

SCOTTISH PRISON SERVICE

ANNUAL PROCUREMENT REPORT

APRIL 2020 - MARCH 2021



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

Contents

About the Scottish Prison Service	3
Foreword from the Head of Procurement.....	4
SPS Procurement Annual Summary	5
Contextual Background – Procurement in SPS.....	6
1.1 Compliance with Legislation.....	6
1.2 Procurement Policy.....	6
1.3 Procurement Arrangements	7
1.3.1 Procurement Arrangements During Covid-19	8
1.3.2 Devolved Procurement - Scheme of Delegation	10
1.3.3 Contract and Supplier Management (CSM)	10
1.3.4 Stakeholder Voice	11
2. Value for Money – Competition	12
2.1 Pre-and Post-Procurement Activity.....	12
3 Sustainable Procurement Duty (SPD)	13
3.1 Sustainable Procurement Duty - Social & Economic Value	13
3.2 Fair Work and Living Wage.....	14
3.3 Equality and Diversity (E&D).....	14
3.4 Supported Business	15
3.5 Third Sector & Social Enterprise	16
3.5.1 Contracted Services	16
3.5.2 Externally Funded Third Sector Activity	16
3.5.3 Partnership Working - Welfare and Housing	18
3.5.4 Circular Economy	18
3.6 Health and Wellbeing.....	19
3.7 Fair and Ethically Traded Goods.....	20
3.8 Climate Emergency / Net Zero	21
4 Serious Organised Crime (SOC).....	23
5 Health and Safety	23
6 Payment of Invoices.....	24
6.1 Project Bank Accounts (PBA)	24
7 E-Commerce (Use of Systems).....	24
8 People (Achieving Professional Excellence)	25
9 Collaboration	26
9.1 Collaborative Contracting	26
10 Employability and Commercial Activity	27
Section 1: Summary of the Regulated Procurement Completed by the SPS in 2020-21	29
Section 2: Review of Regulated Procurement Compliance.....	42
Section 3: Community Benefit Summary	45
Section 4: Supported Businesses Summary	57
Section 5: Future SPS ‘Regulated’ Procurement.....	60
Section 6: Annual Procurement Report Template (Annex A).....	71

Cover picture: Covid-19 Artwork from HMP Dumfries

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. 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](#) which is published on the SPS website.

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 (2019-2022) to coincide with the Corporate Plan. The strategy is maintained by the SPS Procurement Policy & Services Department (PPSD) and aligns procurement activity with the SPS Corporate Plan and Delivery Plans which, in turn, are drawn from Scottish Government priorities and outcomes.

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 treating 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 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 three Annual Procurement Reports which cover the periods Apr 17 - Mar 18, Apr 18 - Mar 19 and Apr 19 - Mar 20 respectively. These are available on the SPS website.

This fourth APR covers the period Apr 20-Mar 21. The SPS Procurement Strategy 2019-22 had included an Annex [Forward Work Plan](#) of anticipated Regulated procurement over the coming two years. This APR provides an updated Forward Work 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 Scottish Prison Service's fourth 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 of the range of contracts and outcomes achieved by the SPS through its procurement activity over the period.

The period covered by this APR was of course dominated by the response to the Covid-19 pandemic. This presented significant challenges for society generally, not least those living and working in prisons in Scotland. SPS can be very proud of the way the organisation has responded here and this includes the work undertaken by procurement and stores staff, and to our supply base which has responded impressively.

The response to the Covid-19 required SPS to undertake expedient and often innovative procurement activity. This ranged from the sourcing of Covid-19 related PPE etc. to underpin safe working across the service to the upscaling of a range of IT systems (laptops, etc.) to support business continuity. SPS also introduced solutions to support those in our care to maintain family contact when physical prison visits were closed. This gave rise to ground-breaking projects such as virtual (video) visits and the procurement and rapid deployment of a new prison-specific secure phone system. SPS also managed numerous contracts disrupted by Covid-19 and worked with the suppliers to enable them to retain capacity and capability to fully perform contracts when conditions allowed. The role of SPS Fauldhouse (central stores) expanded to include the management of SPS's corporate stockholding of PPE and other Covid-19 related materials and the successful introduction of a stockholding service for Police Scotland for its PPE.

Despite the impact of Covid-19 lockdown measures, it was pleasing to see construction restart on the new National Women's Facility in Stirling and the two Community Custody Units for Women – in Glasgow and Dundee. SPS also awarded a contract for a programme of important refurbishment and building improvement at HMP Barlinnie. The preliminary works undertaken in relation to the planned new HMP Highland in Inverness continued and procurement activity commenced with design and build tender now underway. I look forward to SPS reporting progress with that contract in next year's APR.

During an eventful year, the UK also completed its Brexit transition (31st December 20). The advanced preparation by SPS and its suppliers led to this passing relatively smoothly for our organisation. However, the work remains ongoing with some of the commercial impact of Brexit on supply chains only being seen towards the end of the reporting period and being compounded by the disruption to supply chains and capacity due to Covid-19.

Finally, this APR provides details of the positive social, economic and environmental outcomes achieved from the programme of work. Given the prevailing Covid-19 restrictions, it's a record SPS can be proud of and I look forward to us building and expanding on this in future as we steadily return to normality.



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SPS Procurement Annual Summary

Looking back at 2020 / 2021



£177.45m procured external spend



£49.028m new contracts awarded



124 new contracts awarded



56 Regulated / Call-off procurements



£250k spend with Supported Business (incl via supply chain)



1 new contract awarded to a Supported Business



£27.7m spend with SMEs plus £30.8m of sub-contract spend through main Works contractors



99.1% invoices paid on time (i.e. within the payment terms stated in the contract)



3 new Regulated procurements with Community Benefits



£878.4k 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 – both “Regulated” projects and those within the scope of the wider public contract regulations. 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 Scottish Public Procurement 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, or Cyber-Security provisions continue to feature in SPS’s handling of procurement activities. The SPS also recognises that Scottish Ministers have recently sought to increase the focus of public bodies on activities which promote Fair Work and those which address Climate Emergency. Both are areas SPS were already addressing and where we will continue to develop relevant actions.

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 already covered by 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 those related to climate emergency / net zero objectives; 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 with the last being in Feb 2019 where the highest rating (F1) was received. SPS expects to be reassessed again in autumn 2022.

The SPS Internal Audit function and external auditors continue to undertake oversight of the procurement function and processes (as outlined in Section 2, para 1.4).

1.3 Procurement Arrangements

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 (£177.45m in 2020-21). In any given year the PPSD 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 and Non-Regulated procurement (as defined by the Procurement Reform (Scotland) Act 2014).

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

PPSD also serves as the conduit to introduce relevant collaborative contracts such as those established by the Scottish Government, Scotland Excel or the Crown Commercial Service (CCS), into the SPS organisation. SPS has also continued its successful collaboration with HMPPS in England and with the Northern Ireland Prison Service for some relevant contracts. 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 at 1.3.2).

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 procurement. As indicated above, SPS has set a £20K threshold for advertising SPS contract opportunities. Exceptions, such as Non-Competitive Actions (Section 1, Table 5), are carefully managed and we seek to minimise such occurrences.

1.3.1 Procurement Arrangements During Covid-19

The SPS established a multi-functional National Covid-19 Response Group (NCRG) in early 2020. This provided leadership, coordination and direction around all aspects of the SPS operational response to the dynamic events that arose from Covid-19. This included reflecting the national Covid-19 response levels into a prison setting. The focus was upon maintaining safe prison operations whilst minimising the risks Covid-19 infection amongst staff, prisoners or others who work in prisons.

Procurement arrangements and delegated authorities were temporarily adjusted to provide sufficient authority and flexibility for PPSD staff to respond to NCRG requests for sourcing and Covid-19 related procurement activity. A number of requirements arose as part of the SPS Covid-19 response that needed Procurement staff to lead or support. This included:

- The NCRG commissioning activity to source PPE (facemasks, nitrile gloves, hand sanitiser) and other necessary requirements. Sourcing items in the early part of 2020 proved challenging when set against the backdrop of UK and global demand for such items. SPS was largely able to rely on existing contractors and their established supply-chains to provide certified PPE in sufficient volume to meet the operational needs

Where product availability was very limited SPS undertook alternative sourcing activity as necessary such as securing a small batch of hand sanitiser from a Scottish distillery until supplies became available from more regular sources. Supported Businesses (Re-Employ) manufactured face-coverings for those in custody, and Scotland's Bravest produced Covid-19 related signage for prisons.

Throughout the year, PPSD liaised closely with Scottish Government procurement colleagues who were coordinating activity within the sector. To date, SPS have purchased over 8 million items of PPE to a value of £2.97m. As the year progressed, supply availability generally improved.

- SPS Fauldhouse assumed responsibility for the bulk storage, stock management and onward distribution of PPE related items across the SPS estate. As the year progressed, SPS moved to a 'business as usual' footing with SPS Fauldhouse now maintaining PPE stock levels to support SPS's ongoing needs.



Covid-19 Related PPE stocks at SPS Fauldhouse

- The Scottish Government issued a series of procurement (SPPN) and construction (CPN) policy notes which provided advice and policy parameters for public bodies during the Covid-19 response. This included "supplier relief" i.e. conditions for providing support to contracted suppliers to enable them to continue to operate and to retain capacity and capability to restart

activity following lockdown. This led the SPS to plan and coordinate a programme of 'supplier relief' letters to adjust a number of Service contracts affected by lockdown restrictions. The return to lockdown in January 21 required further temporary adjustment of some contracts. However, in the main, prisons had established Covid-19 operating practices and there was less impact upon contracts than following the initial lockdown in March 20. As we moved into the early part of the new financial year (21-22) and the progressive easing of Covid-19 restrictions many contracts have been able to revert to a more normal business as usual position.

- Works contracts such as the new Women's National facility, the two Community Custody Units and various other smaller works project were suspended in line with Scottish Government lockdown rules and only essential maintenance activity was undertaken to allow prisons to operate safely. As part of the Covid-19 Tier system, the Scottish Government provided restart and recovery guidance in mid-2020. This enabled some contractor led in-prison services and Works projects to resume with appropriate controls and working adjustments. The SPS Estates team and quantity surveyors reviewed all contractor claims related to Covid-19 delay, disruption or additional costs.
- There was significant work for SPS to engage with specific suppliers during lockdown to ensure that supplies of food and prisoner canteen items were maintained. We are pleased to note that, whilst supply-chains were periodically disrupted by Covid-19 lockdowns and, latterly, some Brexit related factors, the suppliers maintained these essential supplies to the SPS.
- SPS had been piloting Smarter Working technology at its Headquarters during 2019-20. The success of that pilot enabled the SPS Digital Services team to quickly respond to the requirement for home-working during Covid-19 and to upscale the number of laptops provided to SPS staff across the estate. From a relatively small base there are now over 800 devices in use by staff or key workers accessing SPS systems remotely. SPS's digital capability continued to develop throughout 2020-21 with facilities such as MS Teams being deployed. Procurement staff were able to switch to fully remote working and to maintain services to the SPS throughout the year.
- The prison regime restrictions arising from Covid-19 such as the temporary suspension of prison visits for friends and family also led to several new corporate priorities being taken forward expeditiously in the year to ensure that those in custody could maintain essential family contact. Procurement activity was therefore undertaken to support the delivery of a (virtual) video visits solution and an in-cell telephony solution. Both projects represented a significant change for the SPS and required various enabling activity including wiring infrastructure to be established within the prison estate.
 - The uptake of virtual video visits across all prisons in Scotland has been very high with 60,000 sessions booked since it was launched in May. This innovative project provides benefits to those in our care and their families, some operational efficiencies, and will be carried forward as we emerge from the pandemic.
 - The in-cell telephony project provided access to a secure network to enable prisoners to call pre-allowed numbers (family and friends) without having to rely on fixed line phones in communal areas with the associated contact risks during the pandemic. The ability to maintain family contact was a key objective of the project particularly when Covid-19 restrictions had led to the suspension of physical prison visits. The system also allows prisoners (24/7) access to helplines such as the Samaritans.

- SPS also utilised the pandemic response as a catalyst for introducing further ‘proof of concept’ technology which would improve aspects of service delivery for the SPS and those in our care. This includes:
 - the piloting of self-service kiosks which enable those in custody to perform a range of self-service activities including ordering from the prison canteen, and
 - trialling a payment auto-teller to enable family to more easily remit funds to those in custody with less physical contact.

The role of the various technology implemented as part of the response to Covid-19 will be considered as part of SPS’s wider digital vision for improved in-prison services

1.3.2 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.

Covid-19 lockdown restrictions led to SPS updating the induction training for DPA Officers and moving to this being delivered in a virtual classroom setting. This was enabled, in part, by the wider access to suitable e-technology / virtual meeting platforms which SPS had also taken forward in the year.

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 (eP2P), revised internal processes and associated user training across the SPS.

1.3.3 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 project is completed and signed-off.

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 ('SCCPES') Contract. PPSD continues to provide ongoing commercial and contractual support to this team as required. Supplier relief provisions mirroring the Covid-19 related operational changes to the prison regime in SPS were mirrored in the two private prisons contracts. SCCPES was also subject to supplier relief provisions reflecting the suspension of Scottish court business and the general downturn in the numbers of prisoner movements.

The CSM team supported the SPS corporate planning and contingency activity for the end of the Brexit transition (31st December 20). 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. The advance preparation by SPS and suppliers in identifying and addressing potential supply issues led to the Brexit transition passing relatively smoothly. SPS will continue to monitor any supply issues arising from Brexit or Covid-19 disrupted supply and will take steps to manage these situations.

1.3.4 Stakeholder Voice

There continues to be 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 for their views to be considered 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 made 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 contract and supplier management arrangements.

