



Government of **Western Australia**
Department of **Corrective Services**

Annual Report 2012/2013

Acacia Prison Services Agreement

Annual Report covering the operation of Acacia Prison from
1 July 2012 to 30 June 2013.



GOVERNMENT OF
WESTERN AUSTRALIA

Department of Corrective Services

Acacia Prison Services Agreement
Annual Report 2012/2013

TO THE MINISTER

Hon Joe Francis MLA, Minister for Corrective Services.

In accordance with section 15G of the *Prisons Act 1981*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Acacia Prison Services Agreement (the Agreement) for the year ended 30 June 2013.

This report presents an overview of services provided by Serco Australia Pty Ltd under the Agreement for the management of Acacia Prison, and the extent of compliance with the Contract.

Heather Harker
A/Commissioner

30 September 2013

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From the Commissioner

2012/13 is the twelfth year since the opening of Acacia Prison, and the seventh of its operation under Serco Australia Pty Ltd (Serco). During the year, the Contractor Serco continued to provide high quality and cost-effective services.

The contractual relationship between the Department and Serco supports this cost-effective model, whilst ensuring the provision of high quality services. The Department continues to monitor and oversee these services to ensure the requirements of the Agreement are met.

One component of this monitoring ensures 5% of the Annual Operational Payment is withheld until the completion of the financial year. This payment is based on Serco's performance against defined Performance Measures. This year Serco secured 94.5% of the annualised Performance Linked Fee (PLF), compared with last year's payment of 92.9%. This demonstrates that Serco maintains a consistently high level of performance in the delivery of contracted services.

I am pleased to advise that a comprehensive review of the suite of Performance Measures was completed this year, and agreement has been reached on the new and updated measures. These take effect from July 2013 and provide an increased focus on prisoner employment, training, education and welfare.

The Acacia Prison Expansion Project has continued to progress through a separate contract with Doric Constructions (Australia) Pty Ltd. The Project will result in a further 387 beds at Acacia, as well as associated infrastructure expansions and upgrades. The Project forms part of the Government's commitment to reduce overcrowding in the Western Australian prison system. On completion of the expansion, Acacia Prison will have the capacity to accommodate 1,400 prisoners. Work on the site is progressing well and the prison is operating safely and effectively.

Maintenance at Acacia Prison continues to be undertaken through a separate contract between the Minister for Works and Sodexo (Remote Sites) Pty Ltd.

The Department continues to manage the Acacia Prison Services Agreement to ensure the Western Australian Government receives both high quality services and value for money. I look forward to the coming year to consolidate and improve on the operations of the Acacia Prison facility.

Heather Harker
A/Commissioner

Executive Summary

Acacia Prison is one of two privately operated prisons in Western Australia. It is a medium security facility and is located near Wooroloo, approximately 55km east of Perth. Opened in 2001, the land and buildings constituting the Prison are publicly owned.

The initial five-year Contract was awarded to AIMS Corporation to operate the facility from 16 May 2001. The Contract was allowed to expire, at which date a re-tendering process was undertaken. The subsequent Agreement, consisting of a five-year period with two five-year extension options was awarded to Serco in May 2006. The first of the two five-year extension options was exercised in May 2011.

The 2012/13 operational year saw the commencement of work on the Acacia Prison Expansion Project, which will provide an additional 387 beds and supporting infrastructure. This project, being undertaken by Doric Constructions (Australia) Pty Ltd, is being completed whilst Acacia continues to operate as a fully functioning custodial facility. This is a challenging task which is being managed well through an inter-agency Project Control Group.

Serco continues to deliver a high standard of service and value for money to the State. The prison continues to set and meet the highest benchmarks in the areas of duty of care, safety, prisoner and staff interaction, and a range of initiatives designed to better prepare prisoners for release.

Acacia Prison continues to provide excellent health services and is fully accredited by Australian General Practice Accreditation Limited (AGPAL). It provides a range of medical, dental and pre-release initiatives for all prisoners, placing a particular focus on the health issues relevant to Indigenous prisoners.

The 2012/13 operating year has seen a number of key achievements, including:

- Substantial compliance with the contract, demonstrated by an extremely high level of performance against Performance Linked Fees and minimal Performance Improvement Requests and Abatements.
- The implementation of a new suite of Performance Measures to ensure Serco continues to provide high quality services, in particular focusing on key areas such as prisoner education, employment, health and welfare.
- Ongoing partnership with other private sector companies and industry to improve the outcomes for prisoners.
- Successful implementation of projects to better prepare inmates for reintegration into the community post-release.

