



G4S Australia

Submission to the  
Western Australian  
Economic Regulation Authority:

Inquiry into options to  
Improve the efficiency and performance  
of Western Australian prisons

24 April 2015

## CONTENTS

<b>CONTENTS</b>	<b>1</b>
<b>MANAGING DIRECTOR'S FOREWORD</b>	<b>2</b>
<b>EXECUTIVE SUMMARY</b>	<b>3</b>
<b>ABOUT G4S</b>	<b>4</b>
THE WORLD'S LARGEST SECURITY COMPANY	4
CARE AND JUSTICE SERVICES IN AUSTRALIA	4
PRISON WORK IN AUSTRALIA ...	5
PORT PHILLIP PRISON	5
MOUNT GAMBIER PRISON	6
G4S IN WESTERN AUSTRALIA ...	7
LESSONS LEARNED FROM THE DEATH IN CUSTODY OF MR IAN WARD ...	7
RECONCILIATION ACTION PLAN	8
<b>APPROACH TO THIS SUBMISSION</b>	<b>9</b>
<b>PRISON PERFORMANCE MATTERS</b>	<b>10</b>
<b>DRIVING BETTER PERFORMANCE</b>	<b>13</b>
<b>MEASURING PERFORMANCE: THE EXPERIENCE OF PORT PHILLIP PRISON</b>	<b>16</b>
<b>SHARING THE GAINS</b>	<b>18</b>
<b>A MIXED ECONOMY PRISONS MODEL FOR WESTERN AUSTRALIA</b>	<b>19</b>
<b>CONCLUSION</b>	<b>20</b>
<b>FURTHER INFORMATION</b>	<b>20</b>
<b>REFERENCE LIST</b>	<b>21</b>
<b>APPENDIX A</b>	<b>22</b>

## Managing Director's Foreword

G4S would like to thank the Economic Regulation Authority for the opportunity to make this submission to its inquiry into options to improve the efficiency and performance of Western Australian prisons.



An inquiry of this type is vital to ensuring both better outcomes for taxpayers and better recidivism results for Western Australia, as it will move the State's prison network towards comparable measures for prisons under both public and private management. At present it is difficult to determine what works and what doesn't in terms of improving outcomes because there is no comparable measure between the two sectors, or indeed between prisons within the two sectors.

As a leading global security provider with considerable experience in funding, designing, building and operating prisons in 11 jurisdictions around the world, G4S is well placed to contribute to this inquiry. In doing so we have elected to draw especially on our experience in Port Phillip Prison in Victoria because of its relevance in the Australian context and because of the achievements we have seen there under the performance regime developed with Corrections Victoria. Importantly innovations developed at Port Phillip Prison have been shared and adopted across the Victorian prison estate, thereby delivering the real benefits of private sector involvement in prisons throughout the State's prison system.

Importantly, G4S believes that governments benefit most from the development of mixed economies in the corrections space. It is our view that mixed economies bring a competitive tension, particularly through contestability, which drives efficiencies, innovation and better outcomes across a prison system. Therefore the discussion about a jurisdiction's prison system should never be framed in terms of "either or". Rather, we believe, the best systems are comprised of a suitable mix of private and public prisons. Although competitive tension is critical to driving improvements a well-balanced system should also have built into it incentives for "cross-fertilisation" between public and private prisons.

We wish the Economic Regulation Authority success with its inquiry and we wish Western Australia success in establishing a competitive and collaborative prison system geared to achieving the State's desired outcomes, not least of which is to reduce recidivism rates. We are pleased to make this contribution to

**Dennis Roach**  
**Managing Director**  
**G4S Australia, New Zealand and Papua New Guinea**

## Executive Summary

In its Discussion Paper (18 March 2015) on this inquiry, the Economic Regulation Authority (ERA) of Western Australia noted that “the Western Australian prison system is not operating as efficiently and effectively as it could.” The ERA highlighted the problems of “high rates of recidivism, the high cost of providing prison services in Western Australia, high utilisation rates of prisons, and inadequacies in the programs delivered to prisoners” (p.4.). In particular the ERA noted that the State’s public prisons were adversely affected by “insufficient transparency and accountability”, “lack of autonomy of Superintendents”, “lack of incentives”, “lack of clear philosophy and objectives”, and “poor planning and resource allocation” (p.5.). Specific issues were also noted in areas such as availability and access to mental health services (pp.12-13.) and to drug and alcohol rehabilitation (pp.14-15), suitability of rehabilitation programs (pp.15-16), etc.

It is not G4S’s role or intention to attempt to address these issues specifically. Rather, we intend to highlight the importance of further development of the mixed economy model as it applies to prisons management and corrective services, and the benefits of competition and of incentives for sharing information and innovations by promoting cooperation and collaboration across the public and private sectors. In this sense, we especially believe that the introduction of comparable performance measures across both private and public sector prisons will be critical to improvement, particularly as they will address the current problem of lack of transparency and accountability.

In this regard, G4S hopes to, through this submission, share with the ERA the performance measures and level of monitoring that is applied to us in one of the prisons we manage – Port Phillip Prison in Victoria. As one of the largest maximum-security prisons in Australia, we believe our success, working with Corrections Victoria are instructive. While this submission provides a brief overview of our philosophical approach to care and justice services and to performance measures at Port Phillip Prison, we would be delighted to provide more detailed information to the ERA and the WA Corrections Department should they wish to delve deeper into any specific aspects of this submission.



## About G4S

### The world's largest security company

G4S is the largest and most diversified security company in the world, which has been providing security solutions to private companies and governments around the globe for more than 100 years.

G4S is a FTSE 100 company with global revenue in excess of AUD\$11.5 billion. G4S employs more than 618,000 people and operates in 120 countries, making it one of the world's largest private employers.

