

SPS also continues to contribute to the programme of best practice set up by the Central Government Procurement Collaboration Group. This network is intended to share best practice amongst small sectoral groups.

To assist the SPS’s understanding and interpretation of procurement legislation, policy, and best practice it actively engages with Scottish Central Government and cross-sectorally. The Scottish Government Legal Department (SGLD) is consulted for specific guidance in interpreting and applying legislative and case law provisions within procurement.

1.2 Procurement Policy

SPS has an established Procurement Policy which supports SPS in achieving compliance with Legislation and to reflect relevant considerations from Statutory Guidance into the delivery of contracts for SPS. This policy includes a number of core principles which underpin the programme of procurement activity in SPS e.g.

- the central procurement of larger SPS wide 'national' contracts (>£20k in value) in accordance with the requirements set out in the Public Procurement Regulations. This is accompanied with flexibility for devolved procurement officers to award business, which is not met via national contracts, in response to local operational needs (<£20k);
- procurement procedure thresholds (aligned with the above principles);
- the mandated use of national contracts / framework agreements (including category A and B collaborative contracts established by Scottish Government for use by all public bodies in Scotland);
- appropriate separation of duties between delegated financial and procurement authorities;
- due consideration of the obligations flowing from the Sustainable Procurement Duty (and associated Statutory Guidance); and
- other provisions to support good governance and accountability for procurement decisions in SPS.

The SPS procurement function has been subject to a number of Procurement Capability Improvement Assessments (PCIP) by Scottish Government over the years with the last being in Feb 2019 where the highest rating (F1) was received. The PCIP noted that there remained an opportunity for SPS to develop the IT systems and processes used for P2P activity. SPS commissioned an electronic Purchase to Pay (P2P) project during the year and this is outlined further in the e-commerce section. In the latter half of 2019, SPS also engaged in the pilot of the Construction Capability Assessment by completing the assessment and providing feedback to Scottish Government to inform development of that process.

The SPS Internal Audit function and external auditors continue to undertake oversight of the procurement function and processes. Examples from within the year include an audit of Social Care in prisons identified some actions around the SPS procurement guidance to devolved procurement officers and sourcing activity for these services. The SPS Fauldhouse (Central Stores), which are managed by PPSD, were audited in August 2019 and a number of recommendations made. The recommendations from both audits were largely addressed in the year with some remaining activity being addressed on a timeline agreed with the auditors.

In addition, the SPS's external auditors (Scott Moncrieff) conducted audit activity in early March 20 looking at measures taken by SPS within its processes to counter fraud and corruption in procurement. The audit findings have yet to be published. Any audit recommendations will be taken forward as necessary as management actions.

1.3 Procurement Arrangements

A Procurement Policy & Services Department (PPSD) at SPS headquarters conducts the full cycle of SPS procurement and contract management activity for the majority of the SPS's annual external expenditure (£153.45m in 2019-20). In any given year the PPCD team typically tenders, awards, or reviews or extends 100+ contracts for Goods, Services or Works to underpin SPS business needs. These projects are of varying complexity and span a range of values across Regulated, OJEU and Non-Regulated (as defined by the Procurement Reform (Scotland) Act 2014).

PPSD's activity engages closely with relevant stakeholders from pre-procurement / planning activity, through the procurement processes and into establishing 'national' contracts. These contracts are then mandated for use within SPS.

PPSD also serves as the conduit to introduce relevant collaborative contracts such as those established by the Scottish Government on a national or sectoral basis, into the SPS organisation. SPS has also continued its successful collaboration with HMPS in England for some relevant contracts e.g. staff uniform, prison mattresses etc. Over 90% of the SPS's external expenditure continues to be managed by central contracts set up by the SPS directly or through call-off from relevant available collaborative contracts. The balance is managed through devolved procurement activity (as outlined below in 1.3.1).

The procurement arrangements, policy and processes in SPS are designed to enable SPS to meet the provisions set out in its Procurement Strategy for conducting Regulated and OJEU procurement. As indicated above, SPS has set a £20K threshold for advertising SPS contract opportunities. Exceptions, such as Non-Competitive Actions (Section 1, Table 7), are carefully managed and we seek to minimise such occurrences.

1.3.1 Devolved Procurement - Scheme of Delegation

SPS empowers specific staff (DPA Officers) across the SPS estate to undertake transactional procurement at a local level up to the value of £20k within parameters set out in the SPS Procurement Manual e.g. where there is no national contract, and subject to quotations being obtained in competition. This balances the legal requirement to consider procurement activity at a corporate level with the necessary degree of local procurement autonomy to respond to local needs and/or emergency situations.

A series of training support workshops were delivered in year to the devolved procurement leads at each prison to develop their capabilities around compliantly managing lower value tender activity. In addition, workshops were held by Estates & Technical Services with PPCD to ensure awareness amongst estates staff around the processes for managing call-offs from 'measured works' contracts. This latter activity supported the roll-out of a new paintworks contract; an area which had been previously subject to scrutiny by Internal Audit and a number of lessons learned identified.

The delegated procurement authority arrangements and value thresholds for devolved procurement are under review. This work will align with the planned, phased roll out of an electronic purchase to pay system, revised internal processes and user training (see paragraph 8) across SPS.

1.3.2 Contract and Supplier Management (CSM)

SPS deploys a small CSM team to oversee a portfolio of approximately 250 'live' contracts used to support the range of SPS operational activities. CSM activity also includes local oversight of Scottish Government (and other) collaborative contracts used by the SPS. Contract Summary information is provided to end users to enable them to effectively access and utilise contracts.

Approximately half of the contracts used by the SPS receive active contract management by the central CSM team which includes scheduled meetings with the relevant suppliers. The remaining, typically low value / lower risk, contracts receive periodic oversight consistent with ensuring these are being performed as intended. Works contracts are subject to oversight by a project manager from Estates & Technical Services until the work is completed and signed-off as such.

The CSM engagement with prisons and suppliers is intended to ensure contracts are performed as intended and that any issues are identified and addressed. The CSM team also undertakes reviews of contracts which are approaching their intended expiry with a view to determining (via benchmarking) whether there is value for money rationale for SPS to exercise the extension option which may be available in the contract. Decisions to extend or re-tender any contract involve engagement with the internal customer and are subject to relevant governance approval within SPS.

SPS also maintains a dedicated team for Contract and Supplier Management oversight of the two Private Prison contracts (for HMP Kilmarnock and HMP Addiewell) and the Scottish Court Custody & Prison Escort Contract ('SCCPES'). PPSD continues to provide ongoing commercial and contractual support to this team as required.

The CSM team supported the SPS corporate planning and contingency activity for Brexit. This included a risk based assessment of certain sectors of the SPS supply base, and readiness checks to support assurance around the ability to maintain supply in key areas such as food products. The SPS team linked with Scottish Government and other sectors in terms of coordinating our Brexit planning activities with those being conducted elsewhere in government. This work will continue as we move closer to the intended UK exit date at the end of this year.

1.3.3 Stakeholder Voice

There is close engagement between Procurement and Operations Directorate and other key stakeholders regarding contracts which are specific to their business area; both in terms of contract development and post-award contract management.

Various arrangements exist whereby stakeholders and end-users (whether this is SPS staff or persons in custody) have opportunities to be represented in terms of the specification e.g. the Prison Canteen Control Board and individual Prison Involvement Advisory Committees (PIAC) provides opportunities for those in custody to be consulted about the range and type of goods available; in-prison forum groups provide feedback about prison catering / menu choices; and staff groups are represented in terms of decisions relating to uniform. Relevant stakeholders are also engaged in tender evaluation, contract award decisions and in supporting the contract and supplier management arrangements.



Figure 2: Artist's impression of the new Community Custody Unit (CCU) in Dundee

Figure 3: Artist's Impression of the Women's National Facility in Stirling



2. Value for Money – Competition

The SPS Strategic Themes anticipate that its services are effective and provide value for money. The procurement of Good, Services and Works through contracts comprises approx. 40% of the annual SPS budget in a typical year. It is recognised that competition, effective engagement with the market and ensuring that the contracts are then properly performed are crucial to SPS achieving value for money.

SPS has continued to advertise its contracts appropriately (through the Public Contracts Scotland website) endeavoring to make these opportunities as accessible as possible for small, medium and large suppliers alike. In doing so, we also appreciate that the significant expenditure of public funds through contracts can support the wider economy, contribute to Fair Work, and contribute to environmental objectives.

Section 1, Tables 3 and 4 of this report provide a summary of the Regulated procurement activity conducted by the SPS during 2019-20.

2.1 Pre- and Post-Procurement Activity

The way that SPS interacts with suppliers is a key component to achieving effective procurement and contract outcomes particularly for the more involved projects. SPS takes active steps to undertake pre-procurement activity, early market engagement and being accessible to prospective bidders. During the period, SPS has continued to undertake pre-tender Applicant Forums and Bidder Forums during tender processes wherever appropriate. We see these as providing a valuable opportunity for stimulating competition both at the time and in the future. We also actively undertake post-tender debriefing (for both successful and unsuccessful bidders), and have seen a number of bidders reflect on such feedback and develop their approach when next tendering to the SPS.

SPS also engaged in National 'Meet the Buyer' Events such as that hosted by Construction Line at Hampden in Sept 19. However, SPS also participated in two Meet the Buyer events in respect of the development of the new prison estate in Dundee and in Stirling (Feb 20). The primary purpose was to actively promote the opportunities and to encourage local SMEs (Small & Medium Enterprises) to be part of the main contractor supply chain.

The Stirling event in Feb 20 was hosted by Morrison Construction with Forth Electrical Services (FES) who are one of their key contractors for this contract, and the SPS. The event was well attended by over 50 delegates, from a wide range of contractors and suppliers and generally from the Stirling locale. SPS was able to provide attendees with information about the project, the range of internal and external facilities with the buildings and the type of product finishes the contract requires. In addition, SPS was able to outline its future procurement opportunities, to sign-post SMEs to the Supplier Development Programme as a source of support and to showcase some of the products manufactured by prison industries.

3 Sustainable Procurement Duty (SPD)

SPS procurement activity acknowledges the need to consider and address the Sustainable Procurement Duty (SPD) for 'Regulated' procurements. The Procurement Reform (Scotland) Act and associated Statutory Guidance outlines a range of areas to be considered. Some of these, such as Community Benefits, involvement of SMEs, engagement with the Third Sector, Supported Business and the addressing socio-economic and environmental aspects within the authority's area feature as areas reported in their own right in this APR.

SPS also appreciates the clear synergy between the SPD, the opportunity to support elements of the SPS's corporate 'Unlocking Potential: Transforming Lives' agenda and the [SPS Employability Strategy](#) (published in March 2018).

The SPS Procurement team has considered the various Scottish Government guidance around the SPD and maintains a Sustainability Prioritisation Tool to guide the internal customer and buyers through the different elements of the SPD. The tool was developed with reference to internal subject experts such as the SPS Estates Carbon Champion, the SPS Equality & Diversity team etc. and provides a basis to make informed decisions about the relevant and proportionate aspects of the SPD which will be prioritised within individual projects. The tool was updated in the reporting year to reflect areas where policy or guidance had been revised e.g. the new Scottish Government Cyber Resilience guidance.

For all Regulated procurement and some Non-Regulated procurement (where appropriate) SPS has given due regard to: the promotion of innovation; the potential for SME involvement, and, above all, how improvements might be made to the Authority's area (which in the case of SPS includes all of Scotland and the communities in which it operates), through the procurement process.

Sections 3.1 to 3.8 of this APR highlights how SPS has addressed and achieved outcomes against the various aspects of the SPD as part of its strategic outcomes.

3.1 Sustainable Procurement Duty - Social Value

The SPS Procurement Strategy recognises the importance of the Scottish Model of Procurement, the Value for Money Triangle, and the need to achieve proportionate consideration of sustainability and social value outcomes from procurement activity (as well as ensuring that that quality and cost requirements are met).

SPS procurement activity seeks to generate improved economic, social and/or environmental outcomes for the communities in which SPS operates. As Scotland's prison service we have sought to focus attention towards activities which provide opportunities for progression for people in or leaving custody. Many people in our care can be considered 'disadvantaged persons' in terms of their specific circumstances and socio-economic background. They will often have experienced particular challenges in gaining access to housing, employment opportunities and work experience or poor prior learning experiences. In addition, some individuals will be from areas of multiple deprivation where there may be limited opportunities and other health or social issues to contend with. A period in custody in itself also serves to create additional barriers to employment.

In the reporting period covered by this Annual Procurement Report, SPS has continued to consider social value outcomes and to include community benefit opportunities in relevant tender activities. Section 3 of this report details specific **Community Benefit** outcomes achieved during the reporting period.

We have achieved some successes through procurement activity engaging with suppliers that wish to work with SPS by providing community work placements, and/or opportunities for employment for those leaving custody. There is a clear appetite and recognition amongst some suppliers of the social value in working with the SPS in these areas. Whilst this activity has latterly been affected by Covid-19 restrictions these type of opportunities will continue to be a something SPS pursues.

3.2 Fair Work and Living Wage

SPS has been an Accredited Living Wage employer since 2016. As well as ensuring that SPS continues to pay its employees the current Living Wage, it will continue to ensure that its procurement activity contributes to maintaining Fair Work provisions including Living Wage for supplier staff working in SPS sites. SPS will, to the extent permitted by law, include [Workforce Matters](#) in applicable contracts (as determined by the sustainability prioritisation).



SPS contract management activity continues to monitor supplier compliance with 'Fair Work' commitments including in terms of suppliers continuing to meet Living Wage provisions in SPS contracts.

3.3 Equality and Diversity (E&D)

SPS continues to consider [Equality and Diversity](#) in its procurement activity and the need to comply with the [Equality Act 2010](#) and the 'General Duty'. SPS includes equality provisions in the specification which forms part of tenders and, where appropriate, in the contract award criteria, and/or the terms & conditions pertaining to contract performance.

All new staff undertake the SPS E&D e-learning via the SPS College, and also the SPS's Equality & Diversity classroom based training. In procurement, this learning is supported by specific guidance to inform decisions about equality matters within tenders & contracts. In addition, whilst attending events such as 'Meet the Buyer' SPS has promoted the SPS's general commitment to equality and LGBT inclusiveness.

SPS is accredited as a Diversity Champion by [Stonewall](#). The annual assessment process considers, amongst other factors, how an organisation's procurement activity contributes towards eliminating discrimination and promoting equality. A number of suppliers used by the SPS are 'Diversity Champions' in their own right. The SPS staff networks for LGBT, disability and women are open to employees of contractors who regularly work in prisons in Scotland.

The SPS Strategy & Stakeholder Engagement Directorate continued work during 2019-20 to enable prisons to register and open bank accounts for those leaving custody. The initiative which is provided by the Royal Bank of Scotland and Bank of Scotland is intended to support social inclusion for those who may not already hold a bank account particularly when Universal Credit and personal spending is increasingly transacted by electronic methods. In the year 2019-20, approx. 300 of such bank accounts were established.

Fife College and the SPS held an Equality & Diversity night at HMP Castle Huntly. This was attended by Jess Smith (author) whose work focusses on the experiences of Scottish Travellers. Jess is also the patron of the young traveller's rights organisation "Article 12".

3.4 Supported Business

SPS continues to work in collaboration with the British Association for Supported Employment (BASE) to build on the successful partnership that is now well established. More information on the SPS engagement with Supported Businesses can be found in [Section 4](#) of this APR.