SPS's use of community benefit provisions in major Works projects has led to significant pre-tender engagement with community based stakeholders such as the economic development team or community benefit lead in the relevant local Council. The dialogue has allowed SPS to develop a sense of what the local area and each Council would value and prioritise, and to connect contractors into some of the local networks that could support delivery of outcomes. For example, Dundee City Council have a "skills bank", which employers can use to match job requirements for any vacancies, access to the Tayside shared apprentice scheme, and supply-chain connectivity with local contractors or social enterprises that could assist the main contractor. There has also been good engagement between Stirling Council, Morrison Construction and the SPS in respect of the new Women's National Facility in Stirling.

We see the above, and SPS's ongoing engagement with statutory, criminal justice and third sector partners (see section 3.5) being an inherent part of SPS being engaged within the local communities which we serve. The SPS will continue to promote and undertake this type of engagement where SPS and the prisons themselves will be viewed as anchor organisations within the context of community wealth building.

2. Value for Money – Competition

The SPS Strategic Themes anticipate that its services are effective and provide value for money. The procurement of Goods, Services and Works through contracts typically comprises approx. 45% of the annual SPS budget. 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 2020-21.

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. Covid-19 has led to some adaption here where the Procurement team have prepared and used Information Packs, uploaded additional information to Public Contracts Scotland, held one to one virtual Q&A sessions with prospective bidders and generally sought to work around the restrictions imposed by Covid-19 which limited normal activity such as site visits and face to face meetings. These actions all served to ensure that the SPS and suppliers were able to engage effectively in tender activity whilst all parties were generally home-working.

SPS also actively undertakes post-tender debriefing (for both successful and unsuccessful bidders), and has seen a number of bidders reflect on such feedback and develop their approach when next tendering to the SPS. We continue to see these as providing a valuable opportunity for stimulating competition both at the time and in the future. The importance of this activity is more clear than ever when considering the role of public procurement in supporting the Scottish Government's Covid-19 'restart and recovery' agenda.

3 Sustainable Procurement Duty (SPD)

SPS procurement activity recognises the need to consider and address the Sustainable Procurement Duty (SPD) for 'Regulated' procurements. The Procurement Reform (Scotland) Act 2014 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). SPS therefore continues to seek to leverage the opportunities presented by Community Benefit provisions not only through SPS's own tenders but by encouraging others to also develop outcomes which support those who may have been in custody.

The SPS Procurement team has considered the various Scottish Government guidance around the SPD. It maintains a Sustainability Prioritisation Tool which provides a basis for the internal client and buyers to make informed decisions about the relevant and proportionate aspects of the SPD that they wish to prioritise within individual projects.

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 & Economic 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 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.

SPS also recognises the contribution that some of our major contracts provide to the local economy. The quantification of the impact has proved challenging and remains an area we wish to develop at least for major works projects where larger contractors have more mature recording methods which

would support reporting. For example, sub-contract work, spend with local suppliers on materials and new employment within a 35-mile or 50-mile radius of the construction site.

Section 3 of this report details specific **Community Benefits** and, where quantified, local economic 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 types of opportunities will continue to be 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 continues to ensure that its procurement activity contributes to maintaining Fair Work provisions including Living Wage for supplier staff working on SPS sites. SPS will, to the extent permitted by law, include Fair Work / [Workforce Matters](#) in applicable contracts.



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.

The 'supplier relief' provisions undertaken by the SPS during 2020/21 in accordance with Scottish Procurement Policy Note guidance contributed to the suppliers concerned in a number of services contracts being able to retain staff in post, not furlough, and being able to continue or restart service as Covid-19 conditions permitted. The relief provisions ensured that the employees concerned were not financially disadvantaged as a result of being absent from work as a result of either a positive Covid-19 test, self-isolation, shielding or track and trace.

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.

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 online ordering portal for the new staff uniform contract reflects the SPS Uniform Dress Standards i.e. it is based on job role: Officer, Regimes Officer, or First Line Manager (FLM). The ordering portal has been designed to reflect no gender based restrictions i.e. staff can select and order the uniform items relevant to the gender they associate with.

The SPS LGBT Staff Network (PRISM) is a fully inclusive network which invites everyone (including supplier / contractor staff who work in prisons) to join no matter what sexual orientation they identify as. This marks a step forward in SPS's commitment to supporting our LGBT colleagues, but also to colleagues who have family, friends or neighbours who identify as LGBT. The SPS disability and Women's networks are also open to employees of contractors who regularly work in prisons in Scotland.

The SPS supported International Day Against Homophobia, Transphobia and Biphobia (IDAHOBIT) day. The SPS HQ and prison establishments flew Rainbow flags to show support in opposing prejudice and discrimination, here in the UK and across the world.

In October 20, Police Scotland awarded a multi-agency collaborative contract for British Sign Language (BSL) services to three providers: Deaf Action, Just Sign and Sign Language Interactions. SPS prisons are able to draw down these specialist services along with the existing language based interpretation services which are available under separate contracts.

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. Supported Businesses (Re-Employ) manufactured face-coverings for those in custody, and Scotland's Bravest produced Covid-19 related signage for prisons. 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 and SPS arranged a specific event in October 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.

The logo for the British Association for Supported Employment (BASE) features the word "base" in a bold, lowercase, sans-serif font. The letters "b" and "a" are blue, while "s", "e", and "e" are red.

British Association for
Supported Employment

The logo for Morrison Construction features the word "Morrison" in a grey, sans-serif font above the word "Construction" in a larger, grey, sans-serif font. To the right of "Morrison" is a stylized red and white graphic element.

The SPS is delighted to note that Morrison's engagement with BASE has continued and that the two parties are exploring how Supported Business can become an embedded part of the Morrison Construction supply-chain for other projects.

A Morrison procurement manager has been working with a group of supported employment organisations who are seeking to grow their business and access private contracts. Morrison's is mentoring them and looking to see where they can place contracts of work with them. Morrison has also met with Stirling University and is currently in the process of organising digital marketing and research interns to work with a number of the supported employment organisations to add an impact and hopefully help with its business.

3.5 Third Sector & Social Enterprise

SPS appreciates the distinctive and vital role that the Third Sector plays in supporting people in our care or following liberation. This section reflects how SPS is engaged with the Third Sector and a number of other public bodies to provide joined-up services to those in, or leaving custody. 2020-21 proved to be a challenging year with Covid-19 restrictions disproportionately affecting services which are based on face to face contact, whether this be in the prison or in the wider community.

3.5.1 Contracted Services

A number of Third Sector organisations provide services through a number of contracts awarded by the SPS e.g. Committed to Ending Abuse (CEA), Barnardos, Wellbeing Scotland, Shelter, Dick Stewart Hostel, and the Salvation Army. The SPS's direct expenditure with Third Sector organisations was £776k (2020-21). A number of services were affected by Covid-19 restrictions leading to lower activity volumes and expenditure than in the prior year (£785.6k in 2019-20).

SPS provided 'supplier relief' to a number of contracted Third Sector organisations to enable them to retain the capacity and capability to provide services until Covid-19 restrictions eased. As the year progressed, SPS introduced technology which allowed traditionally face to face services such as those provided by Committed to Ending Abuse (CEA) and Barnardo's to be undertaken virtually by phone or video. CEA were also able to restart face to face activity and now operate a blended model reflecting continued use of the virtual systems.

The roll-out of mobile phones to those in custody also allowed access to the national Samaritans helpline as a permitted number making it accessible on a 24/7 basis. Access to helplines was considered an important component in supporting mental health and wellbeing when Covid-19 and the associated restrictions had affected those in custody and their families.

3.5.2 Externally Funded Third Sector Activity

SPS is not permitted to provide grants to Third and independent sector organisations however there is a significant body of grant funded activity made available by this sector to those in or leaving custody. This is additional to any 'contracted' expenditure by the SPS itself. These arrangements are typically subject to a Third Sector Partnership Agreement which sets out the obligations and intended outcomes. In February 2021, for example, the Prison Fellowship Scotland signed a new agreement for it to provide volunteer support to the prison chaplaincy team. This will include running weekly fellowship groups, assisting chaplains with Sunday services, running a Sycamore Tree Course (Restorative Justice/ Victim Awareness) – a six week course that currently runs in five establishments with plans to roll out to others, and a number of other activities which support those in custody.

SPS maintained its established links with the [Criminal Justice Voluntary Sector Forum](#) (CJVVSF) and liaised with this body and relevant service providers, regarding activities affected by Covid-19 restrictions and recovery plans.

- **Public Social Partnerships (PSPs)**

Scottish Government and the SPS are amongst a number of public sector bodies that continue to provide oversight and governance of the three justice facing Public Social Partnerships (PSPs) – see below. These were established in 2012 to provide throughcare services to assist those in, or leaving, custody transition into the community. The three PSPs continue to be funded by Scottish Government - Community Justice at approx. £4m pa.

Each PSP has a lead organisation, a network of 3rd sector partners and oversight governance which include relevant public sector partners such as the SG, SPS and others.

- **New Routes:** led by the Wise Group. Third sector partners include Apex Scotland, Sacro, Families Outside and SAMH. The service is subject to oversight governance jointly by the SG, SPS, NHS Scotland and the Dept. for Work & Pensions. The service provides a mentoring service across the following prisons – Addiewell, Barlinnie, Dumfries, Edinburgh, Glenochil, Grampian, Greenock, Inverness, Kilmarnock, Perth and Polmont. Mentors provide specialist one to one support and guidance for men leaving prison up to six months’ pre-release and six months’ post-release.
- **Shine:** led by Sacro. The partners here include Apex Scotland, Barnardo’s, Circle, The Wise Group, Turning Point Scotland, Access to Industry and the Venture Trust. This provides a mentoring service at Cornton Vale, Edinburgh, Grampian, Greenock and Polmont. Mentors work with women up to 6 weeks’ pre-release and a minimum of 6 months in the community. Shine also works with women subject to a Community Payback Order.
- **Moving-On:** led by Action for Children in partnership with Barnardos. This delivers a throughcare support service for young men (16-24) on remand or serving short-term sentences at HMP & YOI Polmont, and who are returning to East Ayrshire, the Highlands, Inverclyde or Renfrewshire upon their release. The service works with the young men throughout their service and in the community.



These PSPs were strengthened during 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.

PSPs have continued to provide an innovative and flexible approach to service delivery. They are agile and have developed a “can do” approach to meeting the changing community setting including during Covid-19. For example, PSPs providing mobile phones to customers on liberation allowing them to make contact with community services during the national lockdown periods can be viewed as best practice.

As Covid-19 restrictions relax in 2021, the SPS will also look to continue its engagement with SCVO - Community Jobs Scotland (CJS) around supported employment opportunities for some of those leaving custody.

• National Prison Visitor Centre

There is a National Prison Visitor Centre Steering Group which collaborated with SPS and Scottish Government to develop the National Performance Framework for visit centres. The operation of family visits centres are all managed through local Service Level Agreements (SLAs) with the respective Third Sector partner and the prison.

The Steering Group provides oversight of the operating arrangements which tend to be funded by external sources and activities delivered by church or third sector groups. However, SPS generally has various support obligations in respect of the upkeep of facilities, etc.

3.5.3 Partnership Working - Welfare and Housing

The SPS Strategy & Stakeholder Engagement Directorate has continued to liaise with key partners such as DWP (Group Scotland) and with National and Local housing partners during 2020-21 to ensure people in and leaving prison get access to the services they need and achieve successful outcomes in the community. In addition, links have also been strengthened with Social Security Scotland and the Scottish Government Scottish Welfare Fund Team.

SPS has also worked collaboratively during the year with the Scottish Government, Community Justice Scotland, COSLA, ALACHO and SOLACE on reviewing the implementation of the 'Sustainable Housing on Release for Everyone' (SHORE) standards. These aim to prevent homelessness on release in a standardised consistent way. The group has been working to: ascertain what is going well; identify barriers to effective implementation; review what resources are being used to deliver SHORE currently; and use learning to inform development of a national approach.

3.5.4 Circular Economy

SPS normally undertakes a number of circular economy, recycling, reuse activities in conjunction with the Third Sector e.g. repair of washing machines and electrical appliances on behalf of Castle Enterprise, Home Aid, Furniture Plus, Tayside Recyclers, and repair of bicycles on behalf of the Bike Station, etc. Outcome delivery is undertaken at a local prison level.

These activities were largely suspended during 2020-21 however SPS will look to restart these with the relevant Third Sector organisations as Covid-19 and prison regime restrictions allow.

As part of the purchase of new gymnasium equipment, the SPS encouraged circularity. This resulted in the sale of 100 used machines (*various types & ages*) to the supplier (Pulse Fitness) with these being uplifted when the new equipment was delivered. The old equipment will be refurbished and sold into the second-hand market by the supplier.



Covid-19 Artwork

3.6 Health and Wellbeing

Food Contracts

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. The SPS also recognises that a healthy, nutritious and varied menu (reflecting both dietary and religious needs) provided by the in-house catering officers is a core part of the prison regime.

SPS seeks to ensure that the 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 food contracts reflect requirements that suppliers provide good quality food which complies with a range of legislative requirements including supply-chain food traceability, and obligations in terms of animal welfare.

The SPS is currently revisiting its six national food supply contracts with a view to re-tendering these during 2021/22. The Commodity / Service Strategy for these new contracts will give due consideration to the range of relevant policy guidance and food accreditation / assurance schemes whilst ensuring these contracts meet the SPS's catering needs.

Health Promotion

Fife College conducted a number of events in various prisons during the year as part of project-based prisoner learning activities to generally promote mental health and well-being to those in custody. This was particularly relevant when Covid-19 restrictions had disrupted the usual prison / learning regime and those in custody had less opportunity for out of cell social interaction. For example:

- Fife College secured 100 copies of Practical Zen: Meditation and Beyond and distributed these to all Learning Centres during Libraries week 5 - 10 October 20. In partnership with prison libraries, the college staff delivered creative writing and mental health and wellbeing workshops, inspiring learners to begin their reading journeys.