G4S has the capability to offer the world's most diverse range of security solutions, which are tailored to each market and incorporate sector specific requirements. These include risk assessments, investigations, compliance, case management, manned security solutions, a full suite of security technology, custodial transport management, care and justice, welfare to work, cash in transit – and a complete range of security related training.

G4S provides care and justice services to governments in 11 countries, including the United States, United Kingdom, The Netherlands, Australia and New Zealand. Care and justice services include adult custody and prisons, court services and prisoner transportation, youth custody and children's services, electronic monitoring, police support services, monitoring technologies, and ambulance services.

G4S operates eight prisons worldwide with more than 10,000 prisoners in its care. Indeed, G4S pioneered the concept of contracting out prisons to the private sector in the UK during the 1990's, demonstrating that it could bring additional value, expertise and ideas to the state sector by designing, building, managing and financing prisons on behalf of the UK Government.

### Care and justice services in Australia

G4S is the leading provider of care and justice services in Australia. The care and justice services that G4S delivers in Australia include adult and youth justice, police support services, prisoner transport, court management, electronic monitoring of offenders and health care services, security services and electronic security systems.

G4S Australia employs approximately 1,800 people, with additional capabilities for special events and surge capacity. Our Australian head office in Melbourne supports a network of offices based in each state, delivering local operational expertise and knowledge to our wide portfolio of customers.



G4S is currently expanding its local presence in Australia and has appointed key experts to lead our care and justice division in Queensland and Western Australia.

By working across multiple government sectors, G4S has the capability to understand how the sectors interconnect, identify the potential for driving efficiencies and innovations, and encouraging more cooperation between the various departments.

### Prison work in Australia ...

G4S has been active within the care and justice sector in Australia since 1995, contributing to the management and support of the offender populations of the states in which we operate to prepare them to reintegrate into society. Some of our contracts include:

- Mount Gambier Prison in South Australia;
- Port Phillip Prison in Victoria;
- Prisoner transport in Victoria;
- Custody centre management in Victoria;
- Prisoner Transport in South Australia;
- Court in-cell management in South Australia;
- Long Bay Forensic Hospital in New South Wales;
- Thomas Embling Hospital, a high security forensic mental health hospital in Victoria; and,
- Wilfred Lopes Centre, a forensic mental health hospital in Tasmania.

Given this inquiry's focus on prison performance we have provided a brief overview below of the two prisons we manage in Australia - Port Phillip Prison in Victoria and Mount Gambier Prison in South Australia.

### Port Phillip Prison

Port Phillip Prison is the largest maximum-security prison in Victoria. The prison is operated by G4S under contract to the Department of Justice. The prison commenced operations in 1997 and was the third privately operated prison to open in Victoria.

The Prison currently accommodates 1107 prisoners and employs more than 600 staff. It facilitates 25,000 prisoner movements each year. There are presently 19 prisoner accommodation units, including the state-wide management unit, two interim management units, (one for mainstream prisoners and one for protection prisoners), on-site inpatient medical facility, psycho social unit, a dedicated young adults unit, Penhyn, Marlborough Unit for cognitively impaired prisoners, also four protection units, each with a different prisoner cohort.

The primary roles of G4S at Port Phillip Prison include:

- Administering custodial sentences imposed by the courts;
- Delivering a range of significant health services including primary, tertiary and secondary health services for the whole Victorian prison system;
- Programs, education and industries;
- Skills development vocational training and transitional support programs to support reintegration into the community; and,
- Create an environment that encourages positive behaviour and attitudes leading to self-directed rehabilitation.

### Mount Gambier Prison

Mount Gambier Prison was commissioned in 1995 and was the first privately operated prison in South Australia. The original five-year contract with the South Australian Department for Correctional Services (DCS) has been extended to December 2016.

The prison was commissioned with a capacity of 110 beds. Between 2007 and 2014 the SA Department of Correctional Services announced several expansion programs of the prison bringing its capacity to 425 beds by mid 2015.

Mount Gambier Prison typically accommodates male sentenced and remand prisoners with medium or low security ratings. The prison also accommodates short-term high security prisoners and female prisoners in order to facilitate local Court appearances.

G4S is responsible for the operation, management and maintenance of the prison and works in close partnership with the DCS. G4S provides a full range of prisoner services including all medical, education, facilities management, equipment and grounds preventative maintenance services, using locally employed staff and sub-contractors.

We also provide a range of education, vocational training and therapeutic program activities for prisoners. All prisoners have the opportunity to complete nationally recognised and accredited courses and gain employment skills and qualifications to assist in successful reintegration into the community upon release.

All prisoners are placed on incentive based regimes which provide varying levels of privileges based on their behaviour, attitude and compliance to the prison rules and regulations. The regimes in Mount Gambier Prison are consistent with other prisons in South Australia.

## G4S in Western Australia ...

G4S services the new state-of-the-art District Court building, and existing Central Law Courts building in Perth with security, custodial and in-court services.

Security services include 24 hour site monitoring, uniformed front of house security, security checkpoint duties, operation of the control rooms and computerised security management systems and court service roles such as Gallery Guard and Court Orderly duties.

Our custody operation includes the management of the two Custody Centres, with the capacity to hold approximately 140 persons in custody whilst they attend their court matter.

G4S services the courts through the secure escort of persons to and from the courts and associated meeting rooms with a focus on the care, welfare and security of Persons in Custody through tight procedural compliance.

G4S manages up to 18 District Courts and 17 Magistrate courts at any one time with up to 2,000 court users a day entering both buildings.

## Lessons learned from the death in custody of Mr Ian Ward ...

G4S recognises that in any discussion of corrective services in Western Australia that we participate in, we need to acknowledge the tragic circumstances that led to the death of Aboriginal elder Mr Ian Ward in 2008.

