



Scottish Prison Service Same Day Courier Contract

The Scottish Prison Service (SPS) delivers custodial and rehabilitation services to people convicted by the courts.

SPS uses courier services to send priority mail and parcels from the prisons. DNDP, a supported enterprise, submitted a tender for the Same Day Delivery Lot and won the tender to deliver the services.



Background

The Scottish Prison Service (SPS) delivers custodial and rehabilitation services to people convicted by the courts. SPS's main objective is to make Scotland safer by protecting the public and reducing re-offending.

SPS uses courier services to send priority mail and parcels from the prisons. The courier service contracts came up for renewal and SPS put them out to competitive tender in two Lots: same day delivery and next day delivery. SPS had included a Community Benefits question in the tender, but it was not scored.

SPS advertised via PCS and also organised a Supplier Forum to provide more background and information about the upcoming tenders. Among a number of large, private sector courier services, DNDP CIC, a relatively new supported enterprise showed an interest in the contract.

DNDP (Delivering Next Day Personally) CIC is a supported enterprise that offers competitive and secure courier service with a difference. DNDP actively employs people with disabilities and long term health conditions as drivers and thus offers disadvantaged and often overlooked members of society to access an opportunity to suitable employment. (<http://www.dndp.co.uk/>)

Scope and Focus

SPS was pleased with the expression of interest from a supported enterprise and started a

conversation with DNDP. Initially, SPS anticipated a role for DNDP in the supply chain (as a sub-contractor to one of the private sector couriers) and introduced them as such at the Supplier Forum.

However, there was no appetite from the large private sector couriers to work with DNDP. Encouraged by the information from the Suppliers Forum, DNDP was convinced they had the skills, staff and vehicles to deliver the Same Day Delivery contract as the main contractor and submitted a tender

After a rigorous process of scoring the tenders DNDP came out as the successful supplier for Lot 1 – Same Day Delivery.

A three-year contract commenced in October 2015. Whilst very much usage dependent, the contract may be worth up to £20k per year to DNDP.

Key Challenges

There were a few challenges to overcome.

- As a new supplier to SPS, DNDP had to undergo a thorough process of due diligence. This also focussed on DNDP's business model as a supported enterprise, which is different from SPS' 'typical' private sector suppliers. DNDP was able to show the soundness of its business model and financial structure, which gave SPS the confidence that they could deliver the contract at minimal risk to SPS.

- DNDP realised that their track record was considerably less established than their large private sector competitors. However, they did decide to see the process as a win-win opportunity: either winning the contract or gaining experience, templates and documents that could be used for other tender procedures.

Outcomes

A number of positive outcomes have emerged.

- The Same Day Delivery contract is the first contract of scale that has been won by a supported enterprise.
- The tender process did include questions about community benefit, but these were not scored. However, DNDP is by its nature very interested in helping SPS to achieve its wider social objectives, such as providing employment to people leaving prison and upskilling prisoners while in custody. SPS and DNDP have started conversations about how to maximise the wider social value from the contract.
- By winning the contract DNDP has become more sustainable as a business.
- Entering the tender process and ultimately winning the contract has given DNDP the confidence to submit other tenders in the future.

Critical Success Factors

There were a number of factors that were essential to the success of the tender:

- First and foremost the contract was won by the quality and competitiveness of DNDP's tender submission that achieved the highest score in a competitive process.
- As a newcomer to the sector with a slightly different business model, DNDP showed innovation and a 'hunger' to win the contract that gave them the edge over more established companies.

- The conversation that SPS started with DNDP and the subsequent introduction of DNDP to the Suppliers Forum has given DNDP the confidence and assurance that they were taken seriously as a supplier to submit a tender for the contract on their own.

- The bespoke support delivered by the Just Enterprise programme was invaluable for DNDP to win the tender.

- DNDP actively seeks customer satisfaction feedback from its customers. The 100% satisfaction rate they have achieved so far, gave them the confidence that they could deliver the contract.

Lessons Learned

Throughout the process DNDP has shown SPS that they have the capacity and credibility to deliver contracts.

SPS now sees supported enterprises in a new light. First they saw only a role for supported enterprises as sub-contractor in the supply chain, now they see supported enterprises as a viable option to deliver contracts as main contractors.

SPS now holds up the Same Day Delivery contact as an example of good practice of supplier diversification and working with the third sector.

SPS is also more convinced than it was before that supported enterprises can be more effective in helping to achieve their wider supported objectives (reducing re-offending) from procurement processes.

SPS has a track record of working with the Third Sector in prisons and of engaging with the sector in terms of prisoners being referred to community services. Engaging social enterprise to provide contracted services is a natural extension of SPS seeking to reduce reoffending and transform lives.

For further information, contact:

Brodie Smithers, Senior Procurement Specialist Scottish Prison Service

P: Room 224, Calton House, 5 Redheughs Rigg, Edinburgh, EH12 9HW

T: 0131 244 8646

E: brodie.smithers@sps.pnn.gov.uk

Bruce Gunn, Managing Director DNDP CIC

P: Suite 25, Nasmyth Building, East Kilbride, G75 0QR

T: 01355 229204

E: bruce@dndp.co.uk