"During this anxious time, isolation in particularly vulnerable prisoners is a cause for concern. In tackling these concerns, the ability to bring learners together and giving them a tangible 'gift', encouraging reading alongside the introduction of mental health awareness techniques will provide meaningful, supportive and self-development opportunities." Judith Stewart, Curriculum and Digital Manager

This type of activity builds on work by Fife College in previous years to promote Mental Health issues, the importance of communication and diet for maintaining health and positive mental health.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

- Learning Centre staff in HMP Greenock collaborated with the SPS, service users with special needs from the local community, and volunteer prisoners to make up the Fit Together group. Weekly sessions were held in the gym for games, fitness and social activities. This work highlighted to the prisoner volunteers the problems faced by people with special needs in their everyday life and also allowed the volunteers to develop social skills and confidence whilst working those with special needs.
- The Learning Centre in HMP Barlinnie won an award for ‘Outstanding Delivery of Learning and Teaching’ for the work within the Day Care Facility, where staff support learners facing mental health challenges. Such support enables learners to complete a range of qualifications including core skills, health and nutrition units and personal development awards through twice weekly sessions.

3.7 Fair and Ethically Traded Goods

SPS’s standard approach to procurement includes consideration of what Fair Trade provisions could apply appropriately and proportionately within the SPS’s general requirements.

In Nov 19 the SPS awarded a 3-year contract for the provision of a fully managed vending service to Abercromby Vending. The vended hot drink ingredients (coffee, tea and hot chocolate) are all Fair Trade products.



SPS purchases various confectionery and snack items for resale to prisoners through the prison retail canteen. A number of the confectionery products are accredited by the Fair Trade Foundation or Rainforest Alliance at an ingredient level – cocoa, vanilla, and sugar.

A number of suppliers used by the SPS such as Allied Bakeries (bread and bakery products) are part of the Food Network for Ethical Trade (FNET). This is a UK supplier-led initiative aiming to use the collective leverage of suppliers and retailers to bring about positive change in global food supply chains & working conditions. SPS will continue to seek information about relevant Fair Trade options, and will encourage relevant use where there is a case to do so.

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).

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

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 recently undertook an exercise to validate that relevant suppliers to the SPS had published a Statement; all had done so. Additionally, procurement procedures such as Prison Retail Goods specifically require that bidders provide their Ethical Trading Policy.

Part of the training for procurement staff 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 / Net Zero

The Scottish Government's National Performance Framework sets out a number of National Outcomes and Sustainable Development Goals including in relation to Climate Change / carbon reduction and environment. Scottish Ministers have also set the ambitious goal of reaching net zero emissions by 2045.

A Director led cross functional **Carbon Management Strategy Board (CSMB)** has been formed in 2020 to provide strategic leadership and direction within SPS in respect to the climate challenge and Net Zero objectives. It is expected that the CSMB will influence future business requirements and specifications to ensure that procurement activity effectively supports the net zero objective.

The CSMB builds upon the SPS's carbon management improvement activity and targeted energy efficiency investments which have been taken forward and reported over the past decade. SPS intends to review the Scottish Government's Climate Change Action Plan with a view to updating and developing the SPS's current [carbon emissions reduction strategy](#) beyond 2021.



The SPS has secured access to the Scottish Government's 'Climate Literacy' e-learning and has made that accessible to all staff via the SPS College e-learning site. This e-learning will provide a basis to inform internal conversations around climate and future actions that SPS could take forward.

Scottish Prison Service

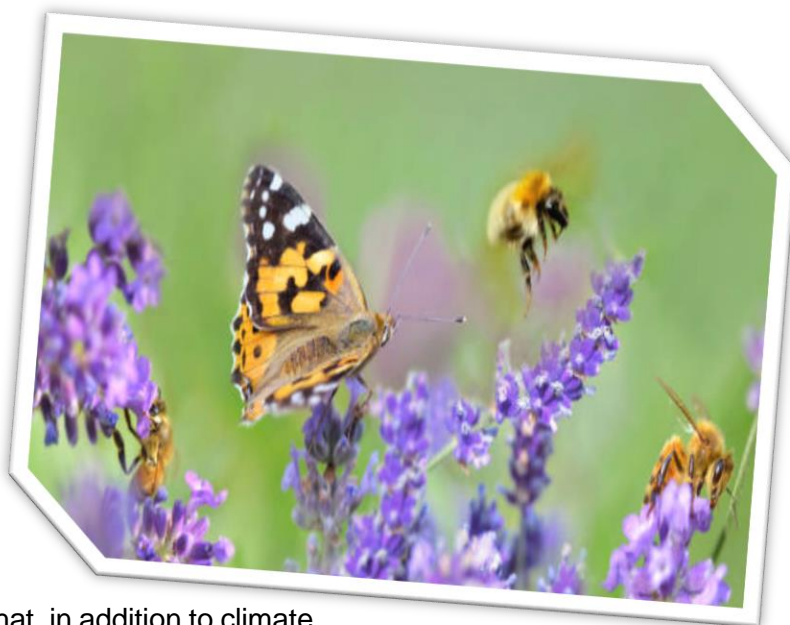
UNLOCKING POTENTIAL TRANSFORMING LIVES

The SPS has already invested heavily in renewable technologies including solar PV arrays, ground source heat pumps and low energy technologies such as LED lighting and Combined Heat and Power to both generate power and to improve efficiency. Targeted estate infrastructure / maintenance investment (as indicated in Section 1, Table 4) continued during 20-21 e.g. to replace a hot water system and water tanks to reduce water wastage and improve water quality, etc. Further targeted SPS investment is planned for 2021-22 (as set out in Section 5) including Phase 2 of the Electric Vehicle Charging Points, LED lighting projects, etc.

The SPS uses the Scottish Government national utility contracts (electricity, gas, and water). Building energy demand continues to account for the majority of SPS emissions. The current programme of replacing some older prisons with new builds which are designed to very high energy and environmental standards and incorporating extensive renewable and low carbon technologies will continue to make a valuable contribution towards the SPS's climate / carbon improvements. Whilst SPS also continues to undertake various carbon related refurbishment and development activity cross the prison estate, the age and condition of some of the older sites will continue to present significant challenges in working towards net zero emission objectives.

The relative improvements in SPS carbon / energy efficiency are captured and reported by Estates & Technical Services (E&TS) as part of the Public Bodies Climate Change Report. The Report for 2019-20 was submitted to Scottish Government in Nov 20 in line with the reporting requirements. These reports reflect a section about "Procurement" activity and are publicly accessible via: [The Sustainable Scotland Network](#).

The Wildlife and Natural Environment (Scotland) Act 2011 reflects a requirement for public bodies in Scotland to report on the steps taken to protect and enhance biodiversity. The SPS published its most recent [Bio-Diversity Report](#) in Dec 2020.



The SPS Bio-Diversity Report reflects that, in addition to climate related energy performance, the SPS design and construction teams managing projects for new or refurbished prisons consider a range of environmental factors within the design parameters e.g.

- the use of sustainable, permeable design options which ensure that surface water run-off from SPS premises does not contribute to flood or pollution risks in the local area;
- rainwater harvesting systems that collect, store and where necessary, treat rainwater for WC flushing;
- planting and soft landscaping to encourage bio-diversity; and
- localised prison based initiatives to enhance the grounds and local bio-diversity.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Recycling. The majority (circa 80%) of SPS's approx. 3,000 tonnes per annum of waste is processed and/or recycled by Enva with the remainder going to landfill. 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.



A new contract awarded in Spring 21 will seek to build upon the existing good recycling rates. The contract also requires the supplier to proactively deliver waste awareness presentations to SPS staff.

Cycle to Work. The SPS continues to run and promote a Cycle to Work scheme. 2020-21 reflects the ninth year of SPS providing this facility to staff. 76 employees used the cycle to work scheme last year to purchase a new bicycle through the scheme provider (Edenred).

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 has an Information Sharing Protocol (ISP) with Police Scotland. This provides a route for SPS to undertake SOC checks of suppliers (as permitted by the Public Procurement Regulations) with Police Scotland including 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 Single Procurement Document (SPD) (Scotland).

The SPS's routine requirement for all persons (including contractors) working in prisons to hold a valid Disclosure Scotland check plus security searching also serve as inhibitors to SOC. 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 the constraints of working within security controlled premises.

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 obtains method statements which address Health and Safety as it relates to that contract and evaluates these as part of the tender assessment. 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 in prison association areas. There was also various engagement with Health & Safety colleagues and Public Health Scotland to ensure that PPE specifications and sourcing activity, undertaken as part of the Covid-19 response, provided items which were fit for purpose.

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 financial year ending 31 March 2021:

- SPS paid 99.10% of all invoices received within the terms of its 30-day payment policy (2019-20: 99.10% and 2018-19: 99.15%).
- Payment performance within 10 days was 91.4% (2019-20: 90.5% and 2018-19: 93.03%).
- SPS publishes the payment performance statistics within the SPS Annual Report and Accounts.

6.1 Project Bank Accounts.

All 4 major construction projects currently in progress (the Women's National Facility (WNF), the two Community Custody Units, and the Barlinnie Interim Measures Project) are using Project Bank Accounts (PBA) to support prompt payment to the supply chain. Four major sub-contractors for the WNF have also signed-up for the PBA in their own right.

7 E-Commerce (Use of Systems)

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 continues to utilise electronic tendering (via the [Public Contracts Scotland Tender \(PCS-T\) system](#)) as the preferred method of inviting tenders. This, and use of the SPD (Scotland) standard qualification questions, makes it easier and more cost-effective for suppliers to bid for SPS contract opportunities.



SPS uses electronic contract management (e-CM) within PCS-T as the primary SPS contract database and management tool. SPS maintains and updates data within the Procurement Hub as part of support the Scottish Government's strategic oversight of public procurement expenditure.

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. Following suspension of the project in 2020 due to Covid-19 priorities it recommenced in January 21 and the implementation phase is now making significant progress against the redrawn project plan.

8 People (Achieving Professional Excellence)

SPS seeks to promote the procurement profession and to encourage new entrants to commence and develop a career in procurement. The SPS procurement team (PPSD) continued its proven Procurement Career Pathway (PCP) and to employ a 'grow from within' approach – introducing and developing talent. The PCP 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. PPSD supports this through structured in-house learning, coaching and encouraging the professional development of individuals including working towards achieving a professional qualification (CIPS).

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

SPS has continued to partner with [Napier University's](#) undergraduate placement programme. In 2020-21, despite the Covid-19 challenge, this included running a virtual recruitment campaign and recruiting two undergraduates to undertake a work-placement year.

As part of the PCP, two fixed term Development Opportunity posts were also filled through internal SPS recruitment processes. Development Opportunities provide an entry point which allow suitable internal candidates to change job roles within SPS and work within procurement. As part of the development pathway PPSD were able to confirm two individuals who had entered under prior Development Opportunities into substantive posts.

We also continued what is now an established pattern of engaging Undergraduates in their 4th year of their Business Degree as 'Honours Undergraduates'. Post-holders share their time between their final year at University whilst working within SPS on a part-time basis.



SPS Procurement People of Today

The enforced transition to full-time remote working (due to Covid-19) has led to some adjustments in how SPS supports and develops the less experienced members of its procurement team. As well as undertaking recruitment activity virtually, PPSD has assigned mentors and provides virtual coaching support through the various stages of their allocated projects. The HQ procurement team has also continued to engage with devolved procurement leads in prisons to support their training and development. This has been delivered virtually in the circumstances.

9 Collaboration

SPS supports 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 Procurement Policy and Construction forums,
- Public Sector Food Forum; and
- ensuring relevant contribution to other initiatives which further effective working and the collaborative procurement agenda.



SPS has continued its practice of sharing learning within the Scottish Central Government sector and collaborating with other public bodies in the justice sector such as HMPPS, the Northern Ireland Prison Service, and Police Scotland.

9.1 Collaborative Contracting

Approximately 26% 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. SPS has continued its successful collaboration with HMPPS in England for some relevant contracts (e.g. staff uniform, prison mattresses etc). This reflects the desire to utilise procurement resources effectively through joint working and collaboration where there is good rationale to do so.

- The SPS led a collaborative procurement activity to establish a new Occupational Health Service framework for the Central Government sector in Scotland. The contract is used by 41 public bodies covering approx. 40,000 employees. The majority of OH consultations are now conducted virtually (by phone or video-call) reflecting that this type of technology has become mainstream.
- SPS also led a collaborative procurement for Addiction Testing and Related Services which includes the Northern Ireland Prison Service.
- 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 and the Employee Assistance Programme (EAP).

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 and 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.

Covid-19 led to the closure of prison industry workshops for the majority of 2020-21. The £878.4k of sales achieved in the year largely reflects product stocks manufactured prior to Covid-19 lockdowns (e.g. buoyant demand for outdoor timber furniture).

As we moved into 2021-22, Industries activity is restarting however the usual autumn / winter manufacturing cycle has been lost and this will severely impact both the range and volume of items SPS has available to sell this year. There is also priority being given to manufacturing for internal use such as cell furniture, prisoner clothing and prison beds.

The SPS Fauldhouse team continues to be interested in securing relevant external work for Prison Industries. SPS were recently successful in securing a 2-year contract from Police Scotland to manufacture some specialist textile products. SPS Fauldhouse also agreed to a stockholding arrangement to hold PPE stocks for Police Scotland. This will utilise warehouse space normally attributed to goods manufactured by Prison Industries and reflects a constructive partnership between SPS and Police Scotland.

Colleagues from the SPS Strategy & Stakeholder Engagement Directorate have the corporate lead in respect of the [SPS Employability Strategy](#) and employability initiatives in SPS. This would include any Employability Partnership agreements to enable partners to host their business enterprise in a prison setting. SPS continues to be represented in the [Release.Scotland](#) network which seeks to build connections with, and encourage, employers to employ people with convictions.