- No major disturbances or escapes during the reporting period 2012/13.
- Reinvestment of Prison Industry Amount (revenue) into the prison industry activities.

In summary, the 2012/13 period has been characterised by maintenance of the high operating standards achieved during the previous 12 month period, whilst developing new measures to monitor operational performance. It is particularly important to note that this has been achieved at the same time as significant infrastructure work is being undertaken by the Acacia Expansion Project. This is an expansion project on a scale that has not occurred before in an operating Western Australian prison.

This Annual Report is divided into the following five sections:

- Section One. Offering Value – will outline those areas of the Contract where the State can obtain value for money in the expenditure of public funds.
- Section Two. Quality Services – will focus on the range and quality of services provided by the Contractor and its performance against Key Performance Measures.
- Section Three. Transparent and Accountable Operations – will provide a description of the probity, accountability and transparency in procurement operations.
- Section Four. System-wide Learning – will look at a number of initiatives developed by the Contractor and their applicability to the State's public prisons.
- Section Five. Future Initiatives: The Year Ahead – will look to the next reporting period and potential opportunities for improvement in the governance and management of the Contract.

Section 1. Offering Value

1.1 Contract Payment

Schedule 2 of the Agreement outlines the structure for contract payments. Monthly payments are calculated based on the Daily Average Population (DAP) of the facility per month. Five per cent of the monthly fee is withheld as a PLF and, at the end of the operating year, the Department remits the fees in accordance with the achievements made against the performance measures. This includes a \$250,000 Innovation Bonus component dedicated to innovation. In 2012/13, Serco received a PLF of \$1,998,126. Further information on the PLFs is contained within Section 2 of this Report.

	Financial Budget for 2012/2013	Financial Actual for 2012/2013
Service Fee	\$50,503,054	\$47,690,841
Performance Linked fee	\$2,115,912	\$1,998,126

During the 2012/13 financial year the Agreement was managed within its allocated budget. The primary reason the year to date actual amount is less than the yearly budget is that the Department and Serco are yet to finalise the wage adjustment payment.

The table below identifies the daily average prison population for the period 2012/13, during which the population remained stable with an average for the year of 991 prisoners.

DAILY AVERAGE POPULATION 2012/2013				
Month	Indigenous	Indigenous % of Total DAP	Non- Indigenous	Total DAP
July	386	38.68	612	998
August	401	40.42	591	992
September	398	40.04	596	994
October	405	40.83	587	992
November	397	39.98	596	993
December	395	39.78	598	993
January	408	41.25	581	989
February	413	41.59	580	993
March	403	40.96	581	984
April	407	41.32	578	985
May	409	41.44	578	987
June	390	39.32	602	992

1.2 Innovation Bonus

As indicated above, the Agreement provides for payments of up to \$250,000 per annum where Serco is able to propose an innovative system or procedure

that will improve the services provided, and be transferable to other prisons operated by or on behalf of the State. The proposal must be supported by evidence before being approved for payment by the Department.

2011/12 saw the successful establishment of Phase 1 of the Custodial Management System (CMS), which involved the introduction of 25 'Kiosks' throughout the prison. This reporting period 2012/13 resulted in the implementation of Phase 2 of CMS. This second phase involved the introduction of the biometric movement and biometric work location installations. This system uses an individual's fingerprint to record their movements throughout the site. It allows prisoners access to the 'Kiosks' to conduct day to day enquiries, book visits and order meals, canteen and town spend goods.

The successful introduction of CMS has allowed for the phased decommissioning of the Steps Card Swipe system that tracked prisoner and staff internal movements. One of the environmental benefits of the CMS is that it has significantly reduced the requirements for use of paper-based documents.

1.3 Prison Industry Payments

Under the Contract, Serco is required to pay the State an amount equal to 10% of all Gross Prison Industry Revenue. This amount is calculated and paid by the Contractor for each 6 month period of the operational year.

For the period 2012/13, the payment totalled \$108,274, of which \$40,000 was used for the refit of the mezzanine floor in the heavy industries block. The refit will allow for a greater utilisation of space for officers to manage industries production; and provide a dedicated area for the Clear Vision Project which refurbishes old spectacle frames for distribution to underprivileged communities both in Australia and abroad. The remainder of this money was returned to consolidated revenue.

Section 2. Quality Services

2.1 Operational Performance against the Performance Linked Fee (PLF)

Each year Serco is assessed against specified Performance Measures. The Department carefully verifies information and statistics provided by the Contractor and scrutinises all data prior to ascertaining, and paying, the Performance Linked Fee.