As part of the its Community Benefit engagement, Morrison Construction had arranged a specific event in March 20 for Supported Business and the Third Sector to develop routes for these types of organisations to become part of the supply-chain for the new Women's National Facility in Stirling.

Figure 4: Artist's impression of the new Women's national facility in Stirling

Whilst the event was postponed due to Covid-19, this will be run as soon as conditions allow. The SPS will continue to pursue this type of supply chain engagement as a Community Benefit outcome alongside our own direct engagement with this sector including use of the national Framework contract.

3.5 Third Sector & Social Enterprise

SPS appreciates the distinctive and vital role that the Third Sector plays in supporting people in our care. The Director of Strategy and Stakeholder engagement is invited to address the Criminal Justice Voluntary Sector Forum members twice a year. This gives an opportunity for Third Sector Partners to engage with the SPS at a Senior level reinforcing the commitment from both parties of continued positive partnership engagement and knowledge exchange.

SPS Procurement continues to play a key role in supporting partnership arrangements with the Third Sector, including the refresh and implementation of the 'partnership agreement' process for organisations who are funded by others and are working in Scottish prisons.

SPS is not permitted to provide grants to Third Sector organisations. A number of the services used across prisons are funded by the Scottish Government or others and these therefore do not feature in the SPS external expenditure figures. There are multiple examples of ongoing engagement with the Third and independent sector providing a range of services for those in, or leaving custody, including:

- Approx. 14 organisations which provide addictions services including Alcoholics Anonymous, Narcotics Anonymous, Cocaine Anonymous, Turning Point, Simpson House, 4 different Recovery Cafés, SMART Recovery, 218 Project, etc.
- Stirling Interfaith, Action for Children, and Barnardo's which operate the family visit centres at HMP & YOI Cornton Vale, HMP Grampian and HMP Edinburgh respectively providing a welcome and support to families visiting those in custody.
- Throughcare services by Apex Scotland and Highland House.
- Various Mental Health, Counselling and Support services including the Samaritans, Lifelink, Talking Heads, Open Secret, Barnardo's, Cross Reach, etc.

In addition, a small number of Third sector organisations provide 'prison services' through a number of contracts awarded by the SPS e.g. Committed to Ending Abuse (CEA), Barnardos, Wellbeing Scotland and Shelter, Crossreach (Dick Stewart Hostel) and the Salvation Army provide temporary accommodation places for individuals with no fixed abode and who are eligible for Home Leave. The SPS's expenditure with Third Sector organisations was approx. £785.6k (2019-20).

The Scottish Government have continued to fund three Public Social partnerships (PSPs) to help people serving short term, non-statutory sentences and who are leaving prison to reintegrate with their community by providing mentoring services, on a voluntary basis, across Scotland: 'New Routes' project for males, 'Shine' for females (also work with those on remand) and 'Moving On' for young males aged 16-21. These partnerships were strengthened during March 2020 through a joined-up response to Covid-19.

These services collectively complement and work alongside statutory partners such as NHS Scotland that provide healthcare services within prisons, the DWP Job Centre Plus, and local authority social work and housing departments. This reflects that working in partnership with other agencies is the best way of supporting the successful reintegration of those leaving custody back into their communities.

SPS continued its engagement with [Community Jobs Scotland \(CJS\)](#) in its work to create employment opportunities for young unemployed people within voluntary sector organisations throughout Scotland – particularly those who are more disadvantaged in the labour market. The period Apr 18 - Mar 19 saw 47 young people with convictions start in a CJS post; and a further 24 in the period (Apr 19 to Mar 20). Of the 2018-19 group, approx. 50% have sustained employment with their CJS employer into the following year.

The SPS Strategy & Stakeholder Directorate has continued engagement in the year with DWP (Group Scotland) and with National and Local housing partners particularly the Association of Local Authority Chief Housing Officers and the 5 Housing Options Hubs (ALACHO). This underpins joint working towards the 'Sustainable Housing on Release for Everyone' (SHORE) standards which aims to prevent homelessness on release in a standardised consistent way. Both the SPS and local authorities continue to work towards implementing these standards and the interim guidance on SHORE and Covid-19 which were introduced by SPS and the Scottish Government in late 2019-20.

Third Sector Engagement by Prisons

Prisons maintain various links with the Third Sector and local community as part of the SPS's general activity to build connections which can assist in transforming lives. For example, in the past year HMP Edinburgh undertook a significant piece of work with a social enterprise to transform an out of service single decker bus into a mobile community outreach unit. The Community Reach and Inclusion Bus (CRIB) project was a partnership venture involving Heavy Sound (a community interest company), the SPS, and Police Scotland's Violence Reduction Unit. The initiative was supported by STV Children's Appeal, Edinburgh Kilt Walk, the City of Edinburgh Council (Fleet Services), and First Bus (who donated a used vehicle) to Heavy Sound. Heavy Sound was also able to secure support from a number of national companies which donated materials, goods and expertise to support the project.

A group of prisoners from the Training Centre within HMP Edinburgh were selected to work on the project. The vehicle interior was stripped and the prisoners used various skill sets including joinery / woodwork, painting, electrical installation, lighting, plumbing and mechanics during the process of transforming the bus into a community unit. The bus was fitted with music mixing decks (Heavy Sound's specialism), computer access, an information/advice desk, hairdressing booth and a kitchen / cooking class area. In all, the project took around 12 months from start to finish.

The bus, which is now completed, is intended to travel to a different destination each day, usually to areas considered more deprived, to engage with young people and seek to steer them down a better path in life. Whilst the community outreach element is currently on hold at present due to Covid-19 pandemic the bus is still being used to collect and deliver food parcels around the region.



Figure 5: Community Reach and Inclusion Bus (CRIB)

One of the prisoners, who was involved in the beginning but was subsequently released fairly early into the project, managed to gain a job following liberation. The job is with fleet services where the bus is located when not in use. This type of work with Third Sector social enterprises enables those in our care to contribute positively to society and to also learn/develop a range of skills.

Other forms of engagement reflect more modest but equally important activities for the individuals concerned. For example, the knitting group in HMP Grampian have recently started a new project to knit items for Dundee Neonatal Unit. The group are currently working on several projects including working on a blanket for 'Shirley's Space' a local charity dealing with mental health issues.

There is also a range of circular economy, work based activity with the Third Sector and Social Enterprise (*see paragraph 3.8b below*).

3.6 Health and Wellbeing

The SPS procurement strategies for food contracts reflect the Scottish Government's ambition to contribute to the Scottish economy and to help improve the nation's health & wellbeing whilst taking cognisance of the unique environment in which SPS operates.

SPS food contracts reflect requirements that suppliers comply with a range of legislative requirements including supply-chain food traceability, and obligations in terms of **animal welfare**. For example:

- The contracted supplier of fresh meat & poultry uses approved supply-chain suppliers which implement and maintain an Animal Welfare Policy. The supply-chain is audited externally and internally (by the SPS fresh meat supplier) to ensure that the supply-chain is maintaining the welfare policy and operating within the relevant Regulations.
- All milk supplied to the SPS continues to be sourced from 100+ Scottish farms that supply to Graham's Dairy. These farms are also all **Red Tractor Assured** in terms of meeting food assured standards.

The SPS contract management team continues to undertake active management and review of its suite of 6 national food supply contracts. This includes due consideration of specific dietary needs within specifications (vegetarian and halal) for health or religious reasons. Various internal stakeholders continue work with Procurement to ensure the core list of food products in these contracts meets SPS's catering and nutritional needs.

SPS has continued work to ensure that the standardised menu choices available to those in custody are nutritionally balanced and in line with national dietary targets. The menu choices reflect a reduction in the consumption of high fat, salt and sugar products and an increase in fruit and vegetable consumption. SPS purchased a new nutritional analysis software package in 2019-20 to support the in-house catering officers as they continue the work in this area.

Fife College conducted a number of events in various prisons during the year as part of project based prisoner learning activities to promote health and well-being generally to those in custody. For example:



To support the campaign, the Learning Centre staff and learners in HMP Grampian planned a week long cycle challenge – cycle miles equivalent to the distance from HMP Grampian to Aberdeen. Fife College purchased 2 fitness bikes which are now based in the learning centre.

An event held at HMP Edinburgh celebrated International Women's Day 2020. An organization called SHE (Social Health and Education) Scotland led a workshop with 25 women prisoners on Mindfulness and team building.



To help raise awareness, the Learning Centres promoted Mental Health issues through information leaflets / displays. Learning Centre staff at HMP Low Moss and HMP Barlinnie also held a conversation style café to discuss the importance of communication and diet for maintaining health and positive mental health. It is estimated that around 300 learners across all prison learning centres engaged with this topic.

3.7 Fair and Ethically Traded Goods

SPS's standard procurement includes consideration of what Fair Trade provisions could apply appropriately and proportionately and an assessment of a bidder's suitability to be awarded the contract.

SPS makes relevant use of Government Buying Standards (GBS) when specifying a range of goods. GBS set out relevant sustainability provisions including in terms of ethical sourcing.



When specifying softwood timber for prison industries, the SPS require suppliers to provide product which is certified as being sourced from legal and sustainable sources.



Timber supplied to the SPS is therefore accredited as meeting either the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC).

Section 54 of the Modern Slavery Act 2015 requires that commercial organisations, whose turnover is at least £36m per annum, prepare and publish a Slavery & Human Trafficking Statement in respect of their business activity, policy and supply chain practices. The Act sets out obligations to ensure appropriate checks, training and due diligence is enacted to minimise the potential for slavery and human trafficking within business activities.

SPS undertook an exercise to check that relevant supplier's holding SPS contracts and whose turnover required them to have published a Statement, had all done so. Additionally, procurement procedures such as Prison Retail Goods specifically required that bidders provide their Ethical Trading Policy.

Part of the PPSD staff training also includes material related to the risks of Modern Slavery and Serious Organised Crime in supply chains. Both factors are reflected into the risk profiling at the Commodity / Service Strategy stage of a procurement.

3.8 Climate Emergency

The Scottish Government's National Performance Framework sets out a number of National Outcomes and Sustainable Development Goals including in relation to Climate Change and Environment / carbon management.

An SPS Sustainability Manager serves to champion climate emergency and waste management activity, and oversee progress with this across the SPS estate. SPS has engaged in a programme of targeted energy efficiency investments over a number of years primarily around improving the energy performance of the built estate and minimising the amount of waste sent to landfill by the SPS. In the past year, work in this area led to contracts being awarded for the installation of a 300 panel (100KW) photovoltaic (PV) system at SPS Fauldhouse, and for the installation of electric vehicle charging points at an additional four SPS sites. This is an ongoing programme with charging points expected to be added to the remaining SPS sites this year.

The additional charging points support decisions taken by SPS to 'green' the vehicle fleet when this was tendered in late 2019. The new contract will lead to 22 hybrid and 3 new electric vehicles replacing existing diesel pool cars. This reflects approx. 30% of the SPS vehicle fleet. The remainder of the SPS fleet reflects a variety of light commercial vehicles (LCV). Whilst the new LCVs will be supplied to the latest EU emissions standards the market needs to develop and make available cost effective vehicle types suitable for the intended use.

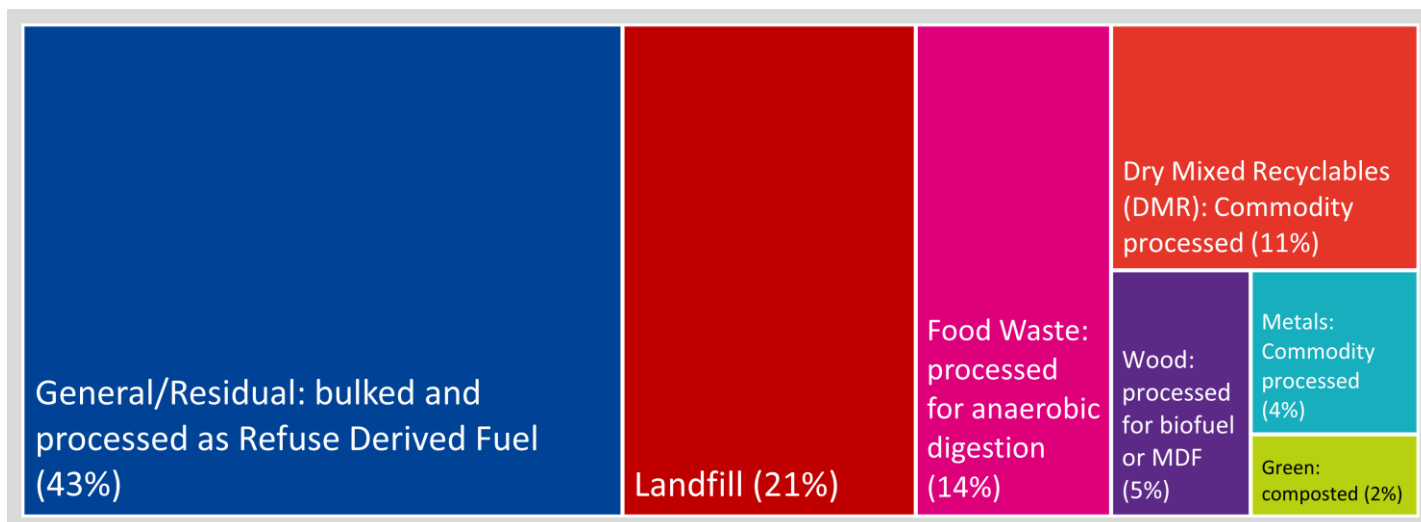
The relative improvements in SPS energy efficiency are captured and reported by Estates & Technical Services (E&TS) as part of the SPS's general Climate Change Report. These reports reflect a section about "Procurement" activity and publicly accessible via: [The Sustainable Scotland Network](#). The Report for 2019-20 is expected to be published by Dec 20. Progress against the Climate Change and Carbon Management objectives is also reported in the SPS Annual Report and Accounts.

The SPS has continued to work with the Scottish Energy Officers Network (SEON). The SEON network is a Scottish Government funded initiative. Meetings are hosted by Stirling Council approx. 5 times per annum and reflects attendance by energy managers from Scotland's 32 local authorities, Police Scotland, NHS and representatives from Scottish Government's Procurement & Property Directorate. The SEON network provides a forum in which to: identify and tackle developing performance issues with utility companies; help shape government energy initiatives; feed into energy procurement outcomes and comment on new to market energy saving technologies.

The following examples serve to illustrate how procurement and contracts contribute to the SPS climate change activity:

3.8(a) Waste Recycling

SPS’s contracted waste and recycling supplier (ENVA) is committed to maximising recycling of the different waste streams generated. The majority (79%) of SPS’s approx. 3,200 tonnes per annum of waste is processed and/or recycled with the remainder (21%) going to landfill:



ENVA provides reporting to the SPS Sustainability Manager to support SPS’s climate change reporting around the end use of materials. Prison work parties contribute significantly by sorting and baling prison waste streams so that SPS optimises rebate revenue from waste. A number of SPS prisons continue to train those in custody to accredited standards in terms of waste handling and sorting.

3.8(b) Circular Economy

SPS operates a number of work-based activities around recycling and reuse as part of addressing climate change and supporting the circular economy. Outcome delivery is very much undertaken at a local prison level. Partner engagement and contract processes have, where required, been supported by staff within SPS Procurement.