G4S has accepted responsibility for its part in Mr Ward's death. We have expressed our full regret and sympathy to the family of Mr Ward and we pleaded guilty to charges laid by WorkSafe Australia in the Kalgoorlie Magistrates Court in 2011.

Importantly G4S has learned a number of lessons from the incident with respect to prisoner transport, particularly in the harsh environments of the Australian outback and of the Western Australian desert. G4S has reviewed its Occupational Health and Safety (OHS) operating procedures for prisoner transport and introduced a number of important changes to prisoner transportation vehicles, especially the inclusion of continuous vehicle-to-base video monitoring. It is our view that no incident of this type should occur ever again. We note that this was one of the recommendations of the Coronial inquest into Mr Ward's death and that the WA Department of Corrective Services accordingly replaced its entire prisoner transport fleet.

Following the incident G4S has also improved training of our staff, particularly cultural training for staff working with Aboriginal and Torres Strait Islander communities, to ensure better interaction and constant welfare monitoring. In the seven years since the incident, G4S has pursued a deliberate strategy to improve its engagement with Aboriginal and Torres Strait Islander communities





with a view to increasing our own recruitment and development of staff from those communities as well as improving the welfare of Aboriginals and Torres Strait Islanders in our care.

### Reconciliation Action Plan

The alarming over representation of Aboriginals and Torres Strait Islanders in the Australian justice system concerns G4S as it does many in the Australian community. Therefore, we have partnered with Nyungga Black Group to develop our first Reconciliation Action Plan (RAP), which was launched in February 2015.

The RAP is a nation-wide strategy that will help to achieve better outcomes for Aboriginal and Torres Strait Islander people who find themselves within the justice system. The plan forms the framework for creating relationships with Aboriginal and Torres Strait Islander communities and is our commitment to supporting a fair and equitable Australian society.

The RAP is an important part of our Corporate Social Responsibility activities and focuses on building sustainable partnerships with Aboriginal and Torres Strait communities. It also plays a role for other cultural groups and other Australians, which G4S cares for regardless of their race, religion or socio-economic backgrounds.

As the world's leading security company, G4S has an obligation to introduce innovative programs that help reduce recidivism amongst Aboriginal and Torres Strait Islander people. Further, we are committed to 'closing the gap' by improving our recruitment of and training opportunities for Aboriginal and Torres Strait Islander communities.

The G4S Executive team will be working closely with Nyungga Black Group to drive the actions and activities of the RAP and engage with Aboriginal and Torres Strait Islander communities.

## Approach to this submission

As can be seen above, G4S is well qualified to comment on prisons and prison-related services as we manage and operate prisons in jurisdictions around the world. As noted above, we have been doing so since the mid 1990's in the United Kingdom and now manage correctional centres in three countries, including one of the world's largest prisons, Mangaung Correctional Centre in South Africa, which houses 3,000 prisoners. In Australia we manage Port Phillip Prison in Victoria and Mount Gambier Prison in South Australia.

For the purposes of this submission we will draw on our considerable experience in Australia, which is most relevant to the Western Australian context. In particular we will make reference to our experience in managing Port Phillip Prison as we were involved in it from the outset as a Public-Private Partnership (PPP) model, including funding, design and build, as well as subsequently managing and operating it. Port Phillip Prison is also relevant given its complexities as Australia's largest maximum security correctional centre under private sector management, and its special needs units for youths, Penhyn, and one for intellectually disabled prisoners, Marlborough.

We believe it is especially important to consider and compare Australian experiences, as the differences with other jurisdictions (such as the United States or South Africa), in terms of both policy and practice, are so great that comparisons are of little value. Indeed, it is our view that attempts that draw on experiences of other jurisdictions in order to discredit private sector involvement in Australian prisons should be treated cautiously for this reason. Our recommendation is that the Economic Regulation Authority of Western Australia look to the private experience of other states and the cooperation that exists between private and public prisons in many of those states in determining performance measures and benchmarks for the Western Australian prison system. For this reason we will make particular reference to Port Phillip Prison and our experience with Corrections Victoria.

## Prison Performance Matters

The history of involvement of private sector companies in prison management is well understood. Numerous academic research papers and books, and parliamentary inquiries have covered the subject over the past decade or more. Several motivations for involving private sector companies in managing and operating prisons have been paramount:

- To reduce costs;
- To upgrade or replace diminishing and or dated prison stock; and,
- To introduce efficiencies and innovations in order to reform and improve prison management and outcomes.

It is broadly held that private sector involvement, with the increased competition it has engendered in the corrective services systems of Australian states, has delivered some, if not all, of the above objectives. Indeed, a key objective of many state governments that have contracted prisons to private sector companies has been to leverage the improvements brought by the private sector and apply them across the whole corrections network, including public prisons. In many instances, governments have required private sector companies operating prisons to share knowledge, experience and innovations with the public sector corrective services network. This is certainly the case in Victoria where G4S operates Port Phillip Prison. This sharing of information has often resulted in state-wide improvements in the management and operations of prisons. This achievement has led criminologist David Biles to comment that “Possibly the most important gain from the introduction of private prisons, in addition to a considerable saving of public money, is the impact they have had on the running of government prisons, which have significantly improved their efficiency in the past two decades” (Biles, D., 2009, p. 322).

The value added by private prisons to the state-wide prison system led the New South Wales Legislative Assembly’s Public Accounts Committee in 2005 to recommend that “The Government should maintain at least one private prison in the State for the purposes of benchmarking the performance of publicly operated centres and to encourage the development of innovative management techniques” (NSW Legislative Assembly, 2005, p. vii).