The table below summarises the Performance Measures that were in place during 2012/13, the agreed targets, and Serco's achievement against each Performance Measure.

PERFORMANCE MEASURE	TARGET (to achieve 100% of PLF)	OUTCOME
SAFETY AND DECENCY IN CUSTODY		
PM1. The number of serious assaults on staff, prisoners and others as a proportion of the prison population band.	For there to be fewer than 6 serious assault victims in any one month for a prison population band between 901-1000.	Achieved 100% Yearly total = 4
PM2. The number of prisoners committing an act of serious self-harm (including attempted suicide) as a proportion of the prison population band.	For there to be fewer than 6 serious self-harm incidents in any one month for a prison population band between 901-1000.	Achieved 100% Yearly total = 1
OFFENDER MANAGEMENT AND INTERVENTIONS		
PM3. The % of incident reports completed accurately in accordance with requirements.	For 95-100% of sampled reports to be accurate.	Achieved Annualised 99.17%
PM4. The % of random urine sample tests identifying a positive urine sample result.	Rate of positive urine sample tests to be below 10%.	Achieved 100% 5.52% positive tests for year
PM6. Prisoners' sentence planning documents are reviewed in accordance with their scheduled review date.	Rate of correctly completed documentation to be greater than 95%.	Achieved 100%
PM7. The % of prisoners whose program requirements approved in the Individual Management Plan (IMP) are delivered as scheduled.	Greater than 95% compliance.	Achieved Annualised 98.75%
PM11. The % of prisoners involved in a structured activity.	Greater than 90% of prisoners are engaged in a structured activity for no less than 30 hours per week.	Partially Achieved Annualised 30%
PM12. The % of the Aboriginal prisoner population receiving Aboriginal specific health education.	Greater than 90% of the prison population band.	Achieved 100%
PATHWAYS TO REDUCING OFFENDING		
PM8. The % of prisoners whose education and traineeship requirements, as approved in their IMP, are delivered as scheduled.	Greater than 95% compliance.	Achieved 100%
PM9. Management of social visits that assist the prisoner with re-entry to the community.	Visits between the prisoner, family, friends, prospective employer, community financial agencies and any other relevant group should occur in excess of 95% of the prison population band.	Achieved Annualised 99.17%
CORPORATE		
PM5. The % of agreed Custodial Officers.	Greater than 90% of the Custodial Officers are available to provide minimum prison services.	Achieved 100%
PM10. All grievances are	Over 95% of prisoner grievances are	Partially Achieved

processed in accordance with approved processes.

processed correctly.

Annualised 91.67%

In 2012/13, nine performance measures achieved the full 100% PLF, while three did not achieve 100% of the available PLF. This compares with two performance targets not achieved in the previous year. Performance Measure 3 received partial payment on only one occasion, as did Performance Measure 10.

Performance Measure 11, Structured Activity did not achieve 100% PLF in any month. The factors that contributed to Serco's inability to achieve optimal results against this Performance Measure are:

- A restructure of the core working day into morning and afternoon shifts which, although providing additional work opportunities, resulted in less than 30 hours of structured activity being achieved.
- A disparity between the needs of a larger prison population and the availability of infrastructure to support those needs.
- The voluntary nature of prisoner employment.
- The use of traditional models of employment that focus on manual industrial work, rather than other forms of structured activity.
- The progressive transition to CMS and the decommissioning of the STEPS system.

The results of Serco's achievement against all the Performance Measures are identified in the table below, including the level of achievement for each period of PLF.

PERFORMANCE MEASURES 2012/2013

Performance Linked Measures	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13
1) N° of serious assaults each operation year.	2	2	0	0	0	0	0	0	0	0	0	0
2) N° of prisoners each committing one or more acts of serious self-harm each operation year.	0	0	0	0	0	0	0	0	0	0	0	1
3) The % of incident reports completed accurately in accordance with the prescribed process in Policy Directive 41.	95.58	95.07	96.32	94.02	95.16	97.24	95.14	95.27	95.12	95.45	98.09	95.07
4) The % of random urine sample tests identifying a positive urine sample test result.	4.00	0.00	6.00	2.00	4.00	2.00	10.00	6.00	6.00	8.33	12.00	6.00
5) The % of agreed staffing levels	100	100	100	100	100	100	100	100	100	100	100	100
6) The % of prisoner sentence planning documents reviewed in accordance with their scheduled review date, and in accordance with DGR 18.	99.21	100	100	100	100	100	100	100	100	100	100	100
7) The % of prisoners to whom program requirements, as approved in the prisoner's IMP, are delivered as scheduled. (quarterly measure)	N/A	N/A	96.61	N/A	N/A	100	N/A	N/A	100	N/A	N/A	100
8) The % of prisoners to whom education and traineeship requirements, as approved in the IMP, are delivered as scheduled.	100	100	100	100	100	100	100	100	100	100	100	100
9) The % of social visits managed in accordance with the requirements of DGR 7.	100	100	100	100	100	100	100	100	98.67	100	100	100
10) The % of prisoner grievances managed in accordance with the approved process.	100	100	100	100	100	100	100	75.00	100	100	100	100
11) The % of prisoners in structured activity for no less than 30 hours per week.	64.00	48.00	56.00	74.00	78.00	80.00	64.00	76.00	78.00	64.00	0.00 (poor data)	0.00 (poor data)
12) The % of the Aboriginal prisoner population at Acacia, who have received Aboriginal specific health education.	100	98.21	98.08	98.15	96.23	100	96.36	97.62	98.55	100	96.55	100