A workshop in HMP Glenochil refurbishes large domestic appliances for sale through a Fife based Third Sector partner (Castle Enterprise) to those on low incomes. In its second year of operation it has refurbished a further 950 washing machines (a total of 2,225 to date; approx. 500 tonnes “diverted from landfill”). At any given time, the workshop engages up to 10 individuals in custody in the activity. One individual secured post-liberation employment with Castle Enterprise during year 1 and has sustained this up to being placed on furlough in March 20.

The electrical repair workshop in HMP Edinburgh engages with a number of Third Sector organisations – Home Aid, Furniture Plus, Tayside Recyclers and also collects used various appliances from local Edinburgh recycling sites. These are either repaired and/or spares salvaged to support the recycling of other machines back into use. In the past year, the Edinburgh workshop repaired and returned 770 appliances back into use. This was equivalent to 41 tonnes of machines being recycled which would otherwise have been converted into scrap metal or sent to landfill.

The community workshop in HMP Greenock have also refurbished some bicycles for the Ardgowan Hospice, the Belville Community Garden Trust, and also produced some garden planters for the latter.

As part of promoting the circular economy, Fife College conducted project based prisoner learning activity in HMP Perth: a 6-week Upcycling Project for 10 learners. This involved taking old materials to fashion new uses such as making table lamps out of old bottles, shades and wood from pallet boards. In partnership with Churches Action for the Homeless, the course was well received. 4 Students completed Personal Development Award at level 4 as part of the project.

The above examples reflect SPS aligning some of the in-prison activities to provide meaningful and community facing work experience and learning for some of those in custody as part of the circular economy.

4 Serious Organised Crime (SOC)

The [Strategy for Justice in Scotland](#) identifies the importance of tackling serious organised crime. This includes ensuring that SPS does not work with suppliers that have such involvement.

SPS agreed an Information Sharing Protocol (ISP) with Police Scotland in February 2019. This provides a method for SPS to undertake SOC checks of suppliers (as permitted by the Public Procurement Regulations) with Police Scotland. In June 2019, Police Scotland issued updated "Serious Organised Crime and Business Exploitation" guidance and, later that year, Police Scotland provided a presentation to SPS procurement staff to outline the various risks posed to public bodies from SOC.

SPS has utilised the Police Scotland service as part of the due diligence checks around new suppliers particularly in business areas which Police Scotland has assessed as being 'at risk' of SOC activity. These checks support the supplier self-declarations made through the European Single Procurement Document (ESPD).

In March 2020, a representative of the Competition and Markets Authority provided an overview presentation to SPS procurement staff about the risks of anti-competitive practices / cartels in tenders.

The SPS's routine requirement for all persons (including contractor) working in prisons to hold a valid Disclosure Scotland check plus security searching also serve as inhibitors to SOC engagement. SPS does, however, accept that it is not immune from such threats and we will maintain ongoing vigilance within our procurement activity and awards of contract.

5 Health and Safety

SPS continues to place considerable emphasis on ensuring that it continues to comply with the Health and Safety at Work Act 1974. It is equally important that SPS works with reliable contactors that are familiar with this legislation, understand their responsibilities and operate safe systems of work.

Within its procurement activity, SPS continues to use tenders to check and test tenderers' understanding of their responsibilities and their track record. For relevant contracts, SPS has obtained a suitable method statement which addresses Health and Safety as it pertains to that contract and evaluated the proposed method statements. For applicable Works contracts, SPS routinely requires these statements to demonstrate and ensure compliance with the [CDM Regulations 2015](#).

There is close liaison with Operations Directorate, Health & Safety and Fire Safety colleagues regarding the specification, standards and suitability of items, particularly those which may be provided in-cells or prison association areas. For example, based on operational feedback, the Procurement team worked with the supplier to source and identify a more robust USB charger for in-cell use.

In the latter months of 2019-20, the procurement team were engaged in various sourcing activity to support SPS's response to Covid-19 e.g. securing PPE, hand sanitiser and other items which were considered necessary to ensure the safety of staff and those in custody, or to address the operational and wellbeing consequences of a restricted prison regimes on those in custody. This work has continued into 2020-21. The SPS has collaborated cross sectorally with the Scottish Government and Police Scotland in respect of sharing information and some sourcing activity.

6 Payment of Invoices

All SPS contracts include a condition which commits SPS to pay all suppliers within 30 days of receipt of a valid, correct invoice. However, SPS aims to pay suppliers within 10 days of any undisputed invoice being received in accordance with Scottish Government guidance. The various terms and conditions used by SPS also reflect obligations on contractors to pay their supply-chain promptly for properly completed work.

During the year ended 31 March 2020, SPS paid 99.10% (2018-19: 99.15%) of all invoices received within the terms of its 30-day payment policy. Payment performance within 10 days was 90.5% (2018-19: 93.03%). SPS publishes the payment performance statistics within the SPS Annual Report and Accounts.

7 E-Commerce

SPS continues to encourage fair and open competition and SME engagement by advertising contract opportunities above £20k via the [Public Contracts Scotland](#) website. In addition, for low value requirements, SPS extensively utilises [PCS Quick Quote](#) for fast turnaround and to enable bidders to provide electronic quotations. SPS continue to publish its [Contracts Register](#) in PCS.

As well as advertising on the PCS portal, SPS has continued to grow its use of electronic tendering (via the [Public Contracts Scotland Tender \(PCS-T\) system](#)) as the preferred method of inviting tenders. This, and use of the ESPD standard qualification questions, makes it easier and more cost-effective for suppliers to bid for SPS contract opportunities.



SPS has also continued to grow its use in the year of electronic contract management (e-CM) within PCS-T as the primary SPS contract database and management tool.

SPS commissioned a project to implement an electronic Purchase to Pay system (based around the Scottish Government's Professional Electronic Commerce Online System known as PECOS). The project is being jointly delivered by SPS with the Scottish Government's e-Commerce Shared Services Team. Significant progress has been achieved in the year with the pre-implementation phase and in terms of stakeholder engagement with Finance Managers and the devolved procurement community in prisons. The project was paused due to Covid-19 however when it recommences it aims to introduce PECOS on a phased basis over a 3-year period.

8 People

SPS Procurement continued its proven Procurement Career Pathway and to employ a 'grow from within' approach. This provides a number of viable entry (and exit) points for new, less experienced or existing SPS staff to join the SPS Procurement team and to develop their skills, experience and capabilities. This includes SPS providing structured learning and supporting individuals to progress towards achieving a professional qualification (CIPS). Staff are also encouraged to undertake relevant continuous professional development such as attending CIPS events.



Figure 6: SPS Procurement People of Today and Tomorrow

During the period, SPS has continued to partner with [Napier University](#) and continued what is now an established pattern of engaging Undergraduates in their 3rd year (sandwich year) of a Business

Degree as well as 'Honours Undergraduates'. The latter post is a part-time one with the post-holder continuing to work with the SPS Procurement team whilst sharing their time with their final year at University.

'Increase the number of Graduates in positive destinations'
Scottish Government National Indicator

Since its inception in 2012, SPS has engaged more than 30 individuals into the procurement profession through various entry routes (including undergraduate, graduate and internal Development Opportunity programmes).

Of these, the majority are known to be still actively working in procurement (either within SPS or outwith) and many have made significant progress with their Procurement career.

'We realise our full economic potential with more and better employment opportunities for our people.'
Scottish Government National Outcome

SPS continues to invest in training and support to Procurement staff to ensure that they remain up to date with developments. This is supported by externally-led procurement training and specific activities via the SPS College.

These approaches are collectively designed to provide a suitably flexible approach to resourcing. We also seek to encourage and promote people to enter and develop a career within the procurement profession. This aligns with the broad Scottish Government objectives outlined above.

SPS continued the Smarter Working pilot at its Headquarters during 2019-20 with Procurement staff extending the number of days per week that they worked remotely. The mobile technology has proved reliable and enabled SPS to have an established operating model to scale-up when it became necessary to move exclusively to homeworking as a result of Covid-19 and to demonstrate that an effective Procurement service could be maintained when operating in this way.

9 Collaboration

SPS continues to support sectoral (central government) and national collaborative procurement activities through use of relevant collaborative contracts / framework agreements, and engagement and participation at various levels. For example, ensuring relevant representation at the Procurement Collaboration Group (PCG); the Central Government (CG) Cluster Group; participation in the national Scottish Government “Policy” and Construction forums, and ensuring relevant contribution to other initiatives which further effective working and the collaborative procurement agenda.



SPS has continued its practice of sharing learning with others both in the Central Government sector and the wider public sector in Scotland including trialling the draft Construction Capability Audit, contributing to SG work around implementing Fair Work First within public procurement, and providing feedback to support development of both tools.

9.1 Collaborative Contracting

Circa. 30% of the SPS’s annual external expenditure is undertaken and managed through collaborative contracts either set up by the Scottish Government, Crown Commercial Services, Scotland Excel, the SPS itself, or others. This reflects the desire to utilise procurement resources effectively through joint working and collaboration where there is good rationale to do so e.g. in 2019, the NHS Lothian led on a tender for optometry services for HMP Edinburgh, and Police Scotland led on a British Sign language tender for the justice sector.

- The SPS led a number of collaborative procurement activities in the year to establish contracts for Quantity Surveyor services and also Design Services. Both contracts are open to other named public bodies that had indicated a desire to collaborate.
- SPS maintains the lead contract management responsibility for a number of cross-sectoral contracts which we established in prior years e.g. Scottish Court Custody and Prisoner Escort Service, the Employee Assistance Programme (EAP) and Occupational Health Service contracts for the Central Government Sector.

10 Employability and Commercial Activity

SPS manages a range of [Prison Industries](#) as part of its operation and, in turn, manufactures a range of products for sale to commercial or trade. Link to: [SPS Industries Product Brochure](#)

There is a range of commercial activity undertaken at SPS Fauldhouse (Central Stores) to support Prison Industries. This is overseen by the Procurement function as part of its wider commercial remit. This includes activities to support the design, manufacture and sale of a range of timber, textile and engineering products manufactured in Scottish Prisons. SPS also seeks to work in partnership with others in this arena where this affords greater opportunities for those in our care.



Figure 7: The SPS exhibition stand and products at GLEE 2019

The SPS Fauldhouse team exhibited a range of products manufactured by SPS Prison Industries at the GLEE 2019 garden retailing exhibition (in Sept). This provided an opportunity to showcase a number of current and potential new products, and to generate a number of potential sales leads which the team followed-up after the event.

SPS continues to recognise the benefit that Prison Industries can offer by providing opportunities for people in our care to gain valuable social skills and realistic work skills to enhance their employability prospects. During the year a further two prisoners undertook 4-month work-placements at SPS Fauldhouse (Central Stores).

SPS procurement activity continues to seek to leverage the opportunities presented by the Sustainable Procurement Duty and Community Benefit provisions within public contracts to support the [SPS Employability Strategy](#). This is not only through SPS's own tenders but by encouraging others to also develop outcomes which support those who may have been in custody. SPS also remains open to the development of Employability Partnership agreements to enable partners to host their business enterprise in a prison setting or to engage with the SPS in terms of work for Prison Industries. SPS continues to be represented in the [Release.Scotland](#) network which seeks to build connections with, and encourage, employers to employ people with convictions.

The Head of Procurement with colleagues from the SPS Strategy & Stakeholder Engagement Directorate and HMP Edinburgh continued to support the project led by the Scottish Building Federation (which was funded by the Construction Industry Training Board) to develop a Scottish Construction Pathway. The pathway is intended to provide routes to employability for those in and leaving custody. SPS aims to use this pathway as a 'proof of concept' with the appointed construction contractors for the new Women's National Facility and the two Community Custodial Units.

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The SPS Procurement team were also speakers at a Recruit with Conviction event in St Andrews in July 19. The event brought together various public and private sector organisation to workshop “Joining Justice and Community Benefits”. The participation of Dundee City Council who reflected on their work diverting disadvantaged youth towards employers in the construction sector was particularly relevant given the SPS’s intent to build a Community Custody Unit in the city.

Figure 8: Items all manufactured by SPS Prison Industries



Commercial or trade enquires regarding purchasing products manufactured by SPS Prison Industries should be directed to:

Telephone: **01501 773 979**
E-mail: spsindustries@sps.pnn.gov.uk

Hyperlink: [SPS Industries Brochure](#)

SECTION 1

SECTION 1: SUMMARY OF THE REGULATED PROCUREMENT COMPLETED BY THE SPS IN 2019-20

This section provides a high-level summary of procurement activity undertaken by SPS in the reporting period 1 April 2019 to 31 March 2020:

Table 1: SPS Annual Expenditure

Table 2: Small and Medium Sized Enterprises (SMEs)

Table 3: Regulated Procurement activity

Table 4: Summary of the Regulated Procurement undertaken (April 19 to Mar 20)

Table 5: Call Off Contracts (2019-20)

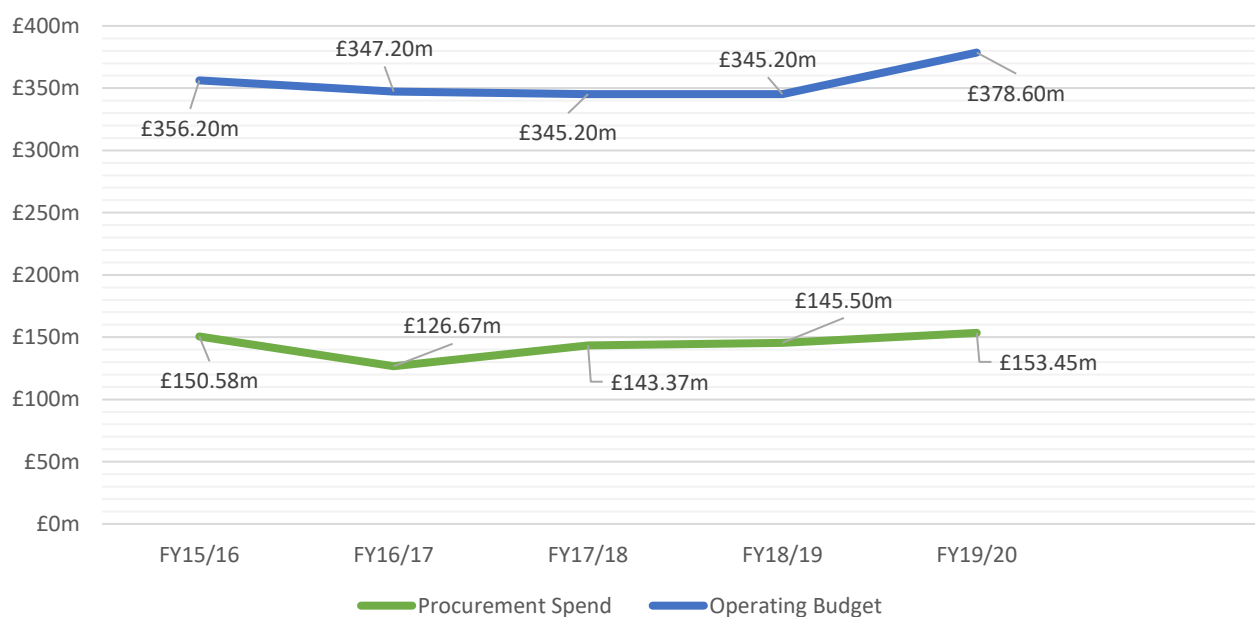
Table 6: Call Off Contracts (Prior Years)

Table 7: Non-Competitive Actions (NCAs) - an award without a competitive procurement process.

