Burg Correctional Facilities



1. Asset information

The Burg Correctional Facilities, located in Saxony-Anhalt, is the first availability-based prison PPP project in Germany and one of only a few PPP's in the social accommodation sector in the country. It consists of the development, design, construction, financing, operation and maintenance of a new maximum-security penal institution. It is also one of Europe's most secure and modern correctional facilities. The operational period runs until April 2034.

The facility was constructed in less than 2.5 years on a turn-key basis and designed to house 650 male prisoners sentenced to two years or more. It has 4 accommodation units, a gatehouse/visitors' area, a service centre with kitchen, health care unit and library; four workshops; a gymnasium and an outdoor sports area.

2. Impact



- Number of inmates: 650 male prisoners
- Number of jobs created: 77

3. Environment

GHG emissions

The Burg Correctional Facilities built in 2009, achieved all environmental regulations at the time. With an optimised and more environmentally friendly heating, the system was equipped with conventional gas heaters and a wood chip heater. Electricity and heat contracting are important performance indicators for the project.

Climate risk

The project was screened to evaluate the potential physical impacts from climate change based on 'Paris-aligned' (RCP2.6 ~+1°C) and 'High emissions' (RCP8.5 ~+3.7°C) scenarios across three time periods (2020, 2050 and 2100). The project maintains a Very Low physical climate risk score under the Paris-aligned scenario as of 2050.

Waste & Water

The project operates a policy to minimise waste sent to landfill and ensure safe and proper disposal of any hazardous material. It adopts project-wide recycling initiatives and ensures safe, secure and hygienic storage of waste, chemicals and potential pollutants.

Additionally, the Portfolio Company and its subcontractors have an active water usage reduction programme in place.

The management services provider continues to monitor waste and water consumption and is actively exploring opportunities to reduce them wherever possible.

Biodiversity

The asset is built in compliance with local environmental regulations. Additionally, the Portfolio Company has a Biodiversity policy in place.

4. Social

Health & Safety

Health and safety is on the agenda each board meeting. Our asset managers work actively with the Portfolio Company or its management service providers, to promote a strong health and safety culture, facilitate the sharing of best practices.
We endorse a zero-tolerance approach to occupational health and safety incidents. Additionally, the Portfolio Company has a Health & Safety policy in place and regularly conducts a fire or health and safety audit.

Diversity

The contract requires Portfolio Company and its subcontractor to provide the following services hard and soft FM, healthcare incl. mental health, support the authority's security personnel and systems as well as social care. As part of these services, the work forces of the subcontractor are diversified across gender, nationality and religion as long as they pass the security requirements, which are applicable for prison operations.

Impact for local communities

In 2019 and now again in 2024, the project company team collected books and DVDs for the prison library through appeals for donations in order to improve the lives of the inmates.



5. Governance

Delegation & oversight

The Portfolio Company directors review on a quarterly basis comprehensive board report, including both general project management and financial management. The project has a rigorous governance structure in place with quarterly board meetings, ad-hoc meetings when required and an authority delegation matrix to the management services provider.

The Portfolio Company has robust ESG policies and procedures in place and clear board-level responsibility to monitor their application. The ESG standard policies include:

- Biodiversity policy
- Code of Conduct, including anti-bribery, anti-corruption and non-discrimination
- Conflict of interest
- Cyber-security
- Diversity
- ESG
- Health and safety (workplace accident prevention)
- Anti-slavery & Human Trafficking policy (Modern Day Slavery)
- Rapid escalation
- Responsible contractor
- Tax
- Whistleblowing

The Portfolio Company holds frequent meetings with the public sector client to promote collaboration, coordination and integration of operations.

Reporting

The Portfolio Company uses a quarterly board pack, reporting to the board of directors on the operational and financial performance of the project and compliance with its obligations and regulation/legislation, including the policies.
Additionally, the Portfolio Company reports annually into BBGI's ESG KPI survey, which composed of 100+ data points, covering all aspects of ESG oversight.

Cyber security

Portfolio Company and its subcontractors continuously monitor that the cyber security policy is in place and perform information risk analysis and develops mitigating measures. They have a robust and comprehensive IT backup system in place. Additionally, the Portfolio Company has a Cyber security policy in place.

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