Although private prisons introduce innovations to the management and operations of their estate for the primary purpose of achieving efficiency gains, they often do so realising that those innovations will likely be adopted across the state’s prison network, including other private competitors. This, together with contractual requirements for improved performance, ensures a competitive dynamic that drives further innovations.

Importantly, no significant innovation is introduced without the prior approval of the Corrections Commissioner. One of the earliest innovations introduced by G4S at Port Phillip Prison in Victoria was an incentive-based regime for prisoners which rewards prisoners who do the right thing, for example with an additional visit or an extra buy-up in the prison shop. All prisoners are placed on an

incentive-based contract when they are admitted to the prison and this contract specifies the level of privileges available to the prisoner, depending on his behaviour. Unacceptable behaviour may result in a prisoner's contract level being reduced, which affects the level of privileges available to him.

Other successful innovations in G4S prisons have included:

- The Penhyn Youth Unit at Port Phillip Prison. The unit was set up to deliver specific offending behaviour programmes and services for young adult prisoners (defined as aged 18 to 25), in recognition of their vulnerabilities in an adult prison setting. A ground-breaking small business programme, "Doin' Time", involves young prisoners being mentored by local business people and supported by some of Australia's largest companies to develop personal and business/employment skills to reduce the risks of their reoffending upon release. The programme is aimed at helping them become positive and productive members of the community. A small t-shirt manufacturing and printing business run by the prisoners has raised more than \$150,000 for local charities and has won numerous awards. The programme has also helped establish strong links with the local community.
- Recidivism rates for youths who are accommodated in Penhyn Unit is 39.2% against figure in the public system which is generally 9% to 10% higher. Indeed, Monash University Criminal Justice Research Consortium, headed by Chris Trotter, conducted reviews of the youth unit in 2010 and 2012. Those evaluations found that prisoners undertaking or completing the youth unit programme were nine per cent less likely to return to prison as opposed to youths in the unit who had not undertaken or completed the programme.
- The Marlborough Unit at Port Phillip Prison. This unique initiative is a joint treatment facility with Corrections Victoria and Statewide Forensic Services for intellectually disabled prisoners. The programme recognises that prisoners with a cognitive impairment have complex needs that affect their ability to successfully reintegrate into the community and that require long-term intervention. The programme delivers critical services and skills training to this special needs prisoner group. Prisoners are drawn from across the Victorian prison system and aspects of the programme are being integrated across the State's prison system.
- The Peer Prisoner Support Programme to reduce prisoner suicides and self-harm incidents. The programme uses trained prisoner peers to work with our staff to identify and monitor vulnerable prisoners and has enabled early intervention with at risk prisoners. The programme has been successful in seeing a reduction of self-harm incidents. Because of its success, public prisons in Victoria have adopted this programme with the willing advice and support from G4S in setting the programme up in the public prisons.
- The introduction of body-worn cameras at Port Phillip Prison supports a management philosophy of creating safe environments for those in our care – both prisoners and staff. The cameras have been proven to help prisoners feel safer; act as a deterrent against poor behaviour; and help to



bring perpetrators of violence to justice through successful adjudication outcomes. The cameras also supports G4S staff training and enhanced 'lessons learned' sessions as part of the debrief process. The cameras are worn by Duty Managers and some members of the response team (Tactical Operations Group).

These and other innovations may not have been introduced into the prison system without the involvement of the private sector, given the restrictive practices in place at many public prisons. Contractual requirements, competition and the risks of losing contracts ensure private sector providers remain innovative.

## Driving Better Performance

It may appear counterintuitive, but prison performance matters because prisons should be less about punishment and more about prisoner reform, reducing recidivism rates and developing good citizens who can go on to lead positive and productive lives. Although many might think it contrary that a private prison would be concerned with reducing recidivism and producing productive members of society, the performance exigencies of government contracts with private companies alone ensure prison providers are involved in the development and introduction of innovative programmes to achieve these outcomes. Furthermore, competition and the risks of contract losses ensure innovative solutions to improve effectiveness and efficiencies are developed, while contractual requirements for approval of innovations and reporting on their progress vis-à-vis agreed performance outcomes and measures ensures sharing of information across the prison network to maximise results.

In this regard it is important to consider the concept of “contestability” and how improved competition can help ensure the transfer of knowledge and new innovations across a state’s prison network.

A recent paper by management consulting firm Deloitte (2015) points out that “A common misconception around contestability is that it is about cost savings”, and goes on to say “While cost reduction is a key desired outcome of contestability and service delivery reform, it is only one component. Of primary importance are the results of improved services for customers and users, and long term sustainability of those services.” (p.3).

The paper goes on to explain:

“At the core of contestability is the idea that services, and the assets that support them, exist to help people and society. While the process of contestability is usually a transaction, the final outcome must always be couched with empathy for the end user and a strong grasp of the service the government is seeking to provide.” (Deloitte, 2015, p.3.)

A leading thinker on public sector reform, Gary Sturgess, has argued that contestability is a superior model for driving efficiency gains, innovation and better outcomes in the public sector than “simply privatising our outsourcing” functions (Sturgess, 2012, p.19.). For example, Sturgess points out,

“Different kinds of service providers, with different backgrounds, bring different perspectives to the challenge of delivering better and more cost-effective public services. They are inclined to see the problem in different ways. They bring fundamentally different approaches to the search for solutions, and they bring different forms of human, social and financial capital to the task of service delivery. Organisations and systems characterised by greater diversity are better at solving problems than homogenous ones.

Diversity allows for experimentation and problem-solving in parallel rather than requiring that it be done in serial (trying one solution and only after it has been tested, trying another). (Sturgess, 2012, p.19.)

