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**United Kingdom-London: Probation services
2021/S 001-002213**

Modification notice

Modification of a contract/concession during its term

Legal Basis:

Directive 2014/24/EU

Section I: Contracting authority/entity

I.1) Name and addresses

Official name: Ministry of Justice

Postal address: 102 Petty France

Town: London

NUTS code: UK UNITED KINGDOM

Country: United Kingdom

Contact person: Paul Carter

E-mail: probationcommercialteam@justice.gov.uk

Telephone: +44 2033343555

Internet address(es):

Main address: www.gov.uk/government/organisations/ministry-of-justice

Section II: Object

II.1) Scope of the procurement

II.1.1) Title:

Transforming Rehabilitation

II.1.2) Main CPV code

75231240 Probation services

II.1.3) Type of contract

Services

II.2) Description

II.2.1) Title:

Transforming Rehabilitation: Contracts for the Services of Rehabilitative Services and Offender Management
Lot No: 21

II.2.2) Additional CPV code(s)

75100000 Administration services

75230000 Justice services

75240000 Public security, law and order services

80400000 Adult and other education services

80500000 Training services

85100000 Health services

85300000 Social work and related services

II.2.3) Place of performance

NUTS code: UK UNITED KINGDOM

Main site or place of performance:
England and Wales.

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

Following publication of Contract Notice ref [2013/S 183-315991](#), successful bidders acquired the Community Rehabilitation Companies (CRCs) and contracts were awarded on 5 December 2014 for the delivery of probation services, with contracts entered on 18 December 2014. The scope of services was a rehabilitation programme which involved the split of the then current probation and offender resettlement services into a single national public probation service (National Probation Service (NPS)) and the setting up of a series of independently owned and operated Community Rehabilitation Companies (CRCs) to deliver rehabilitation (probation and resettlement) services in 21 Contract Package Areas (CPAs) across England and Wales. The contracts were for a 7-year initial term with an option to extend for a further 3 years. The contracts are due to expire on 25 June 2021, following service of termination notices in December 2018 and subsequent extensions being agreed in December 2019. The GBP (£) figures quoted within the original contract award notice were the maximum anticipated, total, real value of the contracts if the contracts had been extended to the fullest amount allowed under the contract and payment by results had been paid at the maximum level in all periods including all extensions.

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

Start: 18/12/2014

End: 25/06/2021

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: 2015/S 027-045770

Lot No: 21

Title:

Kent, Surrey and Sussex

V.2) Award of contract/concession

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

18/12/2014

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

Official name: The Kent, Surrey and Sussex Community Rehabilitation Company Ltd

National registration number: 08802556

Postal address: 75-77 Main Road

Town: Hockley

NUTS code: UK UNITED KINGDOM

Postal code: SS5 4RG

Country: 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: 372 000 000.00 GBP

Section VI: Complementary information

VI.3) **Additional information:**

VI.4) **Procedures for review**

VI.4.1) **Review body**

Official name: High Court of Justice

Town: London

Country: United Kingdom

VI.5) **Date of dispatch of this notice:**

30/12/2020

Section VII: Modifications to the contract/concession

VII.1) **Description of the procurement after the modifications**

VII.1.1) **Main CPV code**

75231240 Probation services

VII.1.2) **Additional CPV code(s)**

VII.1.3) **Place of performance**

NUTS code: UK UNITED KINGDOM

Main site or place of performance:

England and Wales.

VII.1.4) **Description of the procurement:**

The scope of services was a rehabilitation programme which involved the split of the then current probation and offender resettlement services into a single national public probation service (National Probation Service (NPS)) and the setting up of a series of independently owned and operated Community Rehabilitation Companies (CRCs) to deliver rehabilitation (probation and resettlement) services in 21 Contract Package Areas (CPAs) across England and Wales.

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

Start: 18/12/2014

End: 25/06/2021

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

Total value of the contract/lot/concession: 372 000 000.00 GBP

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

Official name: The Kent, Surrey and Sussex Community Rehabilitation Company Ltd

National registration number: 08802556

Postal address: 75-77 Main Road

Town: Hockley

NUTS code: UK UNITED KINGDOM

Postal code: SS5 4RG

Country: 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):

The authority has made previous modifications which have been subject to prior modification notices (where applicable). This notice relates to modifications to the Lot 21. The Kent, Surrey and Sussex Community Rehabilitation Company ('CRC') contract (the Agreement). The change is made to support the CRC to move

from the Covid Relief Period to 'transition and recovery' in accordance with the previous modification pursuant to the guidance set out in PPN4/20 (Procurement Policy Note 04/20: Recovery and Transition from Covid-19).

The authority has made variations to deal with the following two phases:

— Phase 1 – The Covid Transition Period (from 31 August 2020 (being when the Covid Relief Period expired under the previous modification) until 4 December 2020. The initial previous modification was effective until 31 October 2020 with a right for the Authority to change this date. The authority issued a notice to change the date to 4 December 2020 — during this phase the CRC shall have its service delivery obligations amended temporarily to reflect the continuing difficulties of delivering their obligations under pandemic restrictions (and the authority shall waive it remedies and rights under the Agreement in whole or in part, as and where appropriate, in respect of such obligations). The CRC shall deliver the services to the extent provided for (from 1 September 2020) in the Transition EDM and Transition Plan and the CRC shall carry out all obligations on it as set out in the Transition EDM and Transition Plan. The Transition EDM and Transition Plan are integral to the CRC moving away from the EDM and achieving progress back to business as usual deliver of the Services in line with the Agreement prior to the impact of the pandemic,

— Phase 2 – The Recovery Period (being the period from 5 December 2020 to 31 March 2021 (or such other date as may be notified by the authority to the CRC)) – during this period the CRC's shall operate in accordance with the Transition EDM and Transition Plan with associated contractual relief but with pricing and transparency on a cost plus basis as set out in a previous modification. The invoicing procedures are also updated for this period,

— the CRC shall be required to pay any service credits that accrue during the service credit transition period (being the period from 1 October 2020 to 31 March 2021 (or such other date as may be notified by the Authority to the CRC)) for service level 4 and service level 18 only. The remainder of the service credits shall continue to be disappplied during this period but must continue to be monitored and reported against by the CRC,

— there is a process for reviewing and updating the Transition EDM and Covid Transition Plan during the Covid Transition Period and/or the Recovery Period,

— additional obligations are included on the CRC relating to transparency, open book and audit during the Covid Transition Period and the recovery period and

— the authority has the right to cease the relief granted and recover payments where the CRC does not comply with the amended obligations.

The authority considers the modifications 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 was 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. The modification does not alter the overall nature of the contract and the increase in price does not exceed 50 % of the value of the original contract. 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.

VII.2.2) **Reasons for modification**

Need for modification brought about by circumstances which a diligent contracting authority/entity could not foresee (Art. 43(1)(c) of Directive 2014/23/EU, Art. 72(1)(c) of Directive 2014/24/EU, Art. 89(1)(c) of Directive 2014/25/EU)

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

The modification is brought about due to the unforeseen circumstance surrounding the Covid-19 pandemic and its impact on the economy, to allow for the temporary, proportionate, and appropriate relief to the CRC in line with government guidance.

VII.2.3) **Increase in price**

Updated total contract value before the modifications (taking into account possible earlier contract modifications and price adaptations and, in the case of Directive 2014/23/EU, average inflation in the Member State concerned)

Value excluding VAT: 279 731 000.00 GBP

Total contract value after the modifications

Value excluding VAT: 279 731 000.00 GBP