

Annex A

Correspondence between the Scottish Government, the Scottish Prison Service and/or Sodexo Justice Services about nationalising HMP Addiewell within the last five years.

[Redacted Section 30(b)] [Redacted Section 25] [Redacted Section 30(b)] [Redacted Section 30(b)]

HMP Addiewell is currently contracted to provide 724 prisoner places, on a 25 year contract which expires in December 2033. This contract with Addiewell Prison Limited (APL) was signed in June 2006 by the Lib-Lab administration and commenced operation in December 2008.

Cost comparison analyses show that the operating cost of SPS of the contract for HMP Addiewell is high relative to similarly sized prisons elsewhere in the SPS estate. Part of the reason for this is the indexation mechanism in the contract which increases part of the cost by inflation (RPI(X)), and part of the cost by inflation plus 1.5% each year.

Given recent high inflation, we have seen challenging cost increases for this contract. SPS continue to explore options to mitigate costs and we continue to look for viable options for changing the contractual framework or indexation mechanism within which HMP Addiewell operates, but so far none have been identified.

Plans for the expiry of the contract will be created nearer the end of the contract.

[Redacted Section 25]

[Redacted Section 25] [Redacted Section 30(b)]

Although it is the policy of the Scottish Government that prisons should be owned and operated by the public sector, the contract to operate HMP Addiewell was awarded by a previous administration and still has 10 years to run.

[Redacted Section 30(b)] [Redacted Section 30(b)]

The contract between APL and Scottish Ministers still has more than ten years to run. Right now, we are rightly focussed on key action to ensure HMP Addiewell is a safe, stable, and successful prison.

Improvements are already being made.

[Redacted Section 30(b)] [Redacted Section 30(b)] [Redacted Section 38(1)(b)] Addiewell

The 25-year PFI contract for HMP Addiewell was put in place in 2006 by the Lib Dem-Labour administration and started in 2008.

[Redacted Section 30(b)]

The contract does not expire until December 2033 and given the significant costs and complexities of the contract, SPS have no plans to end the contract early and place those costs on the public purse.

This Scottish Government's longstanding policy is that prisons should be managed by the public sector.

SPS will take appropriate preparatory actions well in advance of the contract reaching its end point.

The contract for HMP Addiewell has an indexation mechanism in the contract agreed by the Lib Dem- Labour administration which is linked to inflation which means the cost is high relative to similarly sized prisons elsewhere.

[Redacted Section 30(b)]

Q: Can the Scottish Government provide assurance that when the current private contracts for HMP Kilmarnock and HMP Addiewell expire, will the establishments become public sector prisons?

The Scottish Government consider that prisons should be owned and managed in the public sector.

The private prisons will come into public ownership on expiration of the contracts.