Sturgess goes on to argue the benefits of a mixed economy (pp.21-27), that is, of an economy with both public sector and private sector providers in the mix. He argues that such economies are best placed to provide value for money and improved quality. He draws on the example of prison contracting in the UK and in Australia as an example, pointing out that “prison contracting has resulted in a significant reduction in operating costs, however, that was not the principal reason why this model was originally adopted in either case.” (p.21.) In the case of the UK, Sturgess points out, that contracting to the private sector was used as a “relatively pain-free way of transforming prison culture” in the face of “union resistance to the introduction of dynamic security”. Ultimately private sector involvement in prison management became a key component of the government’s “decency agenda”. Indeed, Sturgess references that the UK’s National Audit Office reported that “Competition has been important within the prison system for improving both management and conditions of prisoners.”

Sturgess points out (p.22.) that Queensland became the first Australian jurisdiction “to introduce contract management into its prison system” following the delivery of the Kennedy Report in 1988 which raised issues of benchmarking performance and cost in the prison system. Other Australian states followed suit. Sturgess says “one of the best examples is to be found in NSW”, where outsourcing was used to “benchmark the financial performance of the rest of the NSW prison estate” and ultimately to “create a climate of contestability” across the estate. (p.18.)

Sturgess goes on to discuss how payments by results has driven improvements and innovations in prisons in the UK (2012, pp.35-36), but then praises New Zealand for its “payment-by-results” model in offender management. When the Mt Eden prison was transferred from the public sector to the private in 2011 the private provider “committed to move from output specifications to reoffending targets over the first three years of the contract.” This was further improved in the Public-Private-Partnership (PPP) contract for Wiri prison in 2012 where the “performance regime ... relies on a combination of availability payments, [abatement] charges for serious incidents and incentive payments for reductions in reoffending rates above that of the prison system as a whole” (p.37.).

Ultimately, better performance must be driven across a state’s prison system. That means all service providers, public and private, “must have a clear understanding of how well they are performing against their agreed budget and benchmarks and they must have confidence in the integrity of the process for monitoring and reporting performance” (Sturgess, 2012, p.68.). In 2011 the UK Government announced its intention to “market-test” all offender services, including the Prison Service.



G4S wishes to note that it does not support the total outsourcing or privatisation of a state's prison network. We believe it is essential that the state retain some of the prison estate under public sector ownership and management. We share the view expressed by Sturgess (2012) and others that the best model for prison management is the mixed-economy model whereby the rigours of contestability maintain dynamic tension through competition, requiring all players to improve efficiencies and innovativeness in order to deliver better outcomes in the public interest.

Going further, private prisons should operate *within a whole prison system and for the system*. That is to say, private prisons cannot operate separate to the public prison system. KPI's applied to the private sector can and should be used to benchmark both private and public sector prisons. Indeed, this should be understood as the mark of a mature prison system. It provides an ability to not only rate the benefits and disadvantages of each system against each other but to also rate individual prisons, regardless of their ownership (private or public), with each other. For example, a "league's table" has been established within the UK prison system that enables the government to compare the performance of individual prisons against each other and thereby determine which are performing best and why. Learnings and innovations can then be transferred to other prisons within the network. Victoria has certainly developed to this level of maturity as it can look at key performance indicators used for all prisons and thereby obtain data that enables benchmarking and comparisons of individual prisons as well as between the private and public sectors.

Research by Richard Harding is pertinent to this discussion. He pointed out (1998) that the argument of privatisation being of value to a prison system as a whole depends on "effective accountability" (p.4). His paper, now dated as it is, highlighted the need for on-site monitoring in prisons and made significant recommendations on what should be measured. He said counting should extend beyond the "easily countable matters such as number of 'incidents' or escapes or positive drug tests" (p.5) to complex items such as "out-of-cell hours, flexible visiting hours and less cumbersome procedures; privacy keys to cells; prisoner swipe cards to facilitate authorised movements within the prison.... to higher staff morale and better staff-inmate relations in private prisons." Happily many of these recommendations have been incorporated in the measurements used at Port Phillip Prison and Mount Gambier Prison, both of which sites are operated by G4S. In fact, current measurement methodologies extend well beyond these and are in line with the "Standard Guidelines for Corrections in Australia" (Revised 2012), which all state and territories are party to. The next section considers the performance measures that apply at Port Phillip Prison.



## Measuring Performance: The Experience of Port Phillip Prison

G4S supports the inquiry's commitment to the "development and calculation of a set of benchmarks to allow comparisons of the performance of individual prisons in WA" (Economic Regulation Authority, "Inquiry To Consider The Efficiency and Performance of Western Australian Prisons: Terms of Reference"). It is G4S's view that benchmarks for the purposes of comparing performance of individual prisons, together with contestability, is essential to achieving better outcomes across the State's prison network by establishing a competitive tension to drive efficiencies and innovativeness. By the same token, contracts should require all participants, public and private, to share knowledge, experience and innovations across the network to ensure culture of continuing improvement is established.

As we are committed to a mixed-economy model in all jurisdictions in which we operate, G4S is pleased to share our experience and performance measures from management of Port Phillip Prison.

Corrections Victoria requires G4S to report against a number of criteria each month and further conducts an audit against those criteria quarterly. Individual criteria are linked to broad categories, including:

- Public Safety and Prison Security;
- Prisoner Well Being;
- Prisoner Health;
- Prisoner Rehabilitation & Repatriation; and
- Preparation for Release/Community Reintegration.

A detailed list of reporting criteria is provided at Appendix A.

There exists a suite of twenty three Service Delivery Outcomes (SDO's) which covers both private and public prisons in Victoria. The benchmarking for the private prisons are negotiated at contract renewal and are generally designed to drive efficiencies. The private prisons also have financial amounts linked to SDO achievement, (Performance Linked Fee). This does not apply to the public prisons.