Cell Furniture Units and Bed 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](#)



Covid-19 Artwork - HMP Dumfries

Dedicated to all essential workers including the contractors and suppliers of goods and services which allowed Scottish prisons to operate during Covid-19 lockdowns and restrictions. Whilst too numerous to list, these hidden heroes continued to work, supply, provide services, maintain or install the various requirements which collectively supported SPS throughout the past year.

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 2020 to 31 March 2021:

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 20 to Mar 21)

Table 5: Non-Competitive Actions (NCAs)

Table 1: SPS Annual Expenditure

SPS is provided with an annual operating budget by the Scottish Government. In 2020-21, SPS had an overall operating budget of £377.84m. In 2020-21, approximately £177.45m (47%) of this budget was committed via procurement activity and contracts with external suppliers. Procurement activity achieved savings and efficiencies of £10.36m in the period 2020-21.

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 rolling programme of contract development / renewal activity 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 whereby at least 50% of the 1,100-1,250 suppliers used annually by the SPS are classed as 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. This equates to approx. £30M to £40M of work awarded annually by the SPS to SMEs. The expenditure figures with SMEs were consistent with prior years.

Other SMEs are engaged as sub-contractors in the supply chain of larger suppliers. For example, the three major Works construction projects indicated in Section 3 have, to date, generated a local economic impact through £30.8m of sub-contract activity being awarded by the main contractors.

Table 3 Regulated Procurement Activity (2020-21)

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.

During the period covered by this APR, the SPS awarded a total of 72 new contracts whose value was >£50k, plus another 52 contracts whose value was <£50k; a total of 124 awards to a value of **£50,291,000**. The SPS either advertised these contracts via the Public Contracts Scotland website, undertook an award under a relevant Framework agreement (Table 4); or recorded these as non-competitive actions (Table 5):

Contract Type	2020-21 No. of new Contracts Awarded >£50k	2020-21 Total Value of new Contracts Awarded	2019-20 No. of Contracts Awarded	2019-20 Total Value of Contracts Awarded
Supply (Goods)	23	£12,867,000	22	£ 7,397,000
Services	32	£27,563,000	46	£ 7,363,000
Works	17	£8,598,000	38	£ 73,229,000
Total	72	£49,028,000	106	£ 87,989,000

Notes:

- The 44 Regulated awards indicated in Table 4, total £42,141,500
- Non Competitive Actions (NCAs) in Table 5: 12 of these were Regulated, a value of £3,688,500
- A total of 56 Regulated awards: £45.83m. The balance comprises lower value, non-regulated contract awards.
- SPS continued to utilise contracts and Framework agreements where the award or call-off was undertaken in prior years.
- 2019-20 was unusual in that the SPS awarded three major one-off Works contracts (i.e. the new Women's prison and two community custody units). This underpins the reduction in value between the 2019-20 and 2020-21 periods.

Light Touch Regime

No light touch regime tenders were undertaken in the period.

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. The Commodity / Service Strategy for each project will typically consider Lotting and the optimum approach to ensure effective competition.

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, bidders are typically provided with the option to bid and price for one or more Areas. This was the case with the Trade Services contract which resulted in 3 suppliers being awarded business across the 4 Lots. Prison estate teams also tend to utilise local builder's merchants and suppliers for 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.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Table 4 Summary of the Regulated Procurement undertaken (April 20 to Mar 21)

The following table details the 60 contracts awarded (£45,339,500) in the period and also new call-offs from relevant Frameworks. There were additionally 36 contract smaller, non-regulated contract awards (£926k).

In 2020-21, 44 of these contract awards were Regulated procurement to a value of £42,141,500. In some cases, the procurement activity (contract notice advertisement and tender) commenced in the prior financial year. For transparency, the SPS has elected to include contract awards for Works activity which is below the relevant £2m Regulated threshold.

	Date of Award	SPS Contract reference	Supplier Name	Subject matter of the Contract	Estimated £ value of the Contract	Start Date	End Date	Notes	SME status
1	Dec 20	10710	Kier Construction	Barlinnie Interim Measures Programme (BIMP)	£5,500,000	01/02/2021	30/03/2022	Works - Regulated. Mini-competition under the CCS CWAS (Construction Works and Associated Services) Framework	Large
2	July 20	01552	Zenith Vehicle Contracts Ltd	Vehicle Leasing Services	£1,268,000	24/07/2020	24/07/2024	CCS Framework RM6096	Large
3	Nov 20	01744	Arco	Provision of Personal Protective Equipment (PPE) and Workwear	£750,000	04/11/2020	04/11/2023	CCS Framework RM3837	Large
4	May 20	01819	Unilink Software Ltd	Provision of Video Visits	£300,000	01/06/2020	30/06/2021	This award was undertaken as part of the SPS's Covid-19 response plan to support video visits for those in custody.	Medium
5	Oct 20	01850	European Electronique	IT Network Upgrades for the SPS PPN (Prison Partner Network)	£848,000	02/11/2020	17/12/2020	CCS Framework RM6068 - Lot 2	Medium
6	Feb 21	01831	Optima Health	Occupational Health Services (OHS) Framework Agreement	£4,000,000	01/04/2021	01/04/2025	Services - Restricted (FTS / OJEU). Established Framework for use across the Scottish Central Government sector.	Large

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

7	Jan 21	01723	Pulse Fitness Ltd.	Provision of Gym Equipment	£151,000	06/01/2021	06/01/2024		Large
8	May 20	01816A	British Telecommunications Plc	Emergency Provision of In-Cell Telephony	£1,630,000	29/07/2020	29/01/2021	These two awards are linked to the mobilisation and roll-out of mobile phones to those in custody as part of the SPS's Covid-19 response plan.	Large
9	May 20	01816B	British Telecommunications Plc	Provision of Fibre Backhaul to SPS Establishments	£268,500	14/07/2020	14/07/2023		Large
10	Feb 21	01866	Unilink Software Ltd	Kiosk Solution (Proof of Concept) at HMP Shotts	£135,000	22/02/2021	31/10/2021		Medium
11	Jan 21	01793A	Abbott Laboratories Ltd	Addiction Testing & Related Services for the SPS and NIPS	£262,000	01/03/2021	01/03/2025		-
12	Jan 21	01793B	SYNLAB Laboratory Services Ltd		£444,000	01/03/2021	01/03/2025		Medium
13	July 20	01796A	Richard Irvin FM Ltd.	Provision of Trades Services	£712,000	01/07/2020	30/06/2022	Contract split into 4 Lots resulting in 3 awards.	Large
14		01796B	BAM (Facilities Management) Limited		£658,000	01/07/2020	30/06/2022		Large
15		01796CD	T Clarke Ltd		£3,690,000	01/07/2020	30/06/2022		Large
16	June 20	-	HP Inc. UK Ltd	Provision of Desktop and mobile (Laptop) computers	£1,400,000	01/01/2020 16/11/2015	31/12/2021 15/08/2021	Orders under SG frameworks SP-19-016 Desktop Client Devices and SP 15-011-11, Mobile Client Devices	Large
17	Apr 20	SP-18-040	Scottish Water Business Stream Ltd	Supply of Water, Waste Water and Effluent services, and automatic meter reading (AMR).	£3,800,000	01/04/2020	31/03/2023	SG Framework. Single Supplier. Replaces prior agreement with Wave from 1 April 20.	Large
18	Apr 20	SP-17-031	Total Gas & Power Ltd	Supply of Natural Gas	£5,460,000	01/04/2020	31/03/2022	SG Framework: Single Supplier. Replaces prior agreement with Total Gas & Power.	Large

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

19	Apr 20	01777	Insight Direct (UK) Ltd	Microsoft Licenses – Annual renewal and licence true-up	£2,500,000	30/03/2020	31/03/2023	CCS Framework RM3703, Lot 2 - Regulated	Large
20	May 20	01602	Cubiks Limited	Provision of Cognitive Ability Testing	£74,000	06/05/2020	06/05/2023		Medium
21	Feb 21	01804	Oleeo Plc	Provision of an Externally Hosted Online Recruitment System	£50,000	01/02/2021	31/01/2023		-
22	Oct 20	01852	Company Net Limited	Technical Advice and Support for SharePoint / Microsoft 365 Development	£50,000	26/10/2020	26/02/2021		Small
23	Mar 21	01814A	Mitchell Diesel	Maintenance of Generators, UPS and Fuel Cleaning Services	£252,000	01/03/2021	29/02/2024		Medium
24		01814B	Robert M Donaldson Ltd		£146,000	01/03/2021	29/02/2024		Small
25	Sept 20	10652	WCC West Coast Group Ltd	Installation of Access Systems at HMP & YOI Grampian	£116,500	29/09/2020	29/12/2020		Small
26	Feb 21	01876	Ricoh UK Ltd	Office Equipment, Multi-function printer / copier devices	£204,000	01/02/2021	21/01/2025	Scottish Government Framework – Office Equipment (SP-16-013)	Large
27	Apr 20	10707	Hillhouse Quarry Group Ltd T/A MacAsphalt	Road re-surfacing at HMP Dumfries	£72,000	27/03/2020	27/05/2020		Medium
28	July 20	10664	SPIE Ltd	CCTV Upgrade at HMP Greenock	£415,000	03/08/2020	03/02/2021		Large
29	July 20	01833	Park Place Technologies	Server and Infrastructure Maintenance	£50,000	01/08/2020	31/07/2021	Call-off from Scottish Government Server and Infrastructure Maintenance Framework SP-19-001	Large

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

30	July 20	10540A	Keytracker Ltd	Maintenance of Key Management Systems	£511,000	03/07/2020	02/07/2025		-
31	July 20	-	Cooneen Defence Ltd	SPS Staff uniform	£3,000,000	01/07/2020	30/07/2026	Collaboration with MOJ, SPS a named user under the MOJ contract	-
32	Aug 20	SP-19-011	Enterprise Rent-A-Car	Vehicle Hire Services	£200,000	01/09/2020	01/09/2023	Use of Scottish Government Framework	Large
33	July 20 to Mar 21	01837	North SV Limited	Network Fibre and Power Upgrades at various prisons.	£605,500	07/07/2021	31/05/2021	CCS Framework RM3808, Network Services	Medium
34	Sept 20	01843	Avison Young	Headquarters Options Appraisal 2020/21	£47,500	21/09/2020	20/09/2021	Call-off from a CCS under Framework RM3816	Micro
35	Sept 20	01709	Allstar Business Solutions Ltd	Agency Fuel Cards for use by SPS fleet vehicles.	£153,000	01/09/2020	31/03/2022	Call-off from a CCS Framework.	Medium
36	Nov 20	10718	James Ramsay (Glasgow) Ltd	Upgrade of the Plant room at HMP Castle Huntly	£125,000	01/02/2021	31/03/2021		Small
37	Nov 20	01167	Electrolux Professional Limited	Laundry equipment replacement	£500,000	01/01/2015	31/12/2021		Medium
38	Dec 20	01329	Allied Bakeries	Supply of bread & rolls to SPS sites.	£620,000	-	31/01/2022	SPS exercised an option to extend the contract by 12 months to Jan 2022	Large
39	Dec 20	01861	European Electronique Ltd	Cisco Enterprise Agreement	£107,500	21/12/2020	21/12/2023	Call-off from a CCS Framework RM6068.	Medium
40	Dec 20	10734	Deca Solutions	TV System / Aerial Replacements	£160,000	09/12/2020	09/04/2021		Micro

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

41	Dec 20	10714	FlaktGroup UK Ltd	Replacement Chiller at HMP & YOI Grampian	£85,000	18/12/2020	18/02/2021		Medium
42	Dec 20	10725	James Ramsay (Glasgow) Ltd	Heating Pipework at HMP Perth	£113,500	01/12/2020	12/02/2021		Small
43	Dec 20	10715	SPIE Limited	Hot Water Return Project at HMP Perth	£140,000	03/12/2020	03/03/2021		Large
44	Dec 20	10730	WQS UK Ltd	Replacement of Sectional Mains Water Tank at HMP & YOI Grampian	£56,000	15/12/2020	30/03/2021		Small
45	Jan 21	01871	Virgin Media Business	IT Hardware Support & Maintenance	£306,000	21/12/2020	21/12/2024	Call-off from CCS Framework RM3808	Large
46	Jan 21	10720	James Ramsay (Glasgow) Ltd	Laundry Steam Generator Replacement at HMP Glenochil	£246,500	07/01/2021	07/04/2021		Small
47	Jan 21	01880 (Lots 2-5)	Instock Disposables Ltd	Provision of Commercial Catering Equipment	£187,000	25/01/2021	24/01/2024		Medium
48	Jan 21	01538	I&A Grant Ltd	Supply of electrical goods, appliances and accessories to the SPS estate.	£180,000		22/01/2024	SPS exercised an option to extend the contract to January 2024	Small
49	Feb 21	10723	Ecolab Ltd	Installation of Bird Control System at HMP & YOI Grampian	£234,000	26/02/2021	27/08/2021		-
50	Feb 21	01880 (Lot 1)	Scomac Catering	Provision of Commercial Catering Equipment	£204,500	01/02/2021	31/01/2024		Large
51	Feb 21	01350	Boyd Brothers Ltd	Installation & Upgrade of Cell Lights at HMP Barlinnie	£60,000	03/02/2021	30/04/2021		Small

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

52	Feb 21	10721	ThyssenKrupp Elevators UK LTD	Maintenance, servicing and repair of lifts and stair lifts across the SPS estate.	£210,000	-	30/03/2024	SPS exercised an option to extend the contract to Mar 2024	Large
53	Mar 21	10732	Tree Green Ltd	LED Lighting Upgrade at HMP Edinburgh	£90,000	11/03/2021	11/05/2021		Micro
54	Mar 21	10728	ADT Fire and Security	CCTV Systems at HMP Edinburgh and HMP Perth	£880,000	04/03/2021	04/06/2022		Large
55	Mar 21	10748	Morris and Spottiswood Ltd	Iona Hall Flooring Replacement	£151,000	19/04/2021	01/08/2021		Large
56	Mar 21	10726	John McQuillan (Contracts) Ltd	Car Park Re-Surfacing Works at SPS Fauldhouse	£57,500	11/03/2021	11/05/2021		Medium
57	Mar 21	01886	Company for Electronic Industrial Automation (CEIA) Ltd	Provision of Mobile Metal Detectors	£108,000	16/03/2021	16/03/2023		Micro
58	Aug 20	01834	Morton Fraser LLP	Legal Services (General Property)	£135,000	01/08/2019	31/07/2023	Call-off from a Scottish Government Framework Agreement SP-18-010	Medium
59	Aug 20	01835	Harper McLeod LLP	Legal Services (Debt Recovery)	£160,000	01/08/2019	31/07/2023	Call-off from a Scottish Government Framework Agreement SP-19-001	Large
60	Nov 20	01836	HCR Ltd	Provision of UK and International Domestic Relocation Services	£500,000	01/04/2020	31/03/2024	Call-off from a Scottish Government Framework Agreement SP-19-007	Small

Note:

Supplier (SME) Size is indicated where this has been classified and is known.