Table 1: SPS Annual Expenditure

SPS is provided with an annual operating budget by the Scottish Government. In 2019-20, SPS had an overall operating budget of £378.6m. In 2019-20, approximately £153.45m (40.5%) (2018-19 42.1%) of this expenditure was committed via procurement activity and contracts with external suppliers. Procurement activity achieved savings and efficiencies of £7.12m in the period 2019-20.

Total SPS Operating Budget vs external spend via Procurement



The procurement activity undertaken by the SPS flows from the need to accommodate, feed and support approx. 7,500 persons in custody and to ensure relevant supplies / services to underpin SPS operations and a staff group of approx. 4,500. There is a programme of contract development activity for the period included a range of requirements which are planned over a long term, as well as a range of in-year (*planned and unplanned*) requirements.

Table 2: Small and Medium Sized Enterprises (SMEs)

SPS has maintained a position over the past few years (including in 2019-20) whereby approx. 50-60% of the 1,200-1,350 suppliers used annually by the SPS are SMEs. SPS procurement activity will continue to provide a platform for SMEs to access SPS contract opportunities, whether this be as a result of SPS advertising contract opportunities on PCS (>£20k) or the award of business 'locally' through devolved procurement officers.



SMEs typically account for 20-25% of SPS's external purchase expenditure (£153.45m in 2019-20). This equates to approx. £30M to £40M of work awarded annually by the SPS to SMEs. The expenditure figures for SME engagement have also remained reasonably consistent with previous years.

Other SMEs are engaged as sub-contractors in the supply chain of larger suppliers. SPS has no mechanism to track this beyond the largest contracts. However, as an example:

SPS spends circa £4.5m per annum with JW Filshill for prisoner retail goods. JW Filshill supports many SME businesses and actively sources new Scottish products, etc for customers. Over 20% of its 6,000 stock keeping units (SKU) come from local suppliers in Scotland accounting for nearly 25% (£25 million) of its turnover (excluding tobacco) with the majority of these businesses being SMEs.

Table 3 Regulated Procurement Activity (2019-20)

Under the Procurement Reform (Scotland) Act 2014, "Regulated procurement" reflects contracts whose anticipated value is over £50k in value for goods and services or over £2m in value for public Works (excluding VAT). Contracts with values lower than these thresholds are classed as "Non-Regulated" procurement.

SPS awarded a total of (106) contracts during the period covered by this report. SPS advertised all these contracts via the Public Contracts Scotland website:

Contract Type	2019-20 No. of new Contracts Awarded	2019-20 Total Value of new Contracts Awarded	2018-19 No. of Contracts Awarded	2018-19 Total Value of Contracts Awarded
Supply (Goods)	22	£ 7,397,000	29	£ 1,697,000
Services	46	£ 7,363,000	40	£ 34,413,000
Works	38	£ 73,229,000	51	£ 5,390,000
Total	106	£ 87,989,000	120	£ 41,500,000

Note:

Several projects were awarded to multiple suppliers however, for the purposes of Tables 3 to 5, these are each counted as a single contract.

Within the (106) contracts awarded in 2019-20:

- 26 of these contracts were new Regulated / OJEU procurements – circa £80.2m (see Table 4).
- 12 reflected a new call-off from a framework agreement – circa £4.56m (see Table 5), and
- The remaining 68 were Non-Regulated / Quick Quote awards – circa £3.23m.

Within the above, 3 of the 38 Works projects (*i.e. the new Women's prison and two community custody units*) reflected a total contract value of £69.95m. The remaining 35 SPS Works projects (£3.3m) were all progressed as Non-Regulated procurements *i.e.* all were below the relevant £2m Regulated threshold for Works.

In addition, during the period, SPS continued to utilise framework agreements where the call-off was undertaken in prior years – circa £15.87m spend (see Table 6). We also continued to use a range of national contracts awarded by the SPS in previous years *e.g.* multi-year supply or service contracts. A number of core supply of Goods contracts such as food appear in Section 5: Future SPS 'Regulated' Procurement which, as at July 2020, the SPS reasonably expects to tender either in 2020-21 or 2021-22.

Light Touch Regime

One light touch regime tender was undertaken in the period for Social Care – award to Mears Care.

Lots

For all Regulated procurement, SPS gives due consideration under the [Public Contracts \(Scotland\) Regulations 2015](#), as to whether contract opportunities should be divided into Lots with the intent of creating smaller work-packages that may be suitable for SMEs.

In practice, a significant number of Works, capital and some service contracts continue to be tendered as smaller projects below the relevant Regulated thresholds reflecting a per prison, or regional focus: Lots are not then applicable.

- SPS estate activity is split into Areas – East, West, Central and North. Where a tender covers all Areas, such as paintwork services, bidders were provided with the option to bid and price for one or more Areas. Prison estate teams also tend to utilise local builder's merchants and suppliers for local purchases of ad-hoc materials.
- For a number of supply of Goods and Service contracts, SPS seeks to ensure consistency of supply / service and price across the prison estate versus splitting into Lots. In doing so we seek to balance the value / duration of the contract with the need to ensure value for money through effective competition with the costs of doing so (*e.g.* bidder costs and SPS internal procurement / contract management costs) for what may be relatively low value contracts particularly if split into Lots. However, SPS has enacted Lots where appropriate to the tender and market-place *e.g.* a range of related security equipment or cleaning services applicable across multiple SPS sites.

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Table 4 Summary of the Regulated Procurement undertaken (April 19 to Mar 20)

The following table details the 26 new Regulated and OJEU value contracts where a contract award was completed in the period. These have a total value of £80.2m. In some cases, the procurement activity (contract notice advertisement and tender) commenced in the prior financial year.

	Date of Award	SPS Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the Contract	Start Date	End Date	Notes	SME
1	Mar-19	01687	Insight Direct	Application, virtualisation and termination (AVT) replacement services	£120,000	27-Mar-19	30-Mar-22	Services – Regulated Call-off from CCS Framework, (RM3733 – Tech Products 2, Lot 1) Maint. approx. £13k pa. Option to extend to Mar 24.	N
2	Apr-19	01730	ASSA Abloy Limited	Atlas Locking Systems	£106,000	12-Apr-19	31-Mar-24	Supply (Goods) - Regulated	Y
3	Apr-19	01630	Ross Quality Control Ltd	Clerk Of Work Services	£600,000	21-Apr-19	21-Apr-25	Services - Regulated	Y
4	May-19	01599A	Antalis Ltd	Packaging Material	£350,000	31-May-19	02-Jun-24	Supply (Goods) - Regulated	Y
5	May-19	01651	P&R Fabrics Ltd	The Supply of Materials for Clothing and Bedding	£109,000	31-May-19	30-May-24	Supply (Goods) - Regulated	Y
6	Jun-19	01684	JW Filshill	Provision of Retail Goods to the SPS	£4,500,000 per annum	24-Jun-19	23-Aug-26	Supply (Goods) - Regulated	Y
7	Jul-19	01733	Allander Security Ltd	Inverclyde Site Security	£60,000	10-Jul-19	09-Jul-23	Services - Regulated	Y
8	Aug-19	01653	Bar One Clothing	PEI, SG and C+R Uniforms for SPS	£100,000	15-Aug-19	12-Aug-22	Supply (Goods) - Regulated	Y
9	Aug-19	01661B	Fireworks Fire Protection Ltd	Maintenance of Watermist Systems	£60,000	01-Aug-19	31-Jul-24	Services - Regulated	Y
10	Aug-19	01674A	Currie & Brown UK Ltd	Framework Agreement for the Provision of Quantity Surveying Service	£900,000	05-Aug-19	04-Aug-22	Services - Regulated	Y
		01674B	Faithful +Gould						N
		01674C	Thomson Gray						Y

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	Date of Award	SPS Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the Contract	Start Date	End Date	Notes	SME
11	Sep-19	01708	Cello Electronics (UK) Ltd	Provision and Maintenance of In-Cell Televisions	£573,000	16-Sep-19	15-Sep-24	Supply (Goods) - Regulated	-
12	Sep-19	01741	Catering Supplies & Repairs Co Ltd	Supply of 2x Boiling Pans for HMP Glenochil	£65,600	23-Sep-19	25-Sep-29	Quick Quote Supply (Goods) - Regulated	Y
13	Sep-19	01661A	Protec Camerfield	Maintenance of Watermist Systems	£60,000	13-Sep-19	12-Sep-24	Services - Regulated	-
14	Sep-19	01732	PHS Group	Clinical and Washroom Waste Disposal Services	£400,000	30-Sep-19	29-Sep-24	Services - Regulated	N
15	Oct-19	01612	James Ramsay (Glasgow) Ltd	Maintenance of Boilers, Burners, Heating, Ancillary Equipment and Gas Infrastructure	£540,000	01-Oct-19	30-Sep-25	Services - Regulated	Y
16	Nov-19	01513	Exception UK	Design Services to Support a Digital Transformation at SPS HQ	£249,500	11-Nov-19	31-Mar-20	Services - Regulated	Y
17	Nov-19	01718	Lifelink	Counselling and Support Service	£103,000	05-Nov-19	01-Nov-21	Services - Regulated	Y
18	Dec-19	10471	Galliford Try Building Ltd T/A Morrison Construction	Women's National Facility at Stirling	£53,829,000	13-Dec-19	13-Dec-22	Works - Regulated	N
19	Dec-19	01711	Jewson Ltd	New Framework Agreement for the Provision of Softwood Timber	£750,000 per annum	01-Dec-19	30-Nov-22	Supply (Goods) - Regulated	N
			Grafton Merchanting GB Ltd						N
			Thornbridge Sawmills Ltd						Y
20	Jan-20	01786	Company for Electronic Industrial Automation (CEIA) Ltd	Provision of Metal and Mobile Phone Detectors	£50,050	08-Jan-20	07-Jan-21	Quick Quote Supply (Goods) - Regulated	-

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	Date of Award	SPS Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the Contract	Start Date	End Date	Notes	SME
21	Jan-20	10630	Trident Maintenance Services Ltd	National SPS Paintworks and Decoration Contract 4 Regional Lots - Lot 1 (East Scotland) Lot 2 (West Scotland) Lot 3 (Inverness), & Lot 4 (Grampian)	£300,000 per annum	9-Jan 20	9-Jan 23	Works – Non-Regulated. Options to extend to Jan 2025	Y
			Scott Brothers (Glasgow) Ltd						Y
22	Jan-20	01776	Virgin Media Business	Wi-Fi Replacement Project (Design and Equipment)	£112,000	24-Jan-20	31-Mar-20	Services – Regulated CCS Framework Agreement RM3808 Lot 1	N
23	Jan-20	10624A	Ogilvie Construction	Design and Build of Community Custody Unit in Glasgow (Maryhill)	£8,295,000	30-Jan-20	30-Jul-21	Works - Regulated	Y
24	Jan-20	10624B	Ogilvie Construction	Design and Build of Community Custody Unit in Dundee (Hilltown)	£7,823,000	30-Jan-20	30-Jul-21	Works - Regulated	Y
25	Mar-20	01794	European Freeze Dry Ltd	Provision of Contingency Food Packs	£50,000	04-Mar-20	03-Mar-24	Supply (Goods) - Regulated	-
26	Mar-20	01766	Cireson Software UK Ltd	IT Service Desk System	£100,000	24-Apr-20	23-Apr-26	Services - Regulated	-

Note: Supplier Size is indicated where this has been classified and is known e.g. Small & Medium Enterprise (SME) (i.e. <250 employees / turnover of < £50m pa). (N) is a large business which exceeds these thresholds.

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Table 5 Call-Off Contracts

The following table contains details of the 11 new call-off contracts which were awarded under existing framework agreements. Award was undertaken in accordance with the terms of the framework agreement e.g. either following a mini-competition or a direct call-off. These have an aggregate value of approx. £4.56m the period (April 19 to March 20).

	Date of Award	SPS Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the Call-off	Start Date	End Date	Notes	SME
1	May-19	01726	Virgin Media Business	Provision of Internet Connectivity	£75,000	14-May-19	31-May-22	CCS Framework RM1045 Lot 2 - Services – Regulated Option to extend to May 25	N
2	Jul-19	01750	EE Ltd	Mobile Phone Services	£68,000	25-Jul-19	24-Jul-23	CCS Framework RM1045 - Services - Regulated	N
3	Sep-19	SP-19-009	Certa Energy UK Ltd t/a Scottish Fuels	Supply of Liquid Fuels	£90,000 per annum	27-Sep-19	14-Apr-22	New call off from CCS National Fuels Framework RM3801	-
			Rix Petroleum (Scotland) Ltd						Y
4	Dec-19	01780	Virgin Media Business	Provision of Local Area Network Hardware Supply and Support	£325,000	21-Dec-19	20-Dec-24	CCS Framework RM3808 Lot 1 - Services - Regulated	N
5	Dec-19	01765	Influential Software Services Ltd	Support to Business Objects	£184,000	19-Dec-19	31-Dec-22	Call Off from G-Cloud 11 Framework Services - Regulated	Y
6	Dec-19	01677	Abercromby Vending Ltd	Fully Managed Vending Service	£300,000 per annum	05-Dec-19	22-Nov-25	Mini-competition under Scotland Excel Framework. Vending Machines Framework (21-18) Lot 5 Fully Managed Service. Spend is by users of the vending machines - staff or prison visitors.	Y

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	Date of Award	SPS Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the Call-off	Start Date	End Date	Notes	SME
7	Jan 20	01800	Edmundson Electrical	Supply of electrical Light fittings for HMP Barlinnie	£400,000	04-Feb 20	04-May 20	Call off under Scotland Excel Framework 0615, Lot 8 Electrical Materials	-
8	Feb-20	01790	Boston Networks Ltd	Wi-Fi Replacement Project (Infrastructure and Equipment)	£49,000	14-Feb-20	30-Mar-20	CCS Framework RM3808 Lot 1 - Services - Non Regulated	Y
9	Mar 20	01466	Enva Ltd	Waste Services – Recyclable and Residual Waste	£400,000 per annum	01-Apr-20	31-Mar-21	Non-Competitive Action: Extension contract. Original award under a Scotland Excel Framework.	N
10	Mar-20	01777	Insight Direct (UK) Ltd	Microsoft Licenses – Annual renewal and licence true-up	£2,269,500	30-Mar-20	31-Mar-23	CCS Framework RM3703, Lot 2 - Services - Regulated	N
11	Mar 20	-	Scottish Water Business Stream Ltd	Supply of Water, Waste Water and Effluent services, and automatic meter reading (AMR).	£400,000 per annum	01-Mar-20	31-Mar-23	SG Framework. Single Supplier: Direct call-off Replaces existing agreement with Wave from 1 April 20.	N
12	Mar 20	-	Total Gas & Power Ltd	Supply of Natural Gas	-	01-Apr-20	31-Mar-22	SG Framework Single Supplier: Direct call-off. Replaces existing agreement with Total Gas & Power.	N

Note: Supplier Size is indicated where this has been classified and is known e.g. Small & Medium Enterprise (SME) (i.e. <250 employees / turnover of < £50m pa). (N) is a large business which exceeds these thresholds.

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Table 6 Call Off Contracts (Prior Years)

The following table contains details of the 49 Framework Agreements awarded in prior years which SPS continued to utilise in the period (Apr 19 to Mar 20) e.g. following either a mini-competition or a direct call-off. These had an aggregate value of approx. £15.87m in the period.

	Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the SPS Call-off	Start Date	End Date	Notes	SME
1	SP-17-004	EDF Energy Ltd	Supply of Electricity.	£4,580,000	01/04/19	31/03/22	SG Framework Single Supplier: Direct call-off	N
2	SP-12-005	Total Gas & Power Ltd	Supply of Natural Gas.	£3,185,000	01/03/18	31/03/20	SG Framework Single Supplier: Direct call-off	N
3	SP-14-008	Anglian Water Business Ltd trading as WAVE	Supply of Water, Waste Water and Effluent services.	£1,500,000	01/03/16	29/02/20	SG Framework Single Supplier: Direct call-off	N
4	SP-15-005	Scottish Fuels - Lots: Scotland North, West, Central & South regions.	Supply of Liquid Fuels – Heating Oil.	£14,000	14/10/15	13/10/19	SG Framework Multi-supplier: Direct call-off	-
5	SP-14-009	Lyreco UK Limited	Office Stationery.	£248,000	01/06/16	31/03/21	SG Framework Single Supplier - Direct call-off	N
6	SP-16-016	Global Connections (Scotland) Limited (1 st) Global Language Services (2 nd)	Interpreting, Translation and Transcription Services.	£26,000 £19,700	12/11/17	11/11/21	SG Framework Multi-supplier: Ranked Award.	Y
7	SP-19-016	HP Inc. UK Limited	Desktop Client Devices.	£108,000	01/01/20	31/12/21	SG Framework Single Supplier: Direct call-off. Options to extend to Dec 23	N
8	SP-15-011-1		Mobile Client devices.		16/11/15	15/08/21	SG Framework Single Supplier: Direct call-off.	
9	SP-15-016	Banner Group Ltd	IT Consumables.	£23,000	01/11/16	31/03/21	SG Framework Single Supplier: Direct call-off	Y

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	Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the SPS Call-off	Start Date	End Date	Notes	SME
10	SP-17-021	Computacenter	IT Peripherals.	£30,600	14/03/18	13/03/21	SG Framework Single Supplier: Direct call-off	N
11	SP-18-010	Anderson Strathern LLP	Legal Services: Lot 1 - Contract, Commercial & Corporate Law	Anderson Strathern £588,000	01/08/19	31/07/23	Call-off from Scottish Government Framework: Legal Services.	N
		MacRoberts LLP	Lot 2 - Debt Recovery	MacRoberts £4,000				Y
		Morton Fraser LLP	Lot 3 - Litigation, Reparations, Employment and Inquiries.	Morton Fraser £38,500				Y
12	SP-18-001	21 Colour Allander Print	Print and Associated Services	21 Colour £6,000 Allander Print £500	01/04/19	31/03/21	SG Framework Multi-supplier: Direct call-off Lot 1 – 12 supplier Framework Lot 2 and 3: Not used	Y Y
13	SP-16-013	Konica Minolta Ltd Xerox (UK) Ltd	Office Copier Equipment / Multi-Function Devices.	Konica Minolta £290,000 Xerox £2,500	03/06/17	02/06/21	SG Framework Multi-supplier: Mini-Competition.	N N
14	SP-18-012 SP-18-013	Pertemps Brightwork ASA Recruitment Genesis Personnel Blue Arrow	Temp Admin, Catering and Manual – North & South.	Pertemps £364,000 Brightwork £156,000 ASA £82,500 Genesis £5,500 Blue Arrow £0	13/04/19	12/04/23	SG Framework Multi-supplier: Direct award or Mini-Competition.	N Y Y Y N
		ASA Recruitment Harvey Nash Pertemps Lorien Resourcing Venesky Brown Ltd	Interim Professional Staff services– national. Interim IT Staff services – national.	Harvey Nash £315,000 Lorien £288,000 Venesky £65,000				13/04/19
16	01497	Brightwork Blueprint Recruitment Ltd	Temporary Maintenance staff.	Brightwork £34,000 Blueprint £225,000	25/05/17	22/05/20	SPS Framework	Y Y

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	Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the SPS Call-off	Start Date	End Date	Notes	SME
17	SP-19-001	Park Place Technologies Ltd	Server Maintenance Framework.	£71,000	02/08/19	01/03/20	SG Framework Single Supplier: Direct call-off. Option to extend up to Aug 23.	-
18	SP-14-012	TMP (GB) Ltd	Recruitment & Media Advertising for SPS.	£111,000	18/04/16	10/07/20	SG Framework Single Supplier: Direct call-off. SPS ref 01435a	N
19	-	Central Radio Taxis (Tollcross) Limited	Edinburgh Taxi Services.	£2,000	30/06/16	29/09/20	SG Framework Single Supplier: Direct call-off.	Y
20	-	Glasgow Taxis Ltd	Glasgow Taxi Services.	£1,300	30/06/16	29/07/20	SG Framework Single Supplier: Direct call-off.	Y
21	-	Corporate Travel Management (CTM) North Ltd	Travel Services.	£69,500	01/09/19	31/03/22	Direct Award by Scottish Government under a CCS framework RM6016	N
22	SP-15-006	HCR	Relocation Services.	£84,000	01/04/16 01/04/20	31/03/20 31/03/24	SG Framework Single Supplier - Direct call-off	Y
23	-	Enterprise Rent-A-Car UK Limited	Vehicle Hire.	£167,000	01/04/16	31/08/20	Mini-competition by Scottish Government under a CCS framework RM1062	N
24	SP-17-16	Royal Bank of Scotland	Banking Services.	£20,000	01/08/18	01/08/22	Call off from Scottish Government Framework for Banking Services	N
25	01400	Optima Health t/a as Working on Wellbeing Ltd	Occupational Health Services.	£390,000	31/03/17	31/03/21	Ongoing utilisation of the 4-year Framework Agreement.	N
26	1605	OH Assist	Employee Assistance Programme (EAP) & Welfare Services to Scottish Central Government.	Approx. £28,000	01/11/18	01/11/22	SPS led the procurement to set up this collaborative contract for the Scottish Central Government sector.	N

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	Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the SPS Call-off	Start Date	End Date	Notes	SME
27	EPN 487	Health Management Ltd (HML)	Principle Civil Service Pension – Scheme Medical Advisor.	£154,000	July 17	July 21	Cabinet Office contract; single supplier.	Y
28	01016 01521	CGI IT UK Ltd	Payroll Services.	£147,000	01/12/12 01/12/19	30/11/19 30/11/21	SPS call-off from a CCS G Cloud 11. Extended in late 2019 for a further 2 years until Nov 21	N
29	RM3704	Edenred (UK) Ltd	Employee Services incl Childcare Vouchers.	£135,000	02/10/17	01/10/21	Scottish Government award. Call-off from a CCS Framework	Y
30	SP-15-014	Royal Mail	Postal Services Lot 1 - Physical and hybrid Mail Lot 2 – Scheduled / Regular Bulk Mail (Print and Post)	£25,000	01/10/16	30/06/21	SG Framework Single Supplier - Direct call-off.	N
31	01043	Leasedrive t/a Zenith	Fleet Vehicles: Cars and LCVs.	£231,000	11/04/14	31/03/20	CCS Framework RM858. Multi-supplier: Mini-Competition.	Y
32	01447	Capito Ltd	IT Hardware Maintenance Services for the SPS.	£36,000	31/05/17	31/05/23	CCS Framework RM1058.	Y
33	01668	Aristi Limited	Framework Agreement for IT Health Check and Cyber Essentials Services.	£18,000	19/11/18	19/11/21	Call off from Scottish Government Framework.	Y
34	01482	Ailsa Care Services Ltd	Social Care Services (to persons in custody).	Ailsa £380,000	01/11/16	27/11/20	Call-off from a Scotland Excel Framework Light Touch Award to Mears	Y
		Mears Care		Mears £75,000				N
35	-	Allstar Business Solutions Ltd	Agency Fuel Cards for use by SPS fleet vehicles.	£153,000	-	31/03/22	Call-off from a CCS Framework. RM6000	Y
36	SP-17-028	APS Group (Scotland) Ltd	Publishing, print, design and associated services (PPDAS).	£90,000	01/10/18	30/09/23	SG Framework Single Supplier - Direct call-off	Y

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	Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the SPS Call-off	Start Date	End Date	Notes	SME
37	01238/19 01238/21 01238/16	Atkins Ltd t/a Faithful & Gould	Quantity Surveyor Services.	£85,000	01/07/18 04/10/18 31/10/17	31/03/20 30/30/20 30/10/21	SPS Framework Agreement	N
38	SP-17-032	British Telecommunications Plc	Provision of Public Switched Telephony Services (PSTN) voice call and lines.	Approx. £200,000 per annum	26/09/17	31/03/20	SG Framework – SPS ref 01527 (Option exists to extend the term of the call-off until 2022).	N
39	SP-17-032	British Telecommunications Plc	Provision of Staff telephony Voice calls and lines.	Approx. £55,000 per annum	30/10/17	31/10/20	SG Framework – SPS ref 01587. (Option exists to extend the term of the call-off until 2022).	N
40	01510	Alexander (Scotland) Ltd and ASD Ltd	Supply of steel.	Alexander, £61,000 ASD, £4,000	01/02/17	01/02/21	SPS Framework: mini competition	Y
41	01515	Insight Direct (UK) Ltd	Microsoft Licenses for the SPS. Annual True-up and licence updates.	£378,000	01/04/17	31/03/20	CCS Framework – RM1054. Awarded in 2017 for 3 years. (Year 3 of 3).	N
42	SP-16-001 SP-15-011-5 SP-19-013	XMA Limited	Tablet Client Devices. Workstations client devices Web based and proprietary devices.	£42,000	20/06/16 09/03/16 30/11/19	19/06/19 15/08/21 29/11/21	SG Frameworks Single Supplier: Direct call-off. Latest Framework can be extended by up to 2 years to 2023	N
43		Oracle UK Ltd	Oracle Licence Agreement.	£60,000	09/04/13	30/04/21	SG led Oracle licencing agreement; latest renewal extends till Apr 21	N
44	01391	Telefonica O2 UK Ltd	Mobile Telephony.	O2, £22,000	30/07/15	30/07/20	Call-off from a CCS Framework	N
45	SP-19-002	Vodafone	Mobile Voice and Data Services.	Vodafone, £12,600	17/03/20	16/03/22	SG Framework Single Supplier: Direct call-off. SPS will switch to this in due course.	N
46	01481	Arco Ltd	PPE and Workwear.	Estimate £40,000	14/10/16	13/10/20	Call-off from a CCS Framework	N

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	Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ Value of the SPS Call-off	Start Date	End Date	Notes	SME
47	01414	Currie and Brown	Principal Designer Services and CDM Advice	£40,000	07/12/17	06/10/19	SPS Framework Agreement: Single Service Provider	Y
48	01697	Insight Direct (UK) Ltd	Application, Virtualisation and Termination Replacement Devices for SPS Data Centres	£120,000	21/12/18	31/03/22	CCS Framework RM3733 - Lot 1 (Technology Hardware) Service - Regulated	N
49	01695	Virgin Media Business	Replacement and support of IT firewalls for the SPS data centre.	£200,000	31/01/19	31/03/22	CCS Framework RM1045 - Lot 2 (Network Services). Maintenance £24k pa. Option to extend until 2024.	N

Notes:

- Framework Agreement set up and awarded by the: SG = Scottish Government. CCS = the Crown Commercial Service.
- The £ Values in Tables 4 to 6 have been rounded to the nearest £000.
- Supplier Size is indicated where this has been classified and is known e.g. SME (i.e. <250 employees / turnover of < £50m pa). 'N' denotes a large business which exceeds these thresholds.

Table 7 Non-Competitive Action (NCAs)

In 2019-20, the SPS undertook (2) Non Competitive Actions (NCAs) to a sum of £914,500 whose value exceeded the relevant Regulated threshold, and (19) Non-Regulated NCAs to a value of £103k (2018-19, 26 NCAs). Any non-competitive action must be approved by PPSD before proceeding. In each instance, approval was sought from the Head of Procurement and reasons for approval were documented for reference

SPS Ref.	Supplier	Subject Matter	Estimated Value of NCA	Start Date	End Date
n/a	Multiple providers being used alongside the two contracted suppliers: Ailsa Care & Mears Care: <ul style="list-style-type: none"> Robinson Medical Recruitment Independent Clinical Service t/a Scottish Nursing Guild Fairways Recruitment H1 Healthcare Solutions 	Social Care for persons in custody	£514,500 broken downs as follows: £254,000 £179,500 £66,000 £15,000	Apr 20	Mar 20
<p>Reason for NCA: Prisons utilising the Scotland Excel framework agreement for social care (Ailsa Care) were not always able to achieve fulfilment of care needs. These were often ad-hoc, at short notice and fulfilment affected by limited / non-availability of care staff with the contracted provider in the area around the prisons concerned. The issue was compounded by an overall shortage of care staff nationally.</p> <p>Where the contracted supplier could not fulfil care requirements, the NCA allowed local call-off from (named) non-contracted providers registered with the Care Inspectorate. SPS issued internal guidance (GMA027A/18) to provide clarity to prisons. The NCA will continue into 2020-21 for the reasons stated above.</p>					
01466	Enva Ltd	Waste Removal & Recycling	£400,000	Apr 20	Mar 21
<p>Reason for NCA: Extension of a contract which was originally awarded under a Scotland Excel Framework Agreement for a further one year to allow SPS to manage the tender and contract transition process following Covid-19 restrictions being relaxed.</p>					

The Non-Regulated NCAs were generally lower value in nature, with 17 out of the 19 being below the £20k threshold at which SPS seeks to advertise contract opportunities. These were largely low value reactive Works / FM related, or ad-hoc training courses for SPS staff. The 2 which were above £20K threshold were:

1. Securing one-off expert advice to support the SPS organisational review of Control and Restraint - £22,500
2. Provision of Solid Surface Sheets to support an operational demand for the manufacture of replacement cell-furniture by SPS Prison industries: £30K. A project to secure a steady state supply of these materials is reflected in the workload for 2020-21 (see Section 5).

SECTION 2

SECTION 2: REVIEW OF REGULATED PROCUREMENT COMPLIANCE

The SPS Procurement Strategy 2019-22 set out the main objectives and priorities for the APR during the 12-month reporting period to March 2020.

The prior sections of this APR set out how SPS has ensured that relevant factors are variously reflected into Regulated procurement activity and, in turn, that contracts meet SPS organisational needs whilst providing a number of value added outcomes. Points 1 to 1.4 below set-out a range of activities which support SPS to assure compliant procurement activity.

1 How does SPS ensure Compliance?

Procurement processes within SPS are structured in such a manner that projects whose value is Regulated or above are managed and overseen by a professional procurement function in conjunction with stakeholders. Each procurement process is subject to a number of 'gateway' approval stages with the internal client as projects progress e.g.

- Commodity / Service Strategy,
- Invitation to Tender,
- Contract Award Recommendation report,
- Contract preparation and sign-off within PPSD, and
- Contract Management Activity (*post award*).

The SPS scheme of Delegated Procurement Authority (DPA) supports the above by escalating the gateway review and contract signature within the PPSD management hierarchy.

The procurement arrangements, policy and processes in SPS are designed to enable SPS to meet the provisions set out in its Procurement Strategy for conducting Regulated and OJEU procurement. Staff are provided with training, mentoring and management support to enable them to operate effectively and confidently within the regulatory and best practice framework.