The SDO's are categorised into five separate groupings which makes up the entire suite of SDO definitions. The actual group headings are fundamentally as identified above. Each sub section is reported on a monthly basis against the agreed benchmark and submitted to Corrections Victoria for validation.

Although each sub section is shown as a pass or fail, in order for the prison to incur any abatement against the Performance Linked Fee it must fail two or more sub sections in each category.

Each quarter, Corrections Victoria convenes a meeting with Port Phillip Prison and G4S Executives where there is a retrospective review of the previous

quarter's operational and contractual performance. This meeting is generally chaired by the Commissioner of Corrections.

As a result of the aforementioned commentary, continuous improvement and innovation has occurred across the Victorian system driven by the efficiencies created to a large extent by the private providers.

## Sharing the Gains

The Assistant Commissioner of Corrections Victoria has said, “Whether it’s private or public, it’s the exchange of ideas and expertise that’s important. We are all working together to improve the broader system. One positive aspect of G4S’s global involvement in care and justice services is that it can share improvements and best practice from other countries and cultures.”

On a monthly basis, Corrections Victoria convenes a meeting involving prison General Managers from both public and private prisons where current trends, operational performance and initiatives are discussed. There is cross pollination from both public and private providers which is willingly shared across the two disciplines.

Further to this there is a monthly meeting of Operational Managers from public and private prisons where cross pollination at a lower level also occurs.

Interestingly, Sturgess (2012) points out that in the competitive prison sector that has developed within the UK, the Prison Service has established “a joint venture with a facilities management company and a large not-for-profit provider to compete for contracts under the Ministry of Justice’s program of market-testing prison management, and the Durham Tees Valley Probation Trust has joined up with another FM provider to bid for prison and probation services” (p.44.). G4S looks forward to the evolution of similarly robust competition and collaborative frameworks in the Australian context.

## A Mixed Economy Prisons Model for Western Australia

Mixed economy models where public, private and non-for-profit providers deliver a range of services exist within Australia. Mixed economy models are most prevalent in the health and education sectors, and to a lesser extent the aged and disability care sectors, where private providers are at least partially funded by state and or federal governments. In more recent times transport services, water and electricity are seeing the development of mixed economies. (See for example, Sturgess, 2012, pp.93-110.)

Mixed economies have existed in prison management of a number of Australian jurisdictions since the late 1980's. Indeed, to paraphrase from Sturgess (2012): In the quarter century since Queensland became the first Australian state to involve the private sector in correctional services, every state except Tasmania has established at least one privately-run prison. In Victoria more than one-third of prisoners are in the care of private sector operators. As Sturgess said (2012), this has been achieved "with very little controversy ... [and] is now an established feature of the Australian correctional environment" (p.96).

Western Australia adopted a mixed economy model in correctional services some years ago. Today the State involves the private sector in the management of two correction centres – Acacia Prison and Wandoo Reintegration Facility - prisoner transport, and the management of prisoners at the Magistrate's Court in Perth. To fully reap the benefits of the mixed economy model Western Australia is now considering the "design of appropriate standards, incentives and performance monitoring processes for the prisons system." It is essential that these standards, incentives and performance measures are applied across the Western Australian prison network to ensure a truly competitive model and to ensure best practices are shared across the system as discussed in the foregoing.

## Conclusion

G4S is pleased to make this submission to the Western Australian Economic Regulation Authority's inquiry into ways to improve the efficiency and effectiveness of the State's prison system. As a private sector company managing two prisons in Australia (Port Phillip Prison in Victoria and Mount Gambier Prison in South Australia), as well as prisons in 11 jurisdictions around the world, we are well placed to provide information on performance measurement, efficiency, effectiveness and innovation in prison management and prisoner reform. Also important to this discussion is our experience in prisoner transport, and court and police cell management as they are not totally separate from the prison system.

We trust that this submission to the inquiry gives some overview of our knowledge and experience of these matters. We would be pleased to share more details with the ERA should it so require.

## Further Information

Further information can be obtained by contacting either

Mr Dennis Roach  
Managing Director Australia, New Zealand and Papua New Guinea

Mr Brett McMerrin  
Director, Care, Justice and Police Support Services Western Australia

## Reference List

**Biles, David.**, 2009, "Corrections" in **An Introduction to Crime and Criminology**, 2<sup>nd</sup> Edition, Edited by H. Hayes and T. Prenzler, Pearson / Prentice Hall.

**Blumstein, James F.**, and **Cohen, Mark A.**, and **Seth, Suman**, 2007, "Do Government Agencies Respond to Market Pressures? Evidence from Private Prisons", **Vanderbilt Law and Economics Research Paper, No. 03-16;** **Vanderlit Public Law Research Paper No 03-05.**

**Coyle, Andrew**, 2009, **A Human Rights Approach to Prison Management: A Handbook for Prison Staff**, Second Edition, International Centre for Prison Studies of King's College London and Foreign Commonwealth Office London.

**Deloitte**, 2015, **Contestability: A New Era in Service Delivery Reform.**

**Economic Regulation Authority of Western Australia**, 18 March 2015, **Inquiry into the Efficiency and Performance of Western Australian Prisons: Discussion Paper.**

**Harding, Richard**, 1992, **Private Prisons in Australia**, Australian Institute of Criminology.

**Harding, Richard**, 1998, "Private Prisons in Australia: The Second Phase", **Trends and Issues in Criminal Justice, Paper No. 84**, Australian Institute of Criminology.

**KPMG**, 2015, **Thinking Beyond Today: Rethinking Public Service Delivery; A Guide to New Frameworks.**

**Mahoney, Hon. Dennis, AO QC**, 2005, **Inquiry into the Management of Offenders in Custody and in the Community**, A Special Inquiry conducted at the request of the Western Australian Premier.