A Medium enterprise, <250 employees / turnover of < €50m pa); Small, 50 employees / turnover of < €10m pa; and a Micro business <10 employees and < €2m pa.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Table 5 Non-Competitive Action (NCAs)

In 2020-21, the SPS undertook (12) Non Competitive Actions (NCAs) to the sum of £3.688m which exceeded the Regulated procurement threshold. A number of these NCA's followed Covid-19 related disruption to SPS tender processes, or operational urgency driven by the need to secure specific goods or services for the SPS to respond to the Covid-19 pandemic. In each instance, approval was sought from the Head of Procurement and reasons for approval were documented for reference. There were additionally 16 contract smaller NCAs, non-regulated to a value of (£337k).

SPS Ref.	Supplier	Subject Matter	Estimated Value of NCA	Start Date	End Date
01325 (A, B, D & E)	Grahams Dairy Bidfood (BFS Group Ltd) McLays Ltd Bestway Ltd	Food contracts: Milk & Dairy Frozen Food Meat & Poultry Pre-packaged groceries	£2,600,000	May 21	Nov 21
Reason for NCA: The contracts were due to expire in May 21. SPS are currently retendering these. Retender activity was affected by Covid-19 restrictions. Market / supply-chain uncertainty following Brexit and the associated pricing uncertainty was also a consideration. SPS therefore took the prudent decision to extend these key contracts by 6 months to allow Covid-19 lockdown restrictions to ease and for the market to better understand how Brexit may have affected supply-chains and pricing for the required food products.					
01467	Enva Scotland Ltd	Provision of organic waste treatment	£70,000	Mar 21	Mar 22
Reason for the NCA: The SPS utilise the Scotland Excel Framework (02-20 Organic Waste) for these services. The award of the new framework was delayed and is now due in July 2021.					
01275A	SPIE Scotshield	Maintenance of Fire Protection Equipment.	£50,000	Oct 20	Oct 21
01275B	ADT Fire & Security PLC		£90,000	Oct 20	Oct 21
Reason for NCA: Extended due to the Covid-19 pandemic to ensure continuity of these safety critical services. Retender being progressed in 2021.					
01882	Lapsley Ltd	Autoteller Kiosk and associated software / set-up	£48,500	Dec 20	Dec 21
Reason for the NCA: Install one cash autoteller to provide an alternative method for receipt of cash being provided by families for prisoners. This was part of the SPS Covid-19 response measures to reduce physical contact and cash handling. This system is considered a proof of concept and any future additional requirements would be subject to tender.					

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

01865	University of Dundee (UofD)	Drug research testing	£144,000	Nov 20	Dec 22
<p>Reason for NCA: Research reflects UofD testing samples provided by SPS to identify new types of drugs being introduced into prisons. The work relies on specific expertise and access to drug testing equipment which the UofD has secured through an exclusive arrangement with the manufacturer.</p>					
-	BlueFort Security Ltd	Supply of RSA tokens for secure IT connectivity	£71,000		
<p>Reason for NCA: Urgent operational requirement to enable SPS to expand the number of IT devices available for remote working. Technical compatibility with the SPS's existing proven IT architecture and systems.</p>					
n/a	<p>SPS' has two contracted suppliers: Ailsa Care (£714k) and Cera Care (<i>ex Mears Care</i>) (£122.6k): An additional two providers are being used alongside these</p> <ul style="list-style-type: none"> • Robinson Medical Recruitment • Independent Clinical Service t/a Scottish Nursing Guild 	Social Care for persons in custody	<p>£615,000 broken downs as follows:</p> <p>£307,000</p> <p>£308,000</p>	Apr 20	Mar 21
<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. Fulfilment was also affected by limited / non-availability of care staff with the contracted provider(s) in the area around the prisons concerned. The issue was compounded by a general overall shortage of care staff nationally including as a consequence of the Covid-19 pandemic.</p> <p>Where the contracted suppliers could not fulfil care requirements, SPS procurement policy allows local call-off from (named) non-contracted providers registered with the Care Inspectorate. SPS issued internal guidance (GMA027A/18) to provide clarity to prisons. This guidance was re-issued in July 20 to remind prisons of the range of factors they need to consider when sourcing social care services from different providers</p> <p>The NCA continued into 2020-21 for the reasons stated above. Covid-19 lockdown issues also precluded activity to consult and develop alternative solutions. This NCA has therefore continued into 2021-22. SPS and the Scottish Government are considering how social care may best be delivered within prisons and this will inform a future direction and any required procurement activity.</p>					

The remaining (16) ad-hoc Non-Regulated NCAs (£337k) comprised a number of low value reactive Works / FM related extension of existing maintenance contracts through the period of Covid-19 lockdowns. These allowed SPS operations to continue or maintained compliance with legal obligations e.g. inspection of lifting equipment, maintenance of key management systems, radio alarm systems, etc. Activity also included an emergency roof repair (£20K) and extension of a cleaning contract (£36k) through the period of Covid-19 lockdowns to Sept 21.

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 2021.

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 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 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 5 in Section 1 reflects where NCAs have been undertaken in 2020-21 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 (Azets) 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 2020/21 these recommendations led to SPS reissuing guidance in July 20 to prisons regarding the procurement of Social Care and Support Services using the contracted providers and local arrangements as necessary to fulfil identified care needs.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

An audit conducted by the SPS internal audit team in December 20 reviewed the processes associated with SPS reporting against certain areas of expenditure as required by the Public Services Reform (Scotland) Act 2010. There were no issues noted in respect of the procurement function and its role in supporting this corporate reporting.

In Spring 2021, the SPS internal audit team reviewed the arrangements relating to the purchase and stock management of Covid-19 PPE at SPS Fauldhouse, and the provisions around project governance for some of the Covid-19 related digital projects which were progressed during 2020. A number of audit recommendations are being taken forward to enhance stock control, to remind procurement staff of the requirement to publish contract award notices timeously, and around project governance controls (ensuring written certification of completed work ahead of payment).

An audit by Azets in early 2020 looked at the SPS purchase to pay processes and business controls to counter the risk of fraud. The audit exercise was followed up again in early 2021 and included review of any internal process changes which had occurred as a consequence of a response to Covid-19. In Feb 2021, Azets also reviewed the procurement processes and key documents associated with the award of the new Occupational Health Service framework. There were no procurement facing recommendations from the Azets audits.

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 in Regulated procurement and provides a summary of the outcomes achieved in the period. It should be noted that activity on a number of existing contracts was suspended or affected in year due to Covid-19 restrictions. However, SPS and the contractors concerned were able to maintain a focus on ensuring delivery of community benefits where possible and these are reflected into this report.

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](#). 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 external partners who work with prisons to support prisoners or their families, or engaging supported business or social enterprise into the supply-chain.

The SPS approach also recognises that there is need to engage with relevant stakeholders (such as the local Council, etc) before, during and after any procurement process to ensure that community benefit outcomes are properly considered and supported.

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.

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). However, SPS has also secured community benefits in goods and service contracts.

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.

2. Community Benefits Included

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

1) HMP Barlinnie Interim Measures project (BIMP)	Supplier: Kier Construction
Contract Start Date: Jan 21	End Date: Approx. Feb 22
Contract Value: Approx. £5.5m	Contract reference: 10710

Kier Construction has confirmed that it will deliver a range of Community Benefits, in accordance with Construction Industry Training Board (CiTB) guidelines for a construction project of c.£3.61m - £6m (band 2). The BIMP project commenced relatively close to the end of the APR reporting period however we can already see that Kier are progressing community benefit activity with organisations and partners who engage with HMP Barlinnie.

Photoshop and MS Teams – provision of IT awareness training

Kier has engaged with Families Outside charity - this works to support families who have a family member in prison. Families Outside has been affected by Covid-19 due to lack of fundraising and was looking at cost saving measures. After an initial chat and scoping, two areas were identified where Kier could support them:

- Families Outside wished to cut costs and undertake their own in-house marketing for design / brochures / leaflets however they lacked the technical knowledge to do so. A Graphic Designer from Kier led an on-line event around the different packages, what these can do and what would suit the needs of Families Outside. Seven Families Outside staff attended the e-training.
- Kier also noted that Families Outside wished to move from Zoom to an MS Teams platform for virtual meetings. Kier offered training to help the staff with the basics and held the session with 34 attendees.

Developing the Young Workforce (DYW)

- As part of Scotland apprentice week, Kier supported the #BusinessBackingTalent campaign with DYW highlighting the importance of apprenticeships, and offered sessions on careers in construction to DYW contacts across Scotland. Kier provided a video of apprentices in the Scotland to be used with schools and colleges and carried out Construction Pathway presentation.
- The Kier Corporate Social Responsibility Manager has engaged with Job Centre Plus 'Build Your Future' campaign by providing information for work coaches to inform candidates about the qualifications and requirements to get into construction. Kier also supported their online campaign via Twitter and issued details of all site vacancies on this project.
- **Women in Construction Week**, 7th to 13th Mar 2021. Kier took part throughout the week via an on-line social media campaign and providing blogs from its staff to promote construction as a career.
- Kier Construction have committed to Fair Work First practices / Living Wage.

2) SPS Staff Uniform	Supplier: Cooneen Defence, Fivemiletown, Co. Tyrone
Contract Start Date: July 20	End Date: July 26
Contract Value: Approx. £600k pa	Contract reference: 01796
<p>The SPS maintained its long standing collaboration with the MOJ for the sourcing of prison officer uniforms. The award to Cooneen reflects a return to supply by a UK based company albeit with some manufacture continuing to be offshored. The supply over the past decade having provided by a Chinese based manufacturer.</p> <p>Community Benefits</p> <p>Whilst the contract was tendered by the MOJ, winning the MOJ/SPS contract allows Cooneen to sustain its CSR “Supporting communities and environment” programmes.</p> <p>The Cooneen CSR “Supporting Communities” and “Supporting our Environment” plans for 2021 include:</p> <ul style="list-style-type: none"> • Employee Training on identifying Modern Slavery; • A potential Partnership with Modern Slavery UK support Group; • Support for Education-based projects in India and Bangladesh; • Tree planting and recycling projects and • UK Clothing Poverty Awareness. <p>The MOJ and SPS will monitor and report activity against these objectives in subsequent APRs.</p> <p>Cooneen use the National Living Wage as the basis for wage payment. However, as a progressive employer Cooneen also provide a range additional benefits to all staff in the UK.</p> <p>The contract requires that Cooneen maintain an Environmental Sustainability Plan which reflects the provisions set out in Government Buying Standards (GBS), the Green Public Procurement guidance and Ecolabel for textile products. The contract also reflects that Cooneen evidence that it’s supply-chain is operating according to the internationally accepted standard set out in the Ethical Trading Initiative (ETI) Base Code, SEDEX, the Worldwide Responsible Apparel Production (WRAP) or such equivalent.</p> <p>Supply Chain Adoption and Audit. Cooneen have an established process to determine and monitor the suitability of supplier to become part of their supply-chain. This includes a supplier questionnaire followed by the relevant Cooneen Country Manager (China, Bangladesh, India etc.) visiting the supplier to conduct an initial assessment against the following criteria:</p> <ul style="list-style-type: none"> • Ethical / Health & Safety – Certifications / Audits completed / Ethical questionnaire / Visit Report • Quality – Certifications / In house quality system • Facility – Standard (structure) of building / Permits & licences / Level of amenities • Technical Capability – Experience / Previous customers or contracts / Product range / Equipment available / Personnel. <p>Suppliers are assessed to be technically qualified and competitive are then required to commit to a number of Cooneen standards including ethical, environmental, modern slavery, etc. Cooneen approved suppliers are subject to a scheduled supplier compliance and auditing program. Depending on their individual status, suppliers will be subject to at least one audit from either Cooneen trained auditors or a third-party organisation such as SGS, ITS or Bureau Veritas who will conduct SEDEX audits on the suppliers. Normally a supplier will be subject to two audits per year unless they hold an independent certification such as SA 8000, WRAP, BSCI or have had an independent SEDEX audit carried out. If a supplier falls under any of those conditions, Cooneen do not then conduct an audit of their own.</p> <p>Circular Economy. The SPS used to provide every new recruit with a formal uniform (tunic, trousers, cap, white gloves, etc) for ceremonial events. However, the formal garments were little used and were phased-out from general issue to new recruit and existing staff during the last contract. However, since 2018, the SPS has maintained a central pool of approx. 100 sets of formal uniform at SPS Fauldhouse which are available for loan to staff for specific events. There is an internal process to order and return the uniform which is then laundered and returned to stock at SPS Fauldhouse.</p>	

3) Trade Services (4 area based Lots)	Suppliers: BAM FM, Richard Irvin and T Clarke
Contract Start Date: July 20	End Date: June 22
Contract Value: Approx. £2.5m pa	Contract reference: 01796
<p>The contract reflects a range of Community benefit provisions from the three suppliers around:</p> <ul style="list-style-type: none"> • Employment / Training for Priority Groups / Disadvantaged Workers/ Unemployed; • Engagement with Local Economies (e.g. SME's); • Local Schools/Colleges or those in education or in SPS care. <p>Covid-19 restrictions affected the ability to progress these. The SPS will monitor and report activity against these objectives in subsequent APRs.</p>	

Contracts awarded in prior years with ongoing Community Benefits:

In Works projects SPS use the Construction Industry Training Board (CITB) matrix to broadly set expectations about Community Benefits relevant to the value and duration of the project. The CITB approach sets out the general expectations of community benefit outcomes for construction projects based on value and duration. In addition to highlighting our priority group, the SPS also consciously promote that we would value use of Supported Business and social enterprise in the main contractor supply chain.