Use of PCS, PCS-T and e-Contract Management (e-CM) enables PPSD to maintain records (*tender bids and contracts, etc.*) in electronic form within the respective systems. Contract development activity (new projects) and the cyclical renewal of contracts which require to be retendered is planned by the respective managers in PPSD.

1.1 Devolved Procurement.

Where there are no national or other centrally awarded (collaborative) contracts in place, prisons undertake devolved procurement activity up to £20k in accordance with the provisions set-out in the SPS Procurement Manual and policy. The responsibility for procedural and process compliance rests with the Governor / Finance Manager of the respective prison.

PPSD will advise and support this devolved procurement activity as required. This may include reviewing aspects of the procurement process - the procurement route or bid evaluation method for example.

A series of training support workshops were delivered in year to the devolved procurement leads at each prison to develop their capabilities around compliantly managing lower value tender activity.

1.2 Non-Competitive Action (NCA)

SPS actively seeks to minimise the number and scope of Non-Competitive Actions (NCA) in any year through a combination of pre-planning known renewals, requiring that the business area concerned provide rationale and obtain the prior approval from the Head of Procurement for an NCA.

Where required for business continuity or other operational reasons, delegated procurement officers may seek to request a non-competitive action. NCA requests will be approved or rejected by the Head of Procurement based on the rationale and justification provided.

Any decisions taken to approve an NCA need to balance not disadvantaging a supplier that may have acted in good faith to supply with the commercial & legal risks of SPS actually purchasing or continuing to do so.

It should be noted that the SPS Procurement policy does permit exceptional purchases at the devolved local level to meet emergency or operational needs however it is expected that the situation would be regularised as soon as practicable through a procurement or use of an existing SPS contract. The prison concerned would highlight any exceptional instances and these are recorded by PPSD along with the rationale. Table 7 in Section 1 reflects where NCAs have been undertaken in 2019-20 along with the reasons for these.

1.3 Contract Management.

The SPS's proactive, planned approach to Contract & Supplier Management provides assurance that contracts are delivering the intended outcomes. Where this is not the case, relevant actions are initiated and taken in conjunction with the relevant internal stakeholder/ Directorate and the supplier.

Contract management activity reviews contracts at agreed review points e.g. where any annual price review is required, or ahead of SPS considering extension of an existing contract. This typically includes reviewing contract performance and business need with the internal client and PPSD undertaking price benchmarking ahead of making a gateway recommendation to either extend or retender specific contracts. This review activity is intended to inform PPSD the contract development team of upcoming projects which require to be re-tendered.

1.4 Audit

The SPS Internal Audit function undertakes a range of activity to monitor SPS processes and practices (*both PPSD and devolved procurement*) including those leading to awards of contracts and the management of contracts. An external auditor and Audit Scotland also undertake a range of audit activity annually which includes procurement activity.

Observations and recommendations from audit activity are taken forward as management actions and reflected into SPS procurement policy and practices as appropriate. In the last period these recommendations led to SPS revisiting how some prisons managed the sourcing of social care services.

SECTION 3

SECTION 3: COMMUNITY BENEFIT SUMMARY

The legislative environment reflected in the Public Contract (Scotland) Regulations along with the Community Benefit provisions of the [Procurement Reform \(Scotland\) Act 2014](#) encourage public bodies to consider how their procurement activities can be used to underpin social, economic or environmental considerations within the performance of public contracts.

In the period covered by this APR, the SPS reflected Community Benefits into all Regulated procurements where the estimated value of the contract was equal to or greater than £4m. In the case of the SPS, the specific focus of the social element of community benefits, is persons in, or leaving, custody. Many such individuals come from backgrounds and situations which cause them to meet the criteria of being “disadvantaged persons” relative to others.

This section outlines the SPS approach to Community Benefits during the period as well as highlighting the continuing challenges associated with this particular area. It also provides a summary of community benefit requirements included as part of any Regulated procurement during the period.

1. SPS Approach to Community Benefits

The Sustainable Procurement Duty and Community Benefit provisions within public contracts provide SPS with an opportunity to align with, and leverage outcomes which support the [SPS Employability Strategy](#).

SPS continues to routinely consider the inclusion of community benefits for its tendered contracts. This is not limited to Regulated procurement but applies to any contract for which this is both appropriate and practicable. This consideration has formed part of the individual commodity / service strategy, tender, contract and contract monitoring.

Our approach generally seeks to link community benefit outcomes to SPS’s own agenda of unlocking potential, transforming lives of those in, or leaving custody. This can be through direct engagement with the SPS (*offers of work-placements or employment, or engaging with SPS Prison Industries*), working with partners who support prisoners or their families, or engaging supported business or social enterprise into the supply-chain. However, SPS are receptive to creative ideas which provide a realistic basis for engagement and achievement of outcomes.

It is generally accepted that including community benefits on construction contracts can be more readily achievable. This is partly due to the construction sector being more familiar with the concept and perhaps being better positioned (on large scale, higher value, longer term contracts) to deliver with existing support organisations such as the Construction Industry Training Board (CITB).

- For large construction tenders (e.g. the new National Women’s Facility and two community custody units), SPS used the benchmark provided by the CITB and the National Skills Academy Group.
- For supply and services contracts there is no benchmark and these are looked at individually by the procurement lead.

2. Difficulties in obtaining Community Benefit commitments

The approach taken by SPS considers a range of possible outcomes and focusses on what is delivered as a result of that contract. This is challenging and SPS has found that often bidder responses contain future aspirations rather than clear deliverables. Equally, some bids contain ambiguous commitments which may only be loosely attributable to the proposed contract e.g. general training or community engagement activities which the supplier may already have been undertaking and pre-committed already in other tenders.

Collecting, recording and validating data in relation to Community Benefits remains an ongoing challenge. This includes the facility to report on what Community Benefits pledges were made and the extent to which the resulting outturns were specifically linked to that contract.

3. Community Benefits Included

The following tables outline the Community Benefit outcome achieved in the reporting year. There were four new contracts awarded and three legacy contracts with ongoing Community Benefits.

Regulated / OJEU Procurement

SPS have used the Construction Industry Training Board (CITB) approach in the procurement of the new National Women's Facility and two community custody units (CCUs). This approach sets out the general expectations of community benefit outcomes for construction projects based on value and duration.


1) Women's National Facility (Stirling)	Supplier: Morrison Construction
Contract Start Date: Dec 2019	End Date: Est March 2022 *
Contract Value: Approx. £54M	Contract reference: 10471
<p>The project will deliver the Community Benefits in accordance with CITB guidelines for a construction project of c.£50+m (band 9). The expected outcomes include:</p> <ul style="list-style-type: none"> • 16 Jobs Created on Construction Project; • 15 Work Placements; • A Case Study Report; • 12 School visits; • 12 Curriculum Support; and • 12 Employability engagement activities. • A commitment to Fair Work Practices / Living Wage; <p>The Contractor has undertaken to engage with the 'Fighting Chance' programme run by Community Focus Scotland CIC. This programme is designed to help disadvantaged groups including ex-offenders to develop key life skills, increase wellbeing, gain qualifications and increase their employability.</p>	

2) Design & build of the Community Custody Unit (CCU) in Maryhill, Glasgow	Supplier: Ogilvie Construction Ltd
Contract Start Date: Dec 2019	End Date: TBC*
Contract Value: Approx. £8.2m	Contract reference: 10624A
<p>The project will deliver the Community Benefits in accordance with CITB guidelines for a construction project of c.£6.1m - £10m (band 3). The expected outcomes include:</p> <ul style="list-style-type: none"> • 4 Jobs Created on Construction Project; • 6 Work Placements; • 2 Construction Careers Information, Advice and Guidance Events; • A Case Study(s) – to be agreed; and • A commitment to Fair Work Practices / Living Wage; <p>In addition to the CITB led Community Benefits, the Contractor has indicated that it will provide additional benefits, which include:</p> <ul style="list-style-type: none"> • Meet the Buyer Event (targeting SMEs, 3rd Sector and Supported Businesses); • Local Economic Development: creating jobs throughout the supply chain, during the life of the contract; • 3rd Sector Support (offering labour, donating surplus materials, providing talks community groups); and • 2 School Visits. 	

3) Design & build of the Community Custody Unit (CCU) in Hilltown, Dundee	Supplier: Ogilvie Construction Ltd
Contract Start Date: Dec 2019	End Date: TBC*
Contract Value: Approx. £7.8m	Contract reference: 10624B
<p>The project will deliver the Community Benefits in accordance with CITB guidelines for a construction project of c.£6.1m - £10m (band 3). The expected outcomes include:</p> <ul style="list-style-type: none"> • 4 Jobs Created on Construction Project; • 6 Work Placements; • 2 Construction Careers Information, Advice and Guidance Events; and • A Case Study(s) – to be agreed; • A Community Art Installation, unique to Dundee, which will be delivered in conjunction with SPS & Dundee City Council; and • A commitment to Fair Work Practices / Living Wage; <p>In addition to the CITB led Community Benefits, the Contractor has indicated that it will provide additional benefits, which include:</p> <ul style="list-style-type: none"> • Meet the Buyer Event (targeting SMEs, 3rd Sector and Supported Businesses); • Local Economic Development: creating jobs throughout the supply chain, during the life of the contract; • 3rd Sector Support (offering labour, donating surplus materials, providing talks community groups); and • 2 School Visits. 	
<p>* Note: The construction phase of each of these three projects was due to commence in Q1 / Q2 of 2020-21. The national lockdown associated with the Covid-19 pandemic affected project commencement and each project will therefore be subject to programme review.</p>	

4) Retail Goods (Prisoner Canteen)	Supplier: J.W. Filshill Ltd
Service Start Date: June 2019	End Date: August 2023
Contract Value: £4.5m pa	Contract reference: 01684
<p>A new contract was awarded to J.W. Filshill Ltd in June 2019. This supplier previously held the contract and this new award will continue and sustain a range of community benefit activities including:</p> <ul style="list-style-type: none"> • Apprenticeships / Training Opportunities. Filshill currently have 4 employees completing Modern Apprenticeships. They will continue to provide two to four work experience placements per year to Renfrewshire Council Employability Service. • Filshill will continue to work with the 'Healthy Living Scotland' with an 'Eat Better Feel Better' scheme and supports 'Big Breakfast' events in primary schools around Scotland. This is funded by Filshill and supported via the local Keystores. • Filshill supported the Inch by Inch Scotland campaign last year throughout its Keystore retail estate as a joint venture, funding the creation of a number of educational videos on cooking healthier meals using ingredients sourced from convenience stores - http://www.inchbyinchforscotland.co.uk/ • Filshill have supported Social Bite since its inception and been involved in supporting all of their Sleep in the Park initiatives. A number of those entering or leaving custody are affected by homelessness. • Filshill providing products to the Edinburgh Childrens Hospital Charity to enable them to prepare emergency care packs for families with children at the hospital. This work is also supported by another SPS supplier Bidfood UK Ltd. • In the recent period since Covid-19, Filshill has supported the NHS staff through donating and delivering a range of products. They have donated thousands of plastic bags to FFU Scotland CIC (Fibro Friends United) to enable FFU to home deliver emergency hygiene care packs to vulnerable individuals. • Filshill will continue activities to support a number of food banks in the west of Scotland by supplying various surplus food products to them. <p>In terms of developing further Community Benefits in the new contract:</p> <ul style="list-style-type: none"> • Filshill are in discussion with SPS around having a prison repair delivery cages as a work based activity. • There are also discussions around the feasibility of developing some bio-diversity work around prisons involving Plan Bee Ltd - beekeeping 	

Contracts awarded in prior years with ongoing Community Benefits:

5) Scottish Court Custody & Prison Escort Services (referred to as "SCCPES")		Supplier: GEO Amey PECS Ltd	
Service Start Date: Jan 2019		End Date: Jan 2027	
Contract Value: £28m pa		Contract reference 01500	
<p>GEO Amey committed to achieving a range of Community Benefit outcomes as part of the obligations under this contract. These generally reflect use of Supported Business and Social Enterprise as part of the supply-chain plus employability facing outcomes for those in or leaving custody. There were also commitments around SME engagement and environmental outcomes (vehicle fleet) which continue to be provided.</p> <p>Services commenced under the contract in Jan 2019 and GEO Amey have maintained progress in delivering a range of Community Benefit outcomes:</p>			
		£ Spend in FY 2019-20 to end of Jan 20	Aggregate £ spend
Supported Business			
• Uniform, PPE, signage, forms etc	Haven Products	£51,475	£231,475
• Vehicle Base Furniture	Royal Strathclyde Blindcraft Industries	£20,336	£87,336
• Vehicle Base Cleaning	All Cleaned Up	£50,645	£76,645
Social Enterprise			
• Document Management & Storage	Wild Hearts Horizon	£35,846	£35,846
		£ Spend in FY 2019-20 to end of Jan 20	Aggregate £ spend
• Stationery & Office Supplies	Wild Hearts Banner	£186,726	£257,726
	Total in FY2019/20 and in aggregate since contract commencement.	£345,000	£689,028
<p>WildHearts is the largest B2B social enterprise in the UK and all of the net profits fund the work of The WildHearts Foundation. The Foundation supports activities to address a diverse range of social mobility, equality and employability issues in the UK and internationally. GEO Amey already had a relationship with WildHearts and the SCCPES contract has allowed them to further develop activity with them in Scotland.</p>			
			
<p>GEO Amey have enlisted 'All Cleaned Up' to provide cleaning services to its eight vehicle bases in Scotland. All Cleaned Up Scotland is a supported business industrial cleaning company servicing contracts throughout Scotland. All Cleaned Up is committed to providing opportunities to individuals with barriers to employment to allow them to contribute positively to the communities they work in.</p>			
<p>Geo Amey is progressing development of an Apprenticeship role with realisation planned in 2020/21.</p>			
<p>As of Nov 2019, 6-8 people in custody were undertaking construction work placements with the wider Amey Plc group. Two ex-prisoners had commenced employment with Amey in June 2019 and one had sustained the opportunity by remaining in employment.</p>			

6) Learning and Skills (Education Services)	Supplier: Fife College
Start Date: Aug 2017	End Date: July 2022
Contract Value: £4.6m pa	Contract reference 01313

The prison population consists of many individuals from disadvantaged groups of the general population and some from areas of multiple deprivation. The focus of the contract is to provide a varied learning environment which supports an increase in levels of attainment, engagement and essential skills.

In the Year 3 of the contract to Mar 2020, Fife College continued to provide and report against the Community Benefits provisions reflected in the contract. Whilst aligned to service delivery, the Community Benefits are over and above the core service itself:

i) Scholarships

- Adam Smith Foundation Scholarships – two further scholarships were awarded; a total of 5 have now been awarded to young persons who are in, or have been in, custody at HMP & YOI Polmont.

ii) Training & Development:

- Credit Bearing Awards and Individual Units – 3,180 were achieved against a CB commitment of 2,000 training credits per annum.
- 11 prison learners undertook and completed the London School of Music exams gaining qualifications at varying grades. Two learners successfully completed their Bronze Duke of Edinburgh Award.
- St Andrews First Aid – 7 emergency first-aid courses were completed at HMP Barlinnie and HMP Low Moss with 48 learners receiving certification.
- Fife College continued to provide the ROSPA accredited Health & Safety e-learning and Construction Academy programme linked to the theory and practice assessment for the CSCS Card. A CSCS card allows access to the construction industry and assists employability in that sector.
- In addition, Driving Theory / Large Group Vehicles. Updated versions of driving and LGV theory have been provided and uploaded to the Learning Centre resources. Learners can work through hazard perception and mock tests in preparation for the mandatory driving theory test. This can help boost employment options, as a career in itself or as a means to travelling to work.

iii) Employer Engagement & Training (which supports a person in, or leaving custody, to secure employment or move towards further training). In HMP Grampian an individual was supported by learning staff to secure a job in a local fish factory upon release. Learners at a number of prisons have been supported to continue studies commenced in prison at a local H&FE College following liberation; various subjects barbering, horticulture, hospitality, computer arts and animation, etc.

iv) Learning Nexus – Nimbus Course Building Software.

