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Contract

Prison Retail Service

Ministry of Justice.

F20: Modification notice

Notice identifier: 2021/S 000-001789

Procurement identifier (OCID): ocds-h6vhtk-028e53

Published 28 January 2021, 10:56pm

Section I: Contracting authority/entity

I.1) Name and addresses

Ministry of Justice.

102 Petty France

London

Email

MOJProcurementFood@justice.gov.uk

Telephone

+44 02033343555

Country

United Kingdom

NUTS code

UK - UNITED KINGDOM

Internet address(es)

Main address

<https://ministryofjusticecommercial.bravosolution.co.uk/>

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Prison Retail Service

II.1.2) Main CPV code

- 55510000 - Canteen services

II.1.3) Type of contract

Services

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - UNITED KINGDOM

II.2.4) Description of the procurement at the time of conclusion of the contract:

The Retail service is a critical operational function within the prison estate where by prisoners can supplement their daily provisions by purchasing items using their own cash. The contract provides a range of products from foodstuffs to toiletries which are picked and packed at several workshops located within prisons. The workshops pick c.66,000 orders per week and provide employment places for approximately 520 prisoners daily, who are supported by the Supplier by providing guidance, support and training. By employing prisoners, the service provides a key tool in maintaining prison order through productive labour but also supports one of HMPPS' and MoJ's key strategic objectives of rehabilitating prisoners as they have an opportunity to learn vocational skills and gain real-world job experience that can be used to gain employment on release.

The service aims to deliver orders in a timely, efficient manner while

ensuring that prison security policies (national or local) are never contravened.

Financially a key aim of the service is that it is self-financing and that the service overheads are covered through the cost of sales. The service must not exploit the customer (prisoner) population and instead should be an opportunity both to play a key role in the operation of a prison environment and providing opportunities for re-skilling and resettlement on release (e.g. jobs interviews, offers of work)

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

End date

31 July 2021

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section V. Award of contract/concession

Contract No

0710/47/6

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

1 April 2009

V.2.2) Information about tenders

The contract/concession has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

Ministry of Justice

London

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)

Total value of the procurement: £500,000,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Ministry of Justice

London

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

- 55510000 - Canteen services

VII.1.3) Place of performance

NUTS code

- UK - UNITED KINGDOM

VII.1.4) Description of the procurement:

The Retail service is a critical operational function within the prison estate where by prisoners can supplement their daily provisions by purchasing items using their own cash. The contract provides a range of products from foodstuffs to toiletries which are picked and packed at several workshops located within prisons. The workshops pick c.66,000 orders per week and provide employment places for approximately 520 prisoners daily, who are supported by the supplier by providing guidance, support and training. By employing prisoners, the service provides a key tool in maintaining prison order through productive labour but also supports one of HMPPS' and MoJ's key strategic objectives of rehabilitating prisoners as they have an opportunity to learn vocational skills and gain real-world job experience that can be used to gain employment on release.

The service aims to deliver orders in a timely, efficient manner while ensuring that prison security policies (national or local) are never contravened.

Financially a key aim of the service is that it is self-financing and that the service overheads are covered through the cost of sales. The service must not exploit the customer (prisoner) population and instead should be an opportunity both to play a key role in the operation of a prison environment and providing opportunities for re-skilling and resettlement on release (e.g. job interviews, offers of work).

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

End date

31 July 2022

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£64,290,000

VII.1.7) Name and address of the contractor/concessionaire

Ministry of Justice

London

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

This notice relates to a modification to the end date of the existing contract by way of an extension of a period of twelve (12) months such that the end date has been amended to

31 July 2022.

The successful go live of the next generation contract by 31st July 2021 is no longer achievable due to the negative impacts of the Covid-19 pandemic. There have been both direct and indirect impact on resources to both the core project team and key stakeholders and the market for the provision of food and personal items, which is under huge operational pressure responding to the impacts of the pandemic and would be likely to struggle to bid for the contract at this time. Any new supplier would potentially also struggle to guarantee continuation of service. With the ability to deliver the project to the timescales required now impossible the primary object becomes to ensure a continuity of service, thereby safeguarding the stability of our prisons and safety of prisoners and prison staff. Procurement process are underway for the retender of this service.

The Authority considers the modification(s) of the contract without prior publication of a contract notice is permitted by the Public Contracts Regulations 2015 and Directive 2014/24/EU. The contract has been modified in accordance with Regulations 72(1)(c) and/or (e)/Articles 72(1)(c) and/or (e) and accordingly does not, in the Authority's view, amount to the award of a new contract and/or an unlawful substantial change. This is on the basis of the following:

- The modification has been brought about by the circumstances of the Covid-19 pandemic which a diligent contracting authority could not have foreseen. As has been recognised by the European Commission (2020/C 108 I/01 refers), the Covid-19 crisis is an event which could not have been foreseen nor planned for in advance by the Authority.
- the modification does not alter the overall nature of the contract and only extends the term of the contract.
- The increase in price as a result of the modification, [£64,290,000], does not exceed 50% of the value of the original Contract [£500,000,000].
- The modification is also considered by the Authority not to be substantial within the meaning of Regulation 72(8).

The contract was previously modified in 2019 where the contract end date was extended by a period of twenty-eight (28) months under Regulation 72(1)(e) on the grounds that the modification was considered by the Authority not to be substantial within the meaning of Regulation 72(8).

VII.2.2) Reasons for modification

Need for modification brought about by circumstances which a diligent contracting authority/entity could not foresee.

Description of the circumstances which rendered the modification necessary and explanation of the unforeseen nature of these circumstances:

This notice relates to modifications brought about by circumstances which a diligent contracting authority could not foresee (Article 72(1)(c)/Regulation 72(1)(c)) relating to the Covid-19 pandemic.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptions and average inflation)

Value excluding VAT: £50,000,000

Total contract value after the modifications

Value excluding VAT: £564,290,000