4) Design & build of the Community Custody Unit (CCU) in Maryhill, Glasgow	Supplier: Ogilvie Construction Ltd, (OCL) Stirling
Contract Start Date: Dec 2019	End Date: Est. May 2022 *
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).</p> <p>A Covid-19 related delay led to on-site activity on the CCU commencing around October 20 and it is therefore at quite an early stage at the time of writing this APR for 2020-21. A number of the expected Community Benefits such as employment opportunities therefore remain a work-in-progress.</p> <ul style="list-style-type: none"> • Local economic Impact. Up to March 21, approx. £390K of materials was purchased / spent with local suppliers, and a further £423k of work sub-contracted to local suppliers (£814K in total). The expenditure includes a variety of plant hire and groundworks, construction material suppliers, and site cleaning. • Local employment (40 miles). This is a small construction project with approx. 40 employed on the site. Ogilvie Construction's head office is in Stirling and many of those working on site will be drawn from Ogilvie's existing workforce. To date, 98% of those working have been engaged locally to the site. • Ogilvie's have committed to Fair Work First practices / Living Wage 	
<p>* Note: The construction phase of each of this CCU, the other CCU (Dundee) and the Women's National Facility were all subject to Covid-19 related suspension as part of national lockdown restrictions. Construction activity has subsequently restarted and been re-programmed. The end dates reflect the current estimated completion date.</p>	

5) Women's National Facility (Stirling)	Supplier: Morrison Construction
Contract Start Date: Dec 2019	End Date: Est April 2022 *
Contract Value: Approx. £54M	Contract reference: 10471

The WNF project set-out to deliver Community Benefits in accordance with CITB guidelines for a construction project of c.£50+m (Band 9).

Following award of contract, Morrison Construction moved quickly to take forward the social value elements alongside the construction project. Morrison's have built on the positive relationship they established at the tender stage with Stirling Council and meet with them every 6/8 weeks as part of linking into the Council's employer engagement forum. This forum seeks to ensure local awareness around what Morrison's need or are offering which may interest local employers or be relevant to local groups. Morrison's are also connected to Stirling Community Enterprise.

- Morrison's have engaged with the 'Fighting Chance' programme run by Community Focus Scotland CIC to run the construction site canteen. The canteen has employed someone locally and is looking to recruit a further person (ex-prisoner) to enable them to gain work experience and to be upskilled in the hospitality sector. The canteen currently has a £2k-£3K turnover per month. As a community interest company any profits generated by Community Focus Scotland from running the canteen are invested back into their activities and the local economy.
- **Volunteering.** Katie's Cradle is a charity in Bridge of Allan which brings animals and people together to overcome trauma. HMP Cornton Vale had existing links with this charity in terms of the service supporting some of those in custody. Morrison's, in conjunction with some of their supply chain, have provided 22 volunteering days to date and materials to develop the grounds / facilities at Katie's Cradle. This includes undertaking ground works, installing drainage, provision of gates, and electrical works, and donating a storage container. The work to date is valued at £11,000. This was additional to the Community benefits indicate in the Morrison bid and the relationship with this charity may continue beyond the SPS contract.
- The project established a £10,000 **Community Fund** with the aim to maximise benefit to Stirling and Cornton Vale communities. The fund is managed by Morrison's with representatives from the SPS, Stirling Council and the Wise Group involved in agreeing local priorities. To date, they have donated almost £2,000 through this including to the local Cornton Primary school. The school is currently compiling a list of wanted materials for their outdoor classroom which Morrison's will be donating from site after the summer.
- Morrison's have engaged with **Developing the Young Workforce (Forth Valley)** on their professionals in construction campaign and with Stirling Council on their school employability activity. This has included attending 3 events, talking to DYW teachers in the Forth valley and attending 2 high school employability events. Covid-19 restrictions have meant some adaptation in terms of delivery being pre-recorded and Morrison staff then speaking in virtual group forums about their pathway into the construction industry and careers. To date, 15 weeks of work experience has been carried out virtually, and 10 hours spent supporting young people into work.
- **Developing a Supported Business Supply chain.** Morrison's continues dialogue with BASE to explore how Supported Business could work with them as part of the Morrison's supply-chain on other projects. See previous narrative under Supported Business at paragraph 3.4
- Funding a **Pathways to Employment qualification through the Wise Group.** This will help support the transition for females who have been in custody or clients from the community payback scheme into sustainable employment. Pathways provides dedicated mentors to support individuals. Linking with the Wise Group allows Morrison's to engage with a justice partner with pre-existing capability and the means to readily deliver these social value outcomes. The work was delayed due to Covid-19 however this is not proceeding (summer 2021) and will likely now continue beyond the construction phase of the new prison.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

- **Local economic Impact.** At contract award, Morrison's anticipated that approx. 90% of the contract value would be spent within Scotland. As previously indicated, Morrison's have worked with Stirling Council and their existing supply-chain to develop the local economic benefits by using suppliers within a 50-mile radius of the project:
 - A major sub-contract (£13.3m) for electrical and mechanical activity was awarded to Forth Engineering Service (FES) in Stirling.
 - A further £16m of sub-contracts have also been let to date to Scottish SMEs.
- **Local employment / recruitment.** Johnstone Joiners (a sub-contractor) have recruited a local young person from a Morrison's College course at West Lothian College. The individual had undertaken a work trial with Johnstone Joiners as part of this contract, he is now currently employed and will be starting his apprenticeship with them after the summer. Overall, 5 jobs created to date as part of the WNF project and 1,100 training weeks on site.
- **Circular economy.** Pallets from the construction site have been donated to Wood Re-use, Stirling.
- Morrison's have committed to Fair Work First practices / Living Wage.



Women's National Facility, progress at March 2021

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

6) Design & build of the Community Custody Unit (CCU) in Hilltown, Dundee	Supplier: Ogilvie Construction Ltd, (OCL) Stirling
Contract Start Date: Dec 2019	End Date: Est. April 2022 *
Contract Value: Approx. £7.8m	Contract reference: 10624B

The project will deliver the Community Benefits in accordance with CITB guidelines for a construction project of c.£6.1m - £10m (band 3).

Work on the CCU started in Autumn 20 and, at the time of writing this APR for 2020-21, is therefore at a more developed stage than the Maryhill CCU. There has been very good liaison between Ogilvie's and Dundee City Council. The Council has been proactive in providing details of local suppliers who could be used, promoting use of the Dundee City Council "skills bank" which can match individuals to OCL job requirements / vacancies and also the Dundee "shared apprentices" scheme.

- **Local economic impact.** Up to March 21, approx. £361K of materials was purchased / spent with local suppliers, and a further £309k of work sub-contracted to local suppliers (£670k in total). This expenditure includes a variety of construction material suppliers, the steelwork, scaffolding, site security guarding and cleaning.
- **Local employment (40 miles).** This is a small construction project with approx. 30-40 employed on the site. Ogilvie Construction's head office is in Stirling and the construction team drawn from their Glenrothes and north Fife base. To date, 95% of those working have been engaged locally to the site. The project has, so far, led to 2 new employment opportunities.
- **Circular economy.** [SCRAPAntics](#) in Dundee have benefitted from the donation of surplus / scrap materials such as timber offcuts, piping, etc from the construction site. SCRAPAntics recycle and reuse industry excess into art and design.
- **Charitable donation** – Christmas donation to a local foodbank through Coldside Community Group in Dundee.
- **A Community Art Installation** (sculpture), unique to Dundee, has been designed in conjunction with SPS & Dundee City Council. The art installation is currently being constructed.
- Attended Tay Cities Meet the Buyer are part of engaging with local suppliers.
- Ogilvie's have committed to Fair Work First practices / Living Wage.



CCU, Dundee, May 2021. Note use of Photovoltaic / solar panels on the Hub Building and house-roofs

7) 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>J.W. Filshill Ltd have continued to develop and sustain a range of community benefit activities as part of this contract. The SPS relied heavily on Filshill to ensure continuity of supply of canteen goods to prisons during the Covid-19 lockdowns. This was particularly important when those in custody were subject to a much changed and limited prison regime as a consequence of Covid-19 restrictions</p> <ul style="list-style-type: none"> • Apprenticeships / Training Opportunities. Filshill currently have 2 employees who have completed Modern Apprenticeships and another 2 in progress. They continue to work with the Renfrewshire Council Employability Service to support individuals into work. • Mental Health First Aiders – 18 members of Filshill staff have been trained to provide this support to colleagues. • Filshill continue to work with the Scottish Government ‘Healthy Living Scotland’ initiative supporting a number of schools with ‘Breakfast Club’ and other activity to promote healthy eating. Whilst Covid-19 affected activity last year, this continues to be funded by Filshill and supported via the local Keystores. • The Filshill Community Fund continued to support a number of local charities and causes through the donation of goods or funds up to £500. • Circular Economy. The intended introduction of Deposit Return Scheme Legislation has led Filshill to trial Reverse Vending Machines (RVMs) in three stores. This work remains ongoing. • Local economic Impact. Filshill indicate that approx. 25% of the goods sold by value are sourced from SME suppliers and that 20% of these are Scottish SMEs. • Climate Emergency. As part of supply-chain and environmental efficiencies the Filshill fleet supports some SMEs by backhauling stock from their location to a central depot in Hillington, Glasgow. SPS has agreed some changes to delivery scheduling with Filshill to support more efficient route planning. All the Filshill fleet have telematics – this has reduced idling / increased their MPG / driver performance from 6.78 to 8.20. Filshill are trialing hydronated vegetable oil (HVO) as a fuel for their trucks - this will potentially reduce their fleet CO2 emissions by 30%. 	

8) 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 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>GEO Amey employs in the region of 800 staff on the SCCPES contract, based at eight vehicle bases and over 50 courts located throughout Scotland. At the start of the pandemic, when national restrictions were put in place, which in turn led to reduced levels of activity within the Scottish Judicial system, the SPS and GEO Amey agreed terms to secure the continued employment of all these employees and to secure the capability of services once the pandemic eased and restrictions were relaxed. During this period, no GEO Amey staff were made redundant, put on furlough or had their contractual hours reduced.</p>	

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

8) 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

GEO Amey ensured that none of its employees were financially disadvantaged as a result of being absent from work as a result of either a Covid-19 positive test, self-isolation, shielding or track and trace. In addition, GEO Amey pro-actively contacted its suppliers to ensure that they were financially secure and stable during the pandemic and although no issues were identified or support requested, we would have, if required progressed options including, reduced payment terms, payment at order and bringing forward orders to secure work in our supply chain."

GEO Amey's progress with regards to Apprenticeships in 20/21 was delayed due to the pandemic. GEO are in the process of developing an apprenticeship scheme for approximately 20 of their First Line Managers at Level 3 ILM across the GEO Amey estate (SCCPES and PECS). This is open to high potential officers in addition to current managers as part of their talent and succession programme. They are also working in partnership with Skills for Justice and several other companies to help to shape a specific apprenticeship for the future.

GEO Amey have opened conversations with Amey to review whether they can utilise the Kickstart programme effectively bringing in long term unemployed claimants for a period of time with a view to supporting them to work.

Supply chain engagement

GEO Amey have maintained use of Supported Businesses and a Social Enterprise in their supply chain for the contract:

		£ Spend in FY 2020-21	Aggregate £ spend
Supported Business			
• Uniform, PPE, signage, forms etc	Haven Products	£76,338	£334,360
• Vehicle Base Furniture	City Building / RSBI	-	£72,859
• Vehicle Base Cleaning	All Cleaned Up	£68,554	£151,072
Total spend with Supported Business		£144,892	£558,291
Social Enterprise			
• Document Management & Storage	Wild Hearts	£37,835	£171,371
Total in FY 2020/21 and in aggregate since contract commencement.		£182,727	£729,662

WildHearts is a B2B social enterprise in the UK where 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. The SCCPES contract has allowed them to develop and maintain activity with them.

GEO Amey use 'All Cleaned Up' to provide cleaning services in 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.