**Legislative Assembly, Parliament of NSW**, 2005, **Value from Money for Correctional Services**, Public Accounts Committee, Report No. 13/53 (No. 156).

**Legislative Assembly, Parliament of Western Australia**, 2010, **Making Our Prisons Work: An Inquiry into the Efficiency and Effectiveness of Prisoner Education, Training and Employment Strategies**, Community Development and Justice Standing Committee, Report No. 6, 25 November 2010

**Sturgess, Gary L.**, 2012, **Diversity and Contestability in the Public Service Economy**, NSW Business Chamber.

**Trotter, Chris**, 2010, **New directions in the supervision of offenders**, Monash Criminal Justice Research Consortium.

## Appendix A

<b>MONTHLY SERVICE REPORT</b> <b>MONTH 2015</b>
 <b>PRISON NAME</b>

	This month	Year to date
<b>PUBLIC SAFETY &amp; PRISON SECURITY</b>		
<b>Escapes</b>		
Number of Escapes Level 3		
Level 2		
Level 1		
<b>Attempted Escapes</b>		
Attempted Escape from Elsewhere in the Prison		
Attempted Escape from Outside the Prison		
Attempted Escape from Direct Prison Supervision		
<b>Assaults on staff</b>		
Assault on Staff or Other Person Not Hospitalised		
Assault on Staff or Other Person Hospitalised		
<b>Staffing</b>		
Number of new staff		
Number of Terminations		
Number of Resignations		
Number of Disciplinary Action taken against Staff Members		
Number of instances of <b>Industrial Action</b> which has a material impact on Prisoner security or welfare.		
<b>Training hours (Staff)</b>		
Refresher training completed (hours)		
Other training conducted (hours)		
<b>Sick leave hours (Staff)</b>		
Custodial (hours)		
Non custodial (hours)		
<b>Number of Notifiable incidents by type referred to Police (include detail)</b>		
Prisoners		

	This month	Year to date
Staff		
Visitors		
<b>Number of Prison Visitors and Others Charged by Police in Relation to Drugs, where Police Inform the Contracted Provider</b>		
<b>Use of the Security and Emergency Services Group (SESG)</b>		
Dog squads		
Routine		
Emergencies		
<b>Number of Strip Searches</b>		
Prisoners		
Staff		
Visitors		
<b>Number of Strip Searches Detecting Contraband</b>		
Prisoners		
Staff		
Visitors		
<b>Number of Prisoners Banned from Contact Visits</b>		
<b>Prisoner Deaths, Number of Deaths</b>		
Unnatural		
Natural		
Unknown		
Accidental		
<b>Self Harm</b>		
Number of incidents of "Self Mutilation Serious - Level 2"		
Number of incidents of "Self Mutilation - Level 1"		
Number of incidents of "Attempted Suicide Serious - Level 2b"		
Number of incidents of "Attempted Suicide - Level 2a"		
Number of prisoners with 3 or more incidents of Self Harm (Self Mutilation & Attempted Suicide) within a 183 day period (irrespective of the incident location)		
Number of prisoners with three or more incidents of Self Harm within a 183 day period (irrespective of the incident location), and had an effective Risk Management Plan developed and implemented		



	This month	Year to date
<b>Assault on Prisoners by Other Prisoner</b>		
Number of Incidents of "Assault on Prisoner Serious – Level 2" that Occurred Within the Prison		
Number of Incidents of "Assault on Prisoner Serious – Level 1" that Occurred Within the Prison		
<b>Number of Written complaints against staff members received by the General Manager of the prison</b>		
Number of "Alleged Assault on Prisoner by Staff"		
Number of "Alleged Assault on Prisoner by Staff" investigated		
Number of "Assault on Prisoner by Staff"		
Number and details of alleged assaults by staff reported to the Police and Commissioner		
All related investigation outcomes (internal and external, eg. Police) of allegation of assault by staff member on prisoner, including recommendations of action required to be taken by the provider and any charges proven in a court of law whether or not a conviction is recorded or a penalty imposed		
<b>Drug Tests</b>		
Percentage of Prisoners Testing Positive		
<b>ARUNTA Verification audits</b>		
Number of Prisoners on Random General List still at location		
Number of phone numbers verified		
Number of incorrect categories identified		
Variance of prisoners active on ARUNTA to muster		
<b>Number of times and circumstances where force used</b>		
<b>Use of Instruments of restraint and reasons for use</b>		
Number of times Chemical Agents used and reasons for use		
Number of times Instruments of restraint used		
<b>Visits Program</b>		
Box		
Supervised		
Contact		
Number of Visits by Children		
<b>Number and variety of religious programs conducted</b>		
Catholic Church		
Muslim		

	This month	Year to date
Anglican Church		
Bet Sohar Jewish		
Buddhist		
Greek Orthodox		
Salvation Army		
Uniting Church		
Total Number		
<b>Grievance Mechanisms</b>		
Number and type of Ombudsman complaints		
Number of letters responded to on behalf of Minister and Commissioner		
<b>Receptions</b>		
Number Transfers in from other prisons		
Number of Discharges		
Number of Transfers Out to Other Prisons		
<b>Daily Prison Population</b>		
Average Prisoners Muster for month		
Average Prisoner Muster Maximum		
Average Prisoner Muster Minimum		
<b>Reception Screening</b>		
Number of Prisoners Transferred in from Other Prisons		
Number of Transfers who are medically screened within 24 hours of reception		
Exceptions Claimed		
<b>"At Risk" Assessment</b>		
Number of Prisoners identified as exhibiting the behaviour indicators of an at-risk prisoner by a trained staff member		
Number of Prisoner assessed by a mental health professional within 2 hours of being identified		
<b>Chronic Health Care Plans</b>		
Number of Prisoners who have been identified with a "significant" chronic health condition during the month and have had a plan developed		
Number of Prisoners who have been identified with a "significant"		