The 2 x pilot studies at HMP Shotts and HMP Glenochil were completed in December 2019. The pilot was successful with learners enjoying the new technology and the concept of taking ownership and building their own courses taking into account other learners styles and preferences. This will now be rolled out to all other learning centres.

v) Charities and Community Events / Community Initiatives

Prison Learning Centres continued to engage with their local community, local councils, and other partners etc to support & develop joint learning, competitions, activities and local events which serve to build positive relationships with families, the community and the prison. Examples of collaboration in the reporting year are:

- Learners in HMP Grampian created a stage set for Mintlaw Academy who took part in the UK wide Rock Challenge which is a series of performing arts events for schools. Mintlaw Academy won the prize for the Community Safety Partnership award and received compliments on the outstanding stage set.
- Learners in HMP Grampian created paintings for Grange Park care home in February. The paintings will be displayed throughout the nursing home for the residents, visitors and staff to enjoy
- The Talbot Rice Gallery delivered 6 sessional workshops over the year at HMP Shotts which were attended by 12 in each session as part of a year-long partnership with Fife College.

6) Learning and Skills (Education Services)	Supplier: Fife College
Start Date: Aug 2017	End Date: July 2022
Contract Value: £4.6m pa	Contract reference 01313
<ul style="list-style-type: none"> Fife College collaborated with Perth Gallery & Museum, to create a large art piece by prisoners who are in addiction recovery which was displayed in the gallery. In partnership with Aberdeen University a short Scots Language programme was delivered in HMP Grampian in August to 12 students. As part of the work, Two Rivers Media came into the prison to film part of Frankie Boyle's Tour of Scotland series and the episode on Scots language. Frankie Boyle attended the Scots language class. The Hardman Trust Celebration Awards Ceremony was held at Castle Huntly in September. Fife College students were fortunate to receive five awards from the Trust which will go towards the purchase of equipment and courses directly relating to employability upon release. Annual Koestler Awards Competition. All prisons take part in this national art competition. 183 entries from Scottish prisons achieved a Koestler award in 2019. <p>SPS are delighted to note that the community engagement work conducted by Fife College (and other partners) has been externally acknowledged in the year through a number of awards:</p> <ul style="list-style-type: none"> Scottish national Herald Award / Times Education Award HMP Cornton Vale were successful in winning the prestigious Herald Award FE Education Awards for the partnership category for their work with NHS on the Team Sally initiative. Fife College were shortlisted at the national Times Education (TES) awards for the "Supporting Learners" category for their leadership of same health and wellbeing project at HMP Cornton Vale. Achieving Better Outcomes in Partnership Award The multi-agency family learning project in HMP Perth was shortlisted within the COSLA Excellence Awards 'Achieving Better Outcomes in Partnership' category and won the silver award. The project; a multi-agency partnership led by the Parenting and Family Learning team at Perth & Kinross Council, alongside Fife College, Scottish Prison Service, Dundee, Angus and Fife Councils and Families Outside, has delivered a rolling programme of family learning in HMP Perth since 2017. This has enabled some of the most disadvantaged families to improve family bonding and parenting skills. <p>Fife College has pursued and been successful in securing a number of external funding sources to undertake additional project work which complements the learning services e.g.</p> <ul style="list-style-type: none"> Jean Armour Trust – Robert Burns projects in four prisons in the west of Scotland. Scottish Book Trust – secured match funding to support 25 author visits to prisons. This led to: HMP Shotts hosting three guest authors in the year. One of the topics was by L.J Flanders "Cell Fitness" who give a talk and delivered a fitness session which was attended by 50 prisoners. A sports journalist also gave a talk on Scottish Sport. This highlights the links between the Learning Centre and the Gym in terms of promoting sport and activity as a basis of general health and social engagement. Other guest author activity was conducted at HMP Perth, HMP Dumfries, HMP Low Moss and at HMP Barlinnie. In the latter case, the one-month author residency enabled 50 students to attend and produce a range of written material and art work. Following assessment, 15 of the learners achieved qualifications: National 4 History, Personal Development Award Level 3 and Working with Others at Levels 3 and 4. Child Poverty Fund (Aug 19 to July 20). Fife College commenced a series of family learning initiatives in HMP Grampian and HMP & YOI Cornton Vale working with 10 families and 10 learners. Initial feedback was extremely positive from all the families who took part in the sessions with children commenting that "this was the best visit with my Dad, ever!". These projects and the roll-out to another 3 prisons were suspended due to Covid-19. An external funder has subsequently curtailed the work due to Covid-19 and this will unfortunately not be recommencing. 	

SECTION 4

SECTION 4: SUPPORTED BUSINESSES SUMMARY

The SPS has continued to work in collaboration with the [British Association for Supported Employment \(BASE\)](#) to build on what is now a well-established relationship. BASE and its members continue to be supportive of working with SPS to provide work placements or employment opportunities for persons in or leaving custody including where individuals happen to be disabled or disadvantaged persons.

SPS procurement activities continue to promote and explore opportunities to engage with the Supported Business sector for Reserved Contracts wherever there is a fit between SPS requirements and the goods or services offered by this sector. There are three main ways in which SPS explores supported business opportunities:

- Reserved Contracts
- Local or national procurement
- Supply chain opportunities (reference the previous Morrison and Ogilvie Construction, and Geo Amey examples under Section 3, Community Benefits).

For potential Regulated or Non-Regulated procurement, PPSD refers to the [BASE Supported Business Directory](#), the [Partnership for Procurement database](#) and Scottish Government Supported Business Framework. SPS adjusted its Procurement Policy several years ago to increase the value which prisons can 'direct award' to Supported Business through the Scottish Government Framework without seeking competitive quotations. These thresholds remain and provide a basis for SPS to engage with Supported Business at a local level:

Furniture and Associated Products	<£5,000
Textiles/Personal Protective Equipment	<£5,000
Signage	<£10,000

1. Regulated procurements placed with Supported Businesses

No (0) regulated procurement was placed with Supported Businesses during the period covered by the report. A Non-Regulated contract was awarded to CCL (North) Ltd for the uplift and recycling of WEEE waste. SPS activity reflects a series of direct awards typically for work / products whose value was < £5,000 (as per our policy above), or continued use of contracts awarded in prior years.

2. Spend with Supported Businesses

The following table summarises the total £ expenditure by the SPS with Supported Business during the period of this report. The table also reflects main contractors (appointed by the SPS) which have undertaken identifiable expenditure with Supported Business as part of an agreed Community Benefit outcome following award of a contract.

Supported Business	Total Annual £ Spend	Commentary
Forth Sector (St Jude's Laundry)	£7,900	A three-year SPS contract (01574) from Feb 2018 to Feb 2021 for laundry services for the SPS College.
Apex Scotland	£31,000	Ongoing contract to provide a virtual visits service in Aberdeen. The contract has recently been extended to March 2021.
Haven Products Limited	£23,800	Utilising Scottish Government Framework. Local call-off / direct awards.
CCL (North) Ltd	£6,700	Reserved contract. Non-Regulated award of a 3-year contract commencing in 2019-20.
Royal British Legion Industries: Scotland's Bravest	£2,700	Local direct call-offs. SPS are currently using them to produce various Covid signage for in-prison use.
Others: <ul style="list-style-type: none"> Lady Haigs Poppy Factory Dovetail Matrix (Fife) 	£3,600	Local direct call-off or utilising the Scottish Government Framework.
SPS Total	£75,700	
Main contractor spends to Supported Business as part of its supply chain. Further details are provided in Section 3.		
GEO Amey to Haven PTS	£51,475	Manufacture of GEO Amey staff uniform.
Geo Amey to All Cleaned Up	£50,645	Cleaning of vehicle base premises.
Geo Amey to Royal Strathclyde Blindcraft Industries (RSBi).	£20,336	Supply of office furniture.
Supply-chain Total	£122,456	
In FY 2019-20, overall total expenditure with Supported Business was £198,156		

SECTION 5

SECTION 5: FUTURE SPS ‘REGULATED’ PROCUREMENT

Regulated procurement reflects contracts over £50k in value for goods and services or over £2m in value for public Works (excluding VAT). Contracts which are worth less than the £50k or £2m thresholds are known as “Non-Regulated” procurement. We have included the latter for information to provide transparency of this area of expenditure.

This Section reflects the range of Goods, Service or Works contracts which, as at June 2020, the SPS reasonably expects to tender either in 2020-21 or 2021-22.

- Whilst SPS can forward forecast and anticipate a number of contract renewals, the SPS forward work programme in this Section 5 (both the number of regulated procurement projects and the estimated £ value) is dynamic and subject to variation annually. Emerging or changing business needs and availability of funding or capital to support investment activity also influence when projects may be progressed.
- In some cases, SPS has yet to take a decision whether to exercise an option to extend an existing contract or to retender. The decision-making process will include due consideration of the procurement route options (including collaborative government contracts) which SPS could take, and also the term (duration) of any new contract.

The following table lists potential future Goods or Service contracts on the basis of the estimated annual value – this is on the basis that decisions about the duration of the forward contracts are generally confirmed closer to the date of a Contract Notice advertisement. SPS’s general practice is to tender contracts for routine supplies and services with a duration of between 2 and 6 years in order to balance the need for continuity of service and supply with an appropriate level of competition.

1. Goods - Planned Contracts including Renewals (Indicative)

Contract & Subject Matter		New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
Bread & Rolls	Supply of bread & rolls to SPS sites. (Contract provides the option to extend to 2022 – decision to extend or retender TBC).	Re-let	Sept 20	Jan 21	Feb 21	£650K pa
Fresh Fruit & Vegetables	Supply of fresh fruit & vegetable to SPS sites	Re-let	TBC	TBC	May 21	£500k pa
Milk & Dairy	Supply of milk and dairy to SPS sites.	Re-let	Contract notice published in Apr 20	Mar 21	May 21	£1.1m pa

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Contract & Subject Matter		New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
Frozen Food	Supply of frozen food to SPS sites.	Re-let	Mar 21	Apr 21	May 21	£1.6m pa
Fresh Meat & Poultry	Supply of fresh meat & poultry to SPS sites.	Re-let	Jan 21	Apr 21	May 21	£1.6m pa
Pre-Packed Food	Supply of pre-packed food to SPS sites	Re-let	Nov 20	Apr 21	May 21	£1.7m pa
Protective Clothing	Supply of PPE, workwear and protective clothing for SPS staff and individuals in custody (Typically individuals working in Estates, Prison Industries and prison work-parties).	Re-let	Jul 20	Sep 20	Oct 20	£250K pa
Software for Configuration Solution	Contract for the supply of software for a configuration solution.	Re-let	Oct 20	Jan 21	Feb 21	£60K
Steel for Prison Industries	Supply of steel for prison industries.	Re-let	Sep 20	Jan 21	Feb 21	£50K pa
Ironmongery Products for Prison Industries	Supply of Ironmongery products (various) for prison industries (bolts, fixings, etc). (Scope of requirements is being determined)	Re-Let	Sep 19	Jul 20	Aug 20	£70K pa
Solid Surface Material	Provision of Solid Surface material for the manufacture of in-cell furniture by SPS.	New	TBC	TBC	TBC	£60K pa
Hairdressing Products	Supply of hairdressing & barbershop products including for vocational training.	New	Jan 21	Feb 21	Mar 21	£30k pa
Provision of PE / Gym Equipment	Supply of a range of physical training gym equipment / machines to various SPS sites.	New	TBC	TBC	TBC	£125K
Fitness and Sports Equipment	Supply of a range of fitness and sports equipment to all SPS establishments (balls, etc.)	Re-let	TBC	TBC	TBC	£50k pa
Security Equipment Framework	Supply of a range of specialist security equipment. (Scope of requirements is being determined)	New	TBC	TBC	TBC	£100K
Supply of Prison Officer Uniforms	MOJ and SPS collaborative contract for the supply of prison officer uniforms.	Re-let	MOJ is leading the tender exercise for this contract.	July 20		£700k pa
Fall Arrest Bags	Provision and maintenance of fall arrest bags for all SPS establishments.	TBC – extend or Re-let	Feb 21	Jun 21	Jul 21	£40k

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Contract & Subject Matter		New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
Electrical and Plumbing Supplies	Supply of electrical and plumbing supplies to all SPS establishments.	New	Aug 20	Oct 20	Oct 20	£750k pa
Bedding	Supply of prisoner bedding (pillow case, duvet cover, sheets, etc).	New	TBC	TBC	TBC	£200k pa
Data Points for Tribunal Rooms	Provision of data points & associated cabling for video links across the SPS estate.	New	Dependant on the award of Video Link for Tribunal Rooms which is currently in the process of being awarded			Unknown
Staff Uniforms – Tactical Search Unit	Supply of staff uniforms for the SPS tactical search unit.	New	TBC	TBC	TBC	Unknown
Electrical Goods, Appliances and Accessories	Supply of electrical goods, appliances and accessories to the SPS estate. (option to extend to Jan 24)	TBC – extend or Re-let	Sep 20	Dec 20	Jan 21	£60k pa
Material for Laundry Bags	Supply of material for the SPS manufacture of laundry bags.	Re-let	Jan 21	Apr 21	May 21	£15k pa
Packaging Material	Supply of packaging materials to all SPS establishments.	Re-let	Jan 21	May 21	Jun 21	£80k pa
Furniture, Fittings and Equipment (FF&E) for the new Women's Estate (non-Works).	There will be a number of fit-out requirements for the new Women's facilities once these are built. Some of these requirements will be drawn from existing SPS or collaborative contracts, or will be subject to separate procurement activity. Relevant requirements will be advertised via Public Contracts Scotland (as appropriate).	New	Scope of requirements will be shaped as the project and year progresses. Initial Contract Notices and tenders are expected from late 2020 onwards.			Requirements TBA. Estimated £1m
Desktop refresh of SPIN hardware	Approx 2,100 desktop workstations to be replaced across the SPS estate over the next 2 years.	New	Likely to be a call-off from a Scottish Government Framework			£474k
Work Smart Project	Approx 160 Laptops including docking stations and Headsets to support remote working and access to SPS systems	New	Likely to be a call-off from a Scottish Government Framework			£34k