9) Learning and Skills (Education Services)	Supplier: Fife College
Start Date: Aug 2017	End Date: July 2022
Contract Value: £4.6m pa	Contract reference: 01313
<p>The prison population consists of many individuals from disadvantaged groups of the general population including many 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.</p> <p>In Year 4 of the contract to Mar 2021, the service was subject to Covid-19 related suspension and then a staged return to learning activities with these being provided to reduced numbers to minimise Covid-19 related transmission risks. The SPS agreed 'supplier relief' with Fife College to allow them to retain the 110 (<i>full and part-time</i>) staff when services were suspended due to Covid-19 restrictions. Fife College were nonetheless able to report the following outcomes and Community Benefits being achieved:</p> <ul style="list-style-type: none"> • During April - July 2020, Fife College created 10 different themed learning packs which were produced and distributed to all prison establishments to enable learning by viewing material through the DVD player on the in-cell television. The themed packs were tailored to a variety of subject areas including Mental Health and Wellbeing, Creative Arts, Scottish Studies, Astronomy, Creative Response to Covid-19, Current Affairs as well as literacy and numeracy fun activities. In total, over 32,000 packs were distributed to learners across all establishments. <p><i>"The packs worked really well as gave those in isolation especially something to focus on. It was a welcome change to those in the hall for something else to put their mind to. Based on the feedback that was received, these appear to have been targeted at the right level for the majority of prisoners."</i> Feedback from an SPS Officer.</p> <p>Feedback on the learning packs was largely positive, with learners generally indicating they liked the packs. Approx. 64% said they had not attended the Learning Centre prior to lock down so in-cell activity packs reached a new audience.</p> <p>In addition to learning packs, Fife College staff have been using the radio stations in some prison establishments to promote learning opportunities, producing podcasts on a variety of topics linked to the current curriculum and learning packs issued. Learning Centre staff at HMP Barlinnie used the radio station to broadcast to the prison as a whole and record podcasts (health and fitness experiences, progress an interactive book group, etc.) to share with other establishments. Fife College staff have developed over 130 educational DVDs on subjects such as employability, creative arts and mindfulness, alongside relevant curriculum content, linked to issued learning packs, which were made available in all establishments for use through the prison in-cell TVs to engage current learners and non-attenders.</p> <ul style="list-style-type: none"> • The Fife College e-technologist, provided over 70 hours of support in kind, building and installing a range of 10 Open University Open Learn courses which are now available for learners in all establishments. The e-learning courses provide increased opportunities for learner certification in topics such as business, grammar, and finance. • In addition to the in-cell learning packs provided, a range of children's activity pack were created to provide appropriate and engaging activities for families during visits. Pre-school, primary and secondary packs were developed, and included a range of literacy and craft activities, and educational toy and writing sheet to promote discussion and emotional wellbeing. • Two learners were supported to complete the transition from SiSE (Students in Secure Environments) to the Open University full access on their release from Castle Huntly. A further 3 learners completed their Open University degree graduated. Another learner has been successful in progressing to University following liberation and another has joined a Princes Trust course at Fife College. 	

9) 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 Learning Centre in HMP Cornton Vale organised and staged a socially distanced 'country fair event' for learners in August 2020, providing art and crafts, assault course and catering equipment. 30 Learners participated in the outdoor fun activities, with 64 SQA units achieved for art, craft and hospitality engagement in preparation for the event.

- Fife College continues to support learners applying to The Hardman Trust, through assisting with writing of business plans to completing relevant sections of application forms. Two Hardman Trust Awards have been made this year to Fife College learners within HMP Castle Huntly, presented during a socially distanced awards ceremony to the successful applicants. In addition, a further successful application was made from a learner supported by staff in HMP Grampian, a presentation was held in Aug 2020.

15 Hardman Trust awards have now been made totaling £11,000. The awards range from work tools, counselling, Gym Instructor and HGV Class 2 driving courses. The recipient who received an award of art supplies attended full time education, was a peer mentor with the art class and has now started as a self-employed portrait artist following his release from prison.

- Annual Koestler Awards 2020 Competition. All prisons take part in this national art competition. 513 entries were submitted from Scottish prisons and 224 awards were achieved. The number of entries was significantly higher than the 187 in 2019.
- Learning Centre staff in various establishments promoted the inaugural Bawbards Poetry & Writing competitions, run by Hidden Voices and First Time Inside. These engaged learners to explore themes relating to sport, community and the impact of a global pandemic. 45 learners submitted creative entries, one poem 'Lockdown Christmas' winning within the festive themed competition. Further activity was undertaken in Nov at various prisons around national Book Week.
- International Men's Day project at HMP Low Moss. Working alongside SPS and Scottish Book Trust, the project ran over a week with Learning Centre staff facilitating daily discussion groups and author visits with 50 learners in attendance throughout.
- In HMP Perth, a strong Adult Numeracy and Literacies partnership remains with local community learning and development organisations, Perth & Kinross Council, The Learning Curve, PUSH (Promoting inclusion for people with learning disabilities), Perth College and Churches Action for the Homeless (CATH).

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 Re-Employ for the manufacture of face coverings. 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.

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Supported Business	Total Annual £ Spend	Commentary
Re-Employ	£28,654	Non-regulated contract awarded for the manufacture of face-coverings for those in custody.
Royal British Legion Industries: Scotland's Bravest	£12,686	SPS used them to produce various general and Covid-19 related signage for in-prison use.
Forth Sector (St Jude's Laundry)	£2,363	A three-year SPS contract (01574) from Feb 2018 to Feb 2022 for laundry services for the SPS College. SPS have elected to extend this contract by 6 months to August 2022 to reflect the period lost due to the Covid-19 lockdown.
Apex Scotland	£30,762	Provision of a virtual visits service in Aberdeen. The contract was extended by 12 months to March 2021 and ended at that time.
CCL (North) Ltd	£24,630	Uplift of WEEE for recycling. Reserved contract. Non-Regulated award of a 3-year contract commencing in 2019-20.
Dovetail Enterprises Ltd	£4,050	
Haven Products	£1,167	
Lady Haigs Poppy Factory	£680	
SPS Total	£104,992	
Main contractor spends to Supported Business as part of its supply chain. Further details are provided in Section 3.		
GEO Amey to Haven Products	£76,338	Supply of GEO Amey staff uniform.
GEO Amey to All Cleaned Up	£68,554	Cleaning of supplier's premises.
Supply-chain Total	£144,892	
In FY 2020-21, overall total expenditure with Supported Business was £249,884		

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 2021, the SPS reasonably expects to tender either in 2021-22 or 2022-23.

- 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 any 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 (£)
Supply of Pre-Packed Food to SPS sites.	Re-let	Jun-21	Oct-21	Nov-21	£1.7m pa
Supply of fresh meat & poultry to SPS sites.	Re-let	Jul-21	Oct-21	Nov-21	£1m pa
Supply of frozen food to SPS sites.	Re-let	Jul-21	Oct-21	Nov-21	£1.6m pa
Supply of milk and dairy to SPS sites.	Re-let	Jul-21	Sep-21	Nov-21	£1.1m pa
Supply of fresh fruit & vegetable to SPS sites	Re-let	Dec-21	Apr-22	May-22	£500,000 pa

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Contract & Subject Matter	New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
Supply of bread & rolls to SPS sites.	Re-let	Aug-21	Aug-21	Jan-22	£650,000 pa
Supply of material to allow SPS to manufacture sports type clothing (Joggers, etc) for prisoner use. (Contract provides the option to extend - decision TBA)	Extension available	TBC	TBC	Mar-22	£275,000
Supply of materials for the manufacture of High Risk Clothing and Bedding. (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	May-22	£110,000
Supply of softwood timber (various cut lengths) for use in Prison Industries. (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Nov-22	£1,500,000
Supply of Ironmongery products (various) for prison industries (bolts, fixings, etc).	Re-Let	Nov-21	Jan-21	Feb-22	£70,000 pa
Supply of Packaging Materials (various) for Prison Industries. (Contract provides the option to extend - decision TBA)	TBC*	TBC	TBC	Jun-21	£50,000 pa
Staff Uniform - specialist roles e.g. SPS Physical Education Instructor (PEI) and other specialist roles	Re-let	Feb-23	Jun-23	Aug-23	£40,000 pa
Security Equipment. Specialist Public Order Equipment (various)	Re-let	Jan 22	Oct 22	Nov-21	£180,000
Provision of Dog Food, Equipment and First Aid Kits for the SPS working dogs. (Contract provides the option to extend - decision TBA)	Extension available	TBC	TBC	Feb-23	£9,000
Supply of Heated Food Trolleys to SPS sites. (Contract provides the option to extend - decision TBA)	Extension available	TBC	TBC	Dec-21	£70,000
Small translucent kettles for in-cell use.	Re-let	Nov-21	Jan-22	Mar-22	£94,000 pa
Supply of Prisoner Clothing & Footwear to SPS sites	Re-let	Oct-22	Feb-23	Apr-23	£500,000
Supply of hairdressing & barbershop products including for vocational training.	New	TBC	TBC	TBC	£30,000 pa
Furniture, Fittings and Equipment (FF&E) for the new Women's Estate in Stirling, Dundee and Glasgow (non-Works). There will be a number of fit-out requirements for the new Women's facilities once these are facilities are built. Some of these requirements will be drawn from existing SPS or collaborative contracts, or will be subject to separate	New	Jul-21	TBC	Spring / Summer 22	Estimated £2m

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Contract & Subject Matter	New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
procurement activity. Relevant requirements will be advertised via Public Contracts Scotland (as appropriate).					
Furniture, Fittings and Equipment (FF&E) for the new HQ (non-Works). There will be a number of fit-out requirements for the new HQ. 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	Jan-22	TBC	Summer 22	Estimated £1m
Digital Services - IT and network related					
Custodial Management Platform (CMP). Multi-year IT project, Agile development of the new SPS custodial management system / prisoner records database and associated functionality. Expected project / Agile development programme of circa 5 / 6 years.	New	TBC	TBC	TBC	Estimate £3m pa
Additional SAN Storage for the SPS	Re-let	Mar-21	Apr-21	Jul-21	£60,000
Maintenance & Support for the current Prisoner Records System (PR2)	Probable Extension	TBC	TBC	Jun-22	£300,000 pa
Provision of Internet Connectivity (Contract provides the option to extend to 2025 - decision TBA)	Extension available			May-22	£90,000
IT Health Check and Cyber Essentials Services (Framework Agreement)	Extension available	TBC	TBC	Sep-21	Unknown
Digital Transformation (Microsoft 365 and Enterprise 5 upgrade)	New	TBC	TBC	Aug 21	£2,500,000
Provision of a Wide Area Network (Contract provides the option to extend to 2023 - decision TBA)	Extension available	TBC	TBC	Nov-21	£1,200,000
Provision of Public Switched Telephone Network Voice Calls and Lines	Re-let	TBC	TBC	Mar-22	£300,000
Prisoner Telephone System (currently fixed landline based)	Probable Extension	TBC	TBC	Mar-22	£385,000
Provision of a Virtual Learning Environment Hosted within the SPS Network (we envisage a 5-year contract).	Re-let	Jul-21	Dec-21	Apr-22	£126,000
Prison Kiosks. Electronic portal to enable self-selection of prison services. The future business need will be informed by current proof of concept activity.	New	Sep-21	Feb-22	Feb-22	Estimated £2M

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Contract & Subject Matter	New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est contract Value (£)
Provision and Maintenance of RSA Tokens	Extension available	TBC	TBC	Dec-22	£17,500 pa

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 (£)
Cleaning Services (various SPS sites across Scotland)	Re-let	Dec-21	Jun-22	Sep-22	£600,000 pa
Provision of Catering Service for the National Training Centre, Fauldhouse. Service reflects supply of filled rolls, soup, etc to the site.	Re-let	Apr-21	Jul-21	May-21	£25,000 pa
Parenting Interventions for Young People	Re-let	TBC	TBC	Mar-22	£45,000 pa
Domestic Abuse Support Services at HMYOI Polmont	Re-let	Oct-22	Feb-23	Mar-23	£90,000
Youth Work Services	Re-let	TBC	TBC	Nov-22	£258,000 pa
High Needs Social Care at various prisons. This requirement is subject to policy decisions and agreement with NHS Scotland around options to fulfil care needs	Re-let	Dec-21	Apr-22	May-22	£1,000,000
Transport and Distribution Services for SPS Central Stores (multi-pallet loads)	Re-let	Sep-21	Jan-21	Apr-22	£375,000 pa
Courier Services - primarily Next Day parcel	Re-let	Aug-21	Aug-21	Jan-22	£75,000
Employee Assistance Programme (EAP) and Welfare Services for the Scottish Central Government sector (multi-organisation users).	Re-let	Mar-22	Jul-22	Oct-22	£200,000 pa
Provision of managed payroll service. Option to extend to Nov 2023	Extension available	TBC	TBC	Nov-21	£160,000 pa
Recruitment & Media Advertising for the SPS.	Re-let	Jan-22	Jun-22	Jan-23	£70,000 pa
Agency Fuel Card Service for SPS fleet vehicles. Currently a call-off from a Crown Commercial Service Framework; option to extend the SPS contract to 2024.	Extension available	TBC	TBC	Mar-22	£550,000

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Services: Contract & Subject Matter	New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est Contract Value (£)
Employee Benefits Scheme. Currently a call-off from a Crown Commercial Service Framework; option to extend the SPS contract to 2023.	Extension available	TBC	TBC	Aug-22	Unknown
Provision of an Externally Hosted Online Recruitment System	Re-let	Jan-22	Jul-22	Jan-23	£51,000
Cash In-Transit Services	Extension available	TBC	TBC	Nov-22	£18,000
Banking Services for the SPS	Re-let	TBC	TBC	Jul-22	£30,000
Learning and Skills Service for prisoners. (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Jul-22	£4,500,000 pa
Mobile phones for staff.	Re-let	TBC	TBC	Jul-22	£68,000
Supply and maintenance repair of In-Cell Televisions	Re-let	TBC	TBC	Sep-22	£573,000
Facilities Maintenance (FM) and related services					
Provision of Multi-Trades Services to the SPS (all sites) - service may be Lotted to reflect geographic areas	Re-let	Mar-22	Jun-22	Jun-22	£2,000,000 pa
Security Guarding Services at SPS College	Re-let	Jan-22	Jun-22	Jul-22	£22,000 pa
Collection and Recycling of IT & WEEE. (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Jun-22	£42,000
Maintenance of fire protection watermist systems. (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Sep-22	£100,000
Provision of Clinical and Washroom Waste Disposal Services to the SPS. (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Sep-22	Unknown
Quantity Surveying (QS) Services for various Estate Works projects	Re-let	TBC	TBC	Aug-22	£300,000
Maintenance of Flues, Chimneys, Lightning Protection and similar High Level Equipment	Re-let	July-21	Sep-21	Oct-21	£145,000