	This month	Year to date
chronic health condition		
Number of Prisoners with a “significant” chronic illness who have a Health Care Plan developed and appropriately implemented		
<b>Employment Participation</b>		
Number of Sentenced prisoners able to work ( <i>eligible</i> )		
Number of Sentenced prisoners not able to work and reasons ( <i>bonafide absences</i> )		
Number of Sentenced prisoners engaged in work and/or approved rehabilitation program/s for a minimum of 30 hours per week as described in Part B of Annex Q		
Number of Sentenced prisoners able to work, refusing to participate in work/industry (dismissals – does not differentiate refusal to work / non-compliance)		
Number of Remand prisoners engaged in work and/or approved rehabilitation program/s for a minimum of 30 hours per week as described in Part B of Annex Q		
Total number of Remand prisoners		
<b>Vocational Education and Training Participation</b>		
Percentage of prisoners participation in Vocational Education and Training Modules		
<b>Offending Behaviour Programs / Treatment (as per Part B of Annexure Q), reported for each program or treatment</b>		
List hours		
Program		
Number of Participants		
<b>Drug Overdose</b>		
Number of incidents of drug overdose		
Number of prisoners with drug overdose		
<b>Discipline</b>		
Prisoners with money deducted due to Property Damage		
Governor’s Disciplinary Hearing, Number of charges Proven		
Governor’s Disciplinary Hearing, Number of charges not Proven		
Number of Prisoners on Loss of Privileges (LOP) and length of LOP		
Number of Prisoners separated for how long and reason (pending investigation, protection or management issues)		

	This month	Year to date
<b>PREPARATION FOR RELEASE/COMMUNITY REINTEGRATION</b>		
Percentage of Sentenced Prisoners Discharged who participated in Pre-Release program, according to Part B of Annexure Q, as a proportion of all sentenced Prisoners Discharged ( <i>definition required</i> )		
Number of Sentenced Prisoners Discharged		
Number of Sentenced Prisoners Discharged who have participated in Pre-Release program, according to Part B of Annexure Q ( <i>definition required</i> )		
Pre-Release Job Capacity Assessments ( <i>No Job Capacity Assessors arrived since October 2013</i> )		
Pre-Release Notifications to Child Support Agency ( <i>CSA Stats collected for whole prison</i> )		
<b>DRUG AWARENESS</b>		
Groups per Year		
Number of Participants (commencing programs)		
<b>Assessments</b>		
Number of Assessments Completed		
Number of Contract Hours for Assessments		
<b>IDU Assessment and Review Program</b>		
Number of Prisoners Assessed within 5 working days		
Number of Prisoners Assessed after 5 working days		
Number of Prisoners Referred to Drug Free Incentive Program		
Number of Prisoners Referred to Harm Reduction/Treatment Programs		
<b>DRUG EDUCATION (Including Relapsed Prevention &amp; Cannabis &amp; Benzodiazepines Education)</b>		
Number of Prisoners Commencing		
Numbers of Prisoners Completing		
Number of Groups Delivered		
<b>Prisoner non completion reason</b>		
Withdrew (2 attempts to engage)		
Changes to Security Rating/Transfers/Discharges etc		
Other		
<b>Drug Treatment – Level IV Intensive D&amp;A Program</b>		
Number of Prisoners Commencing		

	This month	Year to date
Numbers of Prisoners Completing		
Number of Groups Delivered		
<b>Prisoner non completion reason</b>		
Withdrew (2 attempts to engage)		
Changes to Security Rating/Transfers/Discharges etc		
Other		
<b>Intensive Counselling</b>		
Number of Sessions Delivered		
Number of Prisoners (commencing)		
<b>Adult Parole Board</b>		
Reports Completed		
<b>Entry of IMS Data into PIMS</b>		
Hours		
<b>Alcohol Program</b>		
Number of Prisoners Commencing		
Numbers of Prisoners Completing		
Number of Groups Delivered		
<b>Pre-Release Program</b>		
Number of Prisoners Commencing		
Numbers of Prisoners Completing		
Number of Sessions		
Number of Groups Delivered		
<b>Youth Program – Drug Education</b>		
Number of Prisoners Commencing		
Numbers of Prisoners Completing		
Number of Groups Delivered		
<b>Prisoner non completion reason</b>		
Withdrew (2 attempts to engage)		
Changes to Security Rating/Transfers/Discharges etc		
Other		
<b>Youth Program; Drugs &amp; Anger Management</b>		
Number of Prisoners Commencing		
Numbers of Prisoners Completing		
Number of Groups Delivered		
<b>Prisoner non completion reason</b>		

	This month	Year to date
Withdrew (2 attempts to engage)		
Changes to Security Rating/Transfers/Discharges etc		
Other		
<b>Youth Program: 1:1 Counselling</b>		
Number of Sessions Delivered		
Number of Prisoners (commencing)		
<b>Youth Program – Level IV Intensive D&amp;A Program</b>		
Number of Prisoners Commencing		
Numbers of Prisoners Completing		
Number of Groups Delivered		
<b>Prisoner non completion reason</b>		
Withdrew (2 attempts to engage)		
Changes to Security Rating/Transfers/Discharges etc		
Other		
<b>Officers Training</b>		
Number of Groups Delivered		
Number of Officers Attending		



The following is provided to clause 55.2 (b) of the Prison Services Agreement:

MONTH: 1 – 31 October 2014

### **OCSR Incident Reviews Currently Open**

<b>Incidents</b>
<b>Deaths</b>

### **Violations**


### **Citations by the Commissioner**


### **Resolutions relating to the above**




Signature: \_\_\_\_\_

Date :    /    /   

**General Manager**  
**Prison Name**