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Contract & Subject Matter		New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
Wi-Fi provision	Establishing a Corporate Wi-Fi architecture and infrastructure initially for 2 sites and also to support proposals for the Women's' CCUs	New	TBC	Nov 20	Dec 20	£125k
LAN upgrade across SPS establishments	Upgrade local network cabling and hardware to support new services installations	New	Utilising CCS Framework Network Service 2. Currently being tendered with a view to work being completed by end of the year.			£1.988M
Mobile Telephony LAN Support	Upgrade local network cabling and hardware to support new services installations	New	Utilising CCS Framework Network Service 2.			£498k
Sharepoint Development	Develop SPS SharePoint into a managed information platform in the cloud	New	TBC	TBC	TBC	£100k
PPN Server Upgrade	Replace PPN network hardware in data centres to support current and future projects.	New	Dates TBC but likely to be a call-off from a Scottish Government or CCS Framework			£90k
Prison Kiosks	Exploratory proof of concept work to establish working electronic portals / kiosks for prisoner services	New	Dates TBC but likely to be a call-off from a CCS Framework			£200k
San and Server / Chassis	Enhance current capability to bridge gap between now and moving services increasingly to cloud.	New	Dates TBC but likely to be a call-off from a Scottish Government or CCS Framework			£100k

2. Services - Planned Contracts including Renewals (Indicative)

Services: Contract & Subject Matter		New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est Contract Value (£)
Addiction Testing Services	Supply of addiction testing products & the related testing services.	Re-let	Nov 20	Jan 21	Mar 21	£550k
Maintenance of Flues etc. & High Level Equipment	Maintenance of flues, chimneys, lightning protection & high level equipment.	Re-Let	Apr 21	Jul 21	Aug 21	£24K pa
Intelligent Key Management	Provision & maintenance of intelligent key management systems.	Re-Let	Nov 22	Mar 23	Apr 23	£92K
Temporary Maintenance Staff	Supply of temporary skilled staff to support the SPS Estates / facilities maintenance in-house teams.	Re-Let	Dec 20	Feb 21	May 21	£110K pa
Telephone Translation Services	Telephone and Interpretation services. (Call-off from collaborative Scottish Government Framework).	Re-Let	Aug 20	Nov 20	Dec 20	£30K pa
Payroll Services	Provision of semi-managed payroll service.	Re-let	Jun 21	Oct 21	Nov 21	£160k
Cash-In-Transit	Provision of cash-in-transit service to the SPS. (Currently a call-off from a CCS Framework – decision on the procurement route for the next contract TBC).	TBC – extend or Re-let	Jul 20	Oct 20	Nov 20	£12K pa
High Needs Social Care	Provision of Social Care for people in SPS care that require interventions based on assessed social care needs.	Re-Let	Jul 20	Sept 20	Nov 20	£400K pa
Provision of Staff Telephony Voice calls and lines	Supply of lines and voices calls for SPS staff.	Re-Let	Mar 22	Jul 22	Oct 22	£55K pa
Cleaning Services at SPS Headquarters.	Supply of cleaning services to SPS HQ.	Re-Let	Jul 20	Nov 20	Dec 20	£50K pa
Parenting Interventions	Provision of parenting interventions for young people in custody.	Re-let	Nov 21	Mar 22	April 22	£50k pa
Cleaning Services (various sites)	Prison cleaning is largely for the front of house. Also cleaning of the SPS Fauldhouse and SPS College. Each site was treated as a Lot and the services are currently provided by several contractors.	Re-Let	Jan 21	June 21	Sept 21	£500k pa

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Services: Contract & Subject Matter		New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est Contract Value (£)
Occupational Health Services	Collaborative contract for occupational health services across the Scottish Central Government Sector – approx. 40 organisation use the services.	Re-Let	Jul 20	Nov 20	Mar 21	£750K pa
Video Conferencing Equipment	Provision and maintenance of video conferencing equipment.	New	Mar 21	Apr 21	May 21	£40k pa
Recruitment Advertising	Provision of recruitment advertising for the SPS.	Re-let	Jan 22	Jun 22	Jan 23	£70k pa
Computerised Maintenance Management System	Provision of a computerised maintenance management system (CMMS).	Re-let	Jan 21	Feb 21	May 21	£25k pa
Disposal Services (Asset & Surplus Material)	Managed disposal services for asset and surplus materials.	Re-let	Sep 20	Dec 20	Jan 21	£15k pa
Generators, Oil Storage Tanks and UPS Equipment	Maintenance for generators, oil storage tanks and UPS equipment.	Re-let	Sep 21	Dec 21	Jan 21	£60k pa
Domestic Abuse Support HMYOI Polmont	Provision of domestic abuse support services at HMYOI Polmont.	Re-let	Dec 20	Mar 21	Apr 21	£90k pa
PTSD Trauma Training	Provision of PTSD trauma training to the SPS.	New	TBC	TBC	TBC	Unknown
Catering Services – National Training Centre	Provision of catering services for the National Training Centre.	Re-let	Feb 21	May 21	Jun 21	£25k pa
E-HR System Upgrade and Support	Provision of an e-HR system upgrade and relevant support to the SPS.	Re-let	Jan 21	Feb 21	Apr 21	£20k pa
Security Services at SPS College	Security guarding services for SPS College. (Contract provides the option to extend beyond Jul 2020 by up to 24 months).	Re-let	Feb 22	Apr 22	Jul 22	£50k pa
Maintenance of Lifts and Stair Lifts	Provision of maintenance, servicing and repair of lifts and stair lifts across the SPS estate.	TBC – extend or Re-let	Dec 20	Mar 21	Apr 21	£100k pa
Clerk Of Works	Provision of Clerk of Works Services.	TBC - extend or Re-let	Dec 20	Mar 21	Apr 21	Dependant on the amount of Works projects.

3. Works - Planned Contracts including Renewals (Indicative)

This list reflects the range of Works contracts which SPS reasonably expects to tender during 2020-21. A number of Facilities Maintenance and (non-works) estate-related contracts appear in the Service contracts table above.

Work is being considered in terms of updating parts of the facilities in HMP Barlinnie. Only this 'Barlinnie Interim Works' programme meets the £2m Regulated threshold for public Works. We have included a Non-Regulated list to illustrate the range of Works activity that SPS intends to take forward in the year 2020-21. Covid-19 related restrictions about contractor working in prisons have affected the planning and timing of the programme of various estates and works-related procurement activity. However, SPS is assessing and expects to progress this activity later in FY 20-21.

The [Scottish Government's Infrastructure Investment Plan](#) outlines the intended new prison construction projects. Some preliminary work has already been undertaken in relation to HMP Highland. This includes the procurement of a client-side Developed Design. Meetings have also been undertaken with Highland Council and Highland Third Sector Interface in terms of developing thinking around the potential socio-economic / community benefit requirements for the HMP Highland project. Planning and commencement of procurement activity will be identified as required to support this programme as it evolves.

Regulated. Works Contracts – approved and funded						
Contract and Subject Matter		New / Extended / Re-Let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Estimated Value (£)
Barlinnie Interim Works	Contract for interim measures at HMP Barlinnie for the prisoner reception and health centre.	New	Using CCS Framework: Construction and Building	End of 2020	Early 2021	£5-6M

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Non Regulated. Works Contracts – planned but not yet approved / funded.

Where approved, the following Works would typically be advertised via Public Contracts Scotland, contracts awarded and the Works completed within the period to the end of March 2021.

Gym Area Refurbishment	Gym area refurbishment at HMP Dumfries	New	TBC	TBC	TBC	£155K
Entrance Remodelling	Remodelling of the entrance ay HMP Greenock and the installation of key vending.	New	TBC	TBC	TBC	£250K
Cell Refurbishment	Refurbishment of the cells in Iona hall at HMYOI Polmont.	New	TBC	TBC	TBC	£240K
Hall Upgrade	Refresh and upgrade of Iona Hall at HMYOI Polmont.	New	TBC	TBC	TBC	£600K
CCTV Systems	Replacement or upgrade of CCTV systems at: <ul style="list-style-type: none"> • HMP Perth • HMP Greenock • HMP Edinburgh 	New	TBC – likely to be managed as several minor Works projects	TBC	TBC	£150k £150k £230k
Light Installation	Installation of LED cell lights at HMP Barlinnie	New	TBC	TBC	TBC	£100K
Steam Generators	Installation of Steam Generator at HMP Glenochil	New	TBC	TBC	TBC	£180k
Trace Heating	Installation of Hot Water Trace Heating at HMP Perth	New	TBC	TBC	TBC	£250k
Air Handling Ventilation	Replacement of the Air Handling Unit/ Ventilation System at HMP Perth	New	TBC	TBC	TBC	£30k
Ventilation System	Replacement of the Ventilation System at HMP Greenock	New	TBC	TBC	TBC	£100k
Cold Water Tanks	Replacement of Cold Water Tanks at Multiple Sites	New	TBC	TBC	TBC	£200k
Plant Room Upgrade	Upgrade of the Plant room at HMP Castle Huntly – Open Estate	New	TBC	TBC	TBC	£125k
BEMS	Building Energy Management System (BEMS) at HMP Barlinnie	New	TBC	TBC	TBC	£100k
Surface Water Drainage	Surface Water Drainage at SPS College	New	TBC	TBC	TBC	£200k

SECTION 6

SECTION 6: ANNUAL PROCUREMENT REPORT TEMPLATE (ANNEX A)

1. Organisation and report details

- a) Contracting Authority Name.
 b) Period of the annual procurement report.
 c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report?

Scottish Prison Service
1 Apr 19 – 31 Mar 20
Yes

2. Summary of Regulated Procurements Completed

- a) Total number of regulated contracts awarded within the report period.
Note: This figure reflects the sum of the new awards indicated in Tables 4 and 5 of Section 1.
- b) Total value of regulated contracts awarded within the report period.
- c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period.
 i) how many of these unique suppliers are SMEs.
 ii) how many of these unique suppliers are Third Sector bodies.

£84.76m
38
43
22
1

Note: There are some contracts with the Third Sector however these were awarded in prior financial years or are non-regulated.

3. Review of Regulated Procurements Compliance

- a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy.
- b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy. (See Section 1, Table 7: Non-Competitive Actions).

38
2

Note: As per Scottish Government guidance, the contract figures shown in (2) and (3) include where SPS awarded or called-off in the year from a Framework Agreement such as those set up by the Scottish Government or the Crown Commercial Service (CCS), etc. The (49) Call-off Contracts in Prior years (Table 6) which continued in the year are additional to the above. SPS also continued to use a range of national contracts awarded by the SPS in previous years e.g. multi-year supply or service contracts.

4. Community Benefit Requirements Summary

Use of Community Benefit Requirements in Procurement:

a) Total number of regulated contracts awarded with a value of £4 million or greater.	4
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	4
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements.	0

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups (<i>Each contracting authority sets its own priority groups</i>)	27
e) Number of Apprenticeships Filled by Priority Groups	Records not held or collated.
f) Number of Work Placements for Priority Groups	29
g) Number of Qualifications Achieved through training by Priority Groups	78
h) Total Value of contracts sub-contracted to SMEs	Records not collated or held.
i) Total Value of contracts sub-contracted to Social Enterprises	£222,572
j) Total Value of contracts sub-contracted to Supported Businesses	£122,456
k) Other community benefit(s) fulfilled	See narrative in Section 3.

Note: *The contractors performing the four largest service contracts awarded by the SPS employ approx. 1,300 staff to perform the activities. This is a significant economic and spending power contribution to the Scottish economy which is additional to any community benefit training or employment outcomes achieved via the contracts themselves.*

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	10
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated	9
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	4

Note: In the year 2019-20 SPS engaged with (79) unique suppliers that are accredited Living Wage employers. Another (10) used in the period subscribe to paying the Living Wage however they have not sought or obtained formal accreditation of this through the Living Wage Foundation.

d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	1
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Note: In the year 2019-20 SPS engaged with (41) suppliers that have signed the Scottish Business Pledge. SPS awarded (4) new contracts in 2019-20 to organisations that had signed the Scottish Business Pledge. One of these only (1) was a Regulated contract, the other (3) were Non-Regulated. Devolved procurement by prisons also contributed to a series of local purchases from some of the SME suppliers who have signed the Pledge.

6. Payment performance

a) Number of valid invoices received during the reporting period	54,704
b) Percentage of invoices paid on time during the period (“On time” means within the time period set out in the contract terms).	99.1%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	38

Note: Prompt payment of invoices in supply-chains features as a standard term in SPS contracts. The Works contracts awarded in the period were all sub-regulated however the terms used do include prompt payment provisions.

d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0
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Note: In the period Apr 19 to Mar 20, SPS did not receive any complaints from sub-contractors regarding timely payment within the supply-chain.

7. Supported Businesses Summary

a) Total number of regulated contracts awarded to supported businesses during the period.	0
b) Total spend with supported businesses during the period covered by the report, including:	£75,700
i) spend within the reporting year on regulated contracts.	£54,000
ii) spend within the reporting year on Non-Regulated contracts.	£21,700

Note: Two existing term contracts with Supported Business continued to be performed in the period and there was engagement with the SB sector as part of the supply-chain to a main contractor (see Section 3). The overall spend (SPS and supply-chain) with Supported Business amounted to an additional £198,156 in the period.

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£153,450,000
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Note: SPS relies on the Observatory Hub to classify suppliers by geographic origin. Of the £153m, the Hub has classified £123m of which £60.5m (49%) is attributed to being spent with organisations registered in Scotland.

The remaining £30m was unclassified by domicile. A reasonable proportion of these are SMEs based in Scotland.

b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£ 30,295,000
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Note: SPS relies on the Observatory Hub to classify suppliers by size. The Hub has classified 853 (66%) of the 1,288 suppliers used by the SPS in 2019/20.

The remaining 435 (34%) are unclassified or the spend 'below de minimis' i.e. the total annual spend per supplier was sub £1,000 each. The aggregate expenditure with these 435 was approx. £20m. Many of these unclassified suppliers are likely to be SMEs.

c) Total procurement spend with Third sector bodies during the period covered by the report.	£785,600
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Note: The Third Sector spend was reflected across 14 organisations. Section 3.5 of this APR summaries the SPS's wider engagement with the Third Sector.

d) Percentage of total procurement spend through collaborative contracts.	Approx. 30%
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Note: The figure includes the collaborative SCCPES & Employee Assistance contracts plus the agreements reflected in Tables 5 and 6 of Section 1.

e) Total targeted cash savings for the period covered by the annual procurement report	N/a
i) targeted cash savings for Cat A contracts	N/a
ii) targeted cash savings for Cat B contracts	N/a
iii) targeted cash savings for Cat C contracts	N/a
f) Total delivered cash savings for the period covered by the annual procurement report	£6,737,800
i) delivered cash savings for Cat A contracts	£1,405,600
ii) delivered cash savings for Cat B contracts	£137,600
iii) delivered cash savings for Cat C contracts	£5,194,600
g) Total non-cash savings value for the period covered by the annual procurement report	£382,300
9. Future Regulated procurements	
a) Total number of regulated procurements expected to commence in the next two financial years	62 *
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£22.2m *
* Notes:	
I. Whilst SPS can forward forecast and anticipate a number of contract renewals, the SPS forward programme in Section 5 (both the number of Regulated procurement projects and the estimated £ value) is dynamic and subject to variation annually based on a combination of factors. Factors include the availability of funding particularly for the potential major Works projects, emerging or changing business needs, whether SPS elects to exercise any available extension options provided in the contract, and the term (duration) of contracts that SPS elect to tender.	
II. Non-Regulated Goods and Services projects (i.e.<£50k) have not been reflected in the count in (9) above.	
III. Non-Regulated Works projects for 2020-21 shown in Section 5 are also excluded from the count and £22.2m figure. If taken forward these Non-Regulated works have a value of approx. £2.8m.	



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