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Services: Contract & Subject Matter	New / Extended / Re-let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Est Contract Value (£)
Maintenance of Boilers, Burners, Heating, Ancillary Equipment and Gas Infrastructure	Re-let	TBC	TBC	Sep-22	£540,000
Maintenance of Refrigeration and Air Conditioning Equipment (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Aug-21	£600,000
Maintenance & Repair of Radio-Based Officer Alarm Systems (Extension agreed in principle)	Extension available	TBC	TBC	Jul-21	£910,000
Asbestos Surveys and Related Services	Re-let	Aug-21	Oct-21	Oct-21	£135,000
Additional Electrical Resiliency for Mobile Base Stations (HMP Shotts & HMP Barlinnie)	Re-let	Mar-21	Apr-21	Jul-21	£52,000
Postal Franking Machines, Associated Services and Consumables	Re-let			Apr-21	£10,000
Asset Valuation Services of the SPS estate (land and properties)	Re-let	TBC	Summer 22	Oct-22	£150,000
Maintenance of Fire Protection Equipment which includes ADT systems.	Re-let	July-21	Oct-21	Nov-21	£220,000
QS Services for the Design and Construction of HMP Highland	Re-let	TBC	TBC	Oct-21	£130,000
Water Quality Management Services including Legionellosis	Re-let	TBC	TBC	Nov-21	£70,000
Maintenance and Servicing of commercial Laundry Equipment (primarily Electrolux machines)	Re-let	Sep-21	Sep-21	Dec-21	£600,000
Maintenance of CCTV and PIDS across SPS sites. (Contract provides the option to extend - decision TBA)	Extension available	TBC	TBC	Mar-22	£940,000
Maintenance of Building Energy Management Systems (BEMS). (Contract provides the option to extend to 2024 - decision TBA)	Extension available	TBC	TBC	Mar-22	£500,000

3. Works - Planned Contracts including Renewals (Indicative)

The two major Works construction projects are for HMP Highland and HMP Glasgow. Both are above the £2m Regulated threshold for public Works. The remainder of the Works projects which SPS reasonably expects to tender during 2020-21 are Non-Regulated. We have, however, included these to illustrate the range of smaller Works projects that SPS intends to tender and take forward in the period. A number of Facilities Maintenance and (non-works) estate-related contracts appear in the Service contract table above.

Regulated Works Contracts					
Contract and Subject Matter	New / Extended / Re-Let	Expected Contract Notice Publication	Expected Award Date	Expected Start Date	Estimated Value (£)
HMP Highland - construction of new prison in Inverness. Project is currently being tendered with tenders due back in July 21.	New	Jan-21	Aug-21	TBC	Circa £70m
HMP Glasgow - construction of a new prison in Glasgow.	New	Jul-21	Aug-23	TBC	Estimated £300m+

Non Regulated Works Contracts

The following non-Regulated Works projects would typically be advertised via Public Contracts Scotland, contracts awarded and the Works completed within the period to the end of March 2021. These projects are collectively budgeted at circa £5.4m.

Heating, Ventilation and Plumbing						
Boilers	Replacement of Boilers (3) at HMP Glenochil	New	Jul-21	Aug-21	Sep-21	£100,000
Heating Pump Replacement	HMP Edinburgh	New	Jul-21	Aug-21	Sep-21	£100,000
Heating pumps, controls and ancillaries	HMP Barlinnie	New	Jul-21	Aug-21	Sep-21	£84,000
Building Energy Management System)	HMP Barlinnie BEMS Upgrade	New	TBC	TBC	TBC	£100,000
Harmonic Filter	HMP & YOI Grampian	New	Jul-21	Aug-21	Sep-21	£30,000

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Non Regulated Works Contracts

The following non-Regulated Works projects would typically be advertised via Public Contracts Scotland, contracts awarded and the Works completed within the period to the end of March 2021. These projects are collectively budgeted at circa £5.4m.

Replacement Steam pipework Phase 3	HMP Barlinnie	New	Jul-21	Sep-21	Oct-21	£50,000
Replacement Below Ground Pipework	HMP Castle Huntly	New	Jul-21	Aug-21	Sep-21	£45,000
Steam Generator Replacement	HMP Glenochil	New	Oct-20	Dec-20	Jan-21	£50,000
Hot Water Returns	HMP Glenochil, Harviestoun Hall	New	Jul-21	Sep-21	Nov-21	£165,000
	HMP Glenochil, Abercrombie Hall	New	Apr-21	Jun-21	Jun-21	£161,000
GSHP Pipework Repairs	HMP Grampian	New	TBC	TBC	TBC	£52,000
Install Immersion Heaters in remaining Hot Water Calorifiers	HMP Grampian	New	TBC	TBC	TBC	£75,000
Water Tank Upgrades	Phase II Water Tank Upgrades	New	Jul-21	Aug-21	Sep-21	£80,000
Cold Water Storage Tanks	Multi-Site	New	Apr-21	May-21	Jun-21	£140,000
Ablutions Upgrade	HMP Barlinnie Halls A, B, C and E Ablutions Upgrade	New	TBC	TBC	TBC	£160,000
	HMP Barlinnie Letham Hall Ablutions Upgrade	New	TBC	TBC	TBC	£80,000
Chiller Replacements (Multi Sites)	HMP Edinburgh and Polmont	New	Jul-21	Sep-21	Jan-22	£150,000
	HMP Grampian	New	Apr-21	Jun-21	Jun-21	£110,000
Air Conditioning (AC) Replacements	HMP Edinburgh & HMP Perth	New	Sep-21	Nov-21	Jan-22	£90,000
Cooling Systems Replacement (Multi Sites)	HMP Edinburgh, Polmont and Shotts.	New	Jul-21	Sep-21	Nov-21	£200,000
Ventilation in Work Sheds	HMP Dumfries	New	Jul-21	Sep-21	Nov-21	£45,000
Extraction Fans	HMP Barlinnie C Hall Extraction Fans	New	Aug-21	Oct-21	Nov-21	£60,000
New Sump and Grinder (Sewage System)	Installation of New Sump and Grinder (Low Moss & Shotts)	New	Jul-21	Sep-21	Oct-21	£400,000
Lighting						
Lamp Post Replacements	HMP Castle Huntly Replacement Street and External Lamp Posts and associated Power Supplies	New	Jul-21	Sep-21	Oct-21	£150,000
LED Lighting	HMP Polmont, Sports Pitch LED Lighting	New	Aug-21	Oct-21	Jan-22	£18,000
LED Lighting	HMP Shotts, LED Lighting upgrade	New	Aug-21	Nov-21	Jan-21	£184,000
LED Lighting	HMP Low Moss, LED Lighting upgrade	New	Aug-21	Oct-21	Nov-21	£20,000
Light Fitting Upgrade	HMP Grampian, In-cell light fittings upgrade	New	Aug-21	Oct-21	Nov-21	£20,000
Light Distribution Board (LDB)	Replacement LDB at HMP Castle Huntly, Gymnasium	New	Aug-21	Oct-21	Jan-22	£40,000

Scottish Prison Service

UNLOCKING POTENTIAL TRANSFORMING LIVES

Non Regulated Works Contracts

The following non-Regulated Works projects would typically be advertised via Public Contracts Scotland, contracts awarded and the Works completed within the period to the end of March 2021. These projects are collectively budgeted at circa £5.4m.

Solar Photovoltaic System	HMP Dumfries - Solar Photovoltaic System - 100kWp Ground Array	New	TBC	TBC	TBC	£185,000
Groundworks - Resurfacing						
Resurface Car Park	HMP Shotts Resurface Car Park	New	TBC	TBC	TBC	£80,000
Tarmac	HMP Dumfries Tarmac "No Man's Land" & Staff Car Park	New	TBC	TBC	TBC	£85,000
Roofing						
Flat Roof Replacement Works	HMP Inverness Flat Roof Replacement Works	New	Apr-21	Apr-21	May-21	£70,000
Re-pointment and Downpipe Replacement	HMP Castle Huntly Castle Re-pointment and Downpipe Replacement	New	TBC	TBC	TBC	£130,000
Houseblock Roof Glazing	HMP Glenochil Houseblock Roof Glazing	New	TBC	TBC	TBC	£200,000
Roof Repairs	HMP Perth Roof Repairs	New	TBC	TBC	TBC	£50,000
Roof Repairs	HMP Open Estate Castle Huntly - Kitchen Roof Replacement and Castle Roof Repairs	New	TBC	TBC	TBC	£450,000
Roof Enclosure	SPS College Replace Roof Enclosure for Main Water Tank Housing	New	TBC	TBC	TBC	£60,000
Room Ventilation	Central Stores Fauldhouse C&R Training Room Ventilation	New	Apr-21	Apr-21	May-21	£75,000
Skylights	HMP Dumfries A Hall Skylights	New	TBC	TBC	TBC	£65,000
Lightning Protection	HMP Barlinnie Lightning Protection	New	TBC	TBC	TBC	£70,000
Security Systems						
CCTV Cameras & Control System	Multi-Site - CCTV Cameras and Control System Upgrade	New	TBC	TBC	TBC	£109,000
Security Network Upgrade	HMP Grampian - Security Network Upgrade	New	TBC	TBC	TBC	£62,400
Miscellaneous						
Electric Vehicle Charging	Multi-Site, Electric Vehicle Charging points– Phase II	New	Aug-21	Oct-21	Jan-21	£132,000
Dumper Vehicle	Purchase of Electric Dumper Vehicle for HMP Perth	New	TBC	TBC	TBC	£30,000
Gym Area Refurbishment	HMP Dumfries - Gym Area Refurbishment	New	TBC	TBC	TBC	£155,000
TV System	HMP Low Moss - Replacement of TV System	New	TBC	TBC	TBC	£267,000
Vehicle Gate Upgrade	HMP Glenochil Vehicle Gate Upgrade	New	TBC	TBC	TBC	£100,000
Install Cell Furniture	HMYOI Polmont Iona Hall - Install furniture x 182 cells	New	TBC	TBC	TBC	£58,000

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 20 – 31 Mar 21
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 regulated awards indicated in Tables 4 and 5 of Section 1. The SPS made 124 contract awards overall with the majority being sub-regulated. SPS publish a [Contracts Register](#) of awards in the Public Contracts Scotland website.
- 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.

56
£45.83m
52
24
0

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 5: Non-Competitive Actions).

44
12

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.

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.	3
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	3
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>).	20
e) Number of Apprenticeships Filled by Priority Groups.	5
f) Number of Work Placements for Priority Groups.	15
g) Number of Qualifications Achieved through training by Priority Groups.	324
h) Total Value of contracts sub-contracted to SMEs.	£30,800,000
i) Total Value of contracts sub-contracted to Social Enterprises.	£73,835
j) Total Value of contracts sub-contracted to Supported Businesses.	£144,892
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. 1,400 staff to perform the activities. This reflects a significant economic and spending power contribution to the Scottish economy.

5. Fair Work First and the real Living Wage

a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	11
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract.	11
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	11

Note: In the year 2019-20 SPS engaged with (128) unique suppliers that are accredited Living Wage employers. Another (45) 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. The comparable figures for 2019-20 were (79) accredited and (10) paying the Living Wage.

d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	3
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Note: In the year 2020-21 SPS engaged with (56) suppliers out of the (814) organisations that have signed the Scottish Business Pledge (SBP). SPS awarded (2) new contracts in 2020-21 to organisations that had signed the SBP. The comparable figures for 2019-20 were (41) suppliers; (4) new contracts awarded with (1) being Regulated contract and the other (3) were Non-Regulated.

6. Payment performance

a) Number of valid invoices received during the reporting period.	48,270
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.	54

Note: Prompt payment of invoices in supply-chains features as a standard term in SPS contracts.

d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	1
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Note: In the period Apr 20 to Mar 21, SPS received one complaint from a sub-contractor regarding non-payment by a main contractor. SPS contacted the party concerned to address this matter.

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:	£104,992
i) spend within the reporting year on regulated contracts.	£30,762
ii) spend within the reporting year on Non-Regulated contracts.	£74,230

Note: Three existing term contracts with Supported Businesses continued to be performed in the period (see Section 2). Supported Businesses also received £144,892 of supply-chain Community Benefit spend through contracts award by the SPS.

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£177.45m
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£27.7m

Note: SPS relies on the Observatory Hub to classify suppliers by size. The Hub has classified 782 (70%) of the 1,124 suppliers used by the SPS in 2020/21. This covers 99% of the £177.45m spend in 2020/21.

The remaining 339 (30%) are 'unclassified' i.e. the total annual spend was 'below de minimis' typically sub £1,000 each. The aggregate expenditure with these suppliers was approx. £650k. 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.	£776,000
Note: The Third Sector spend was reflected across 15 organisations. Section 3.4 of this APR summarises the SPS's wider engagement with the Third Sector.	
d) Percentage of total procurement spend through collaborative contracts.	Approx. 26%
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	£9,690,325
i) delivered cash savings for Cat A contracts	£975,838
ii) delivered cash savings for Cat B contracts	£171,487
iii) delivered cash savings for Cat C contracts	£8,543,000
g) Total non-cash savings value for the period covered by the annual procurement report	£672,000
9. Future Regulated procurements	
a) Total number of regulated procurements expected to commence in the next two financial years	67 *
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£407.8m *
* Notes:	
<p><i>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.</i></p> <p><i>II. Non-Regulated Goods and Services projects (i.e. <£50k) have not been reflected in the count in (9) above.</i></p> <p><i>III. Non-Regulated Works projects for 2020-21 shown for information in Section 5 are excluded from the above figure. These have a value of approx. £5.4m.</i></p>	



Covid-19 Artwork - HMP Dumfries

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Annual Procurement Report 2020-21, dated July 2021

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