Key:

- Green: PLF fully payable
- Orange: PLF partially payable
- Red: PLF not payable

Review of Performance Measures and PLFs

In accordance with the Acacia Prison Services Agreement, a review of the approved Performance Measures was conducted by the Contracted Services Directorate over the last 18 months. This resulted in revised Performance Measures and the weighting of the measures against the available Performance Linked Fee. Consequently, six new measures were developed, which replaced six original measures. In addition, four of the original measures were amended. Agreement to implement the new suite of Performance Measures was reached by the Department and Serco after having been presented to the members of the Joint Management Board for endorsement. The new Performance Measures became operational on 1 July 2013. They provide for an increased focus on prisoner employment and training, education and welfare.

2.2 Performance Improvement Requests

Performance Improvement Requests (PIRs) are used as an improvement tool when the Department believes the Contractor has breached a requirement as outlined in the Agreement, or failed to meet an approved standard. As a result of such a lapse, the Agreement provides that the State may request the Contractor to improve its performance of the services, by implementing a better or alternative method of performing the services.

In the period 2012/13, the Contractor was issued with three PIRs. These related to:

- Reception of prisoners.
- A Toxic Event.
- Keys being taken off site.

Reception of Prisoners:

A PIR was issued as a result of the Contractor incorrectly accepting a prisoner delivered by the contracted prisoner transport provider, who should have been delivered to another prison. Serco undertook a Management Inquiry in relation to the reception of prisoners, and instigated a number of changes to procedures and their Rules to ensure such an incident would not recur.

A Toxic Event:

A PIR was issued as a result of a toxic event being experienced at the Waste Water Treatment Plant (the Plant) in August 2012. The effect of an unknown substance resulted in non-performance of the Plant to the required standard (known as a Toxic Event). The Department commissioned an audit of all chemical handling, storage and usage practices across the Acacia Prison site. The audit identified areas of improvement for Serco to address. In addition, following extensive investigations, the Department concluded that Serco had breached sections 11.8 and 11.11 of the Agreement. Serco undertook the required actions in the PIR and the matter was considered closed in January 2013.

Keys being Taken Offsite:

A PIR was issued to the Contractor Serco as a result of security-related equipment being taken off site or going missing on site. The PIR required a 100% improvement in the return of individual security keys by staff before leaving the prison. However, two further instances of security keys being removed off site occurred, and consequently two Abatement Amounts were applied, as outlined below (2.3).

2.3 Abatements

Abatements are penalties imposed in accordance with Clause 15.4 of the Agreement when certain negative events occur, or where the Contractor does not comply with a PIR.

The two Abatement Amounts applied during 2012/13 related to a failure to comply with a PIR. Serco did not meet the requirements of PIR - Keys Off Site. An amount of \$20,000 was deducted from the Operation Payment Fee in November and a further \$5,000 was deducted from the Operation Payment Fee due in December 2012.

2.4 Notable Innovative Prison Initiatives and Operations

A range of innovative initiatives continued to be employed at Acacia Prison during the 2012/13 reporting period.

Twilight visits were held at Acacia throughout 2012/13. The visits enable prisoners to maintain strong social bonds with their families. Family and friends are invited to the prison for an extended visitation of three hours, to interact, share a meal, and see how their loved ones live.

Other Families First Strategies delivered at Acacia include:

- Toddler Time;
- Lifer Days;
- Family Oval Visits;
- Santa Sack; and
- The Passport Program.

The Clear Vision project (a prisoner initiative) was set up to assist those in the wider community and Third World countries. Acacia received approximately 30,000 pairs of spectacles for cleaning, sorting for recycling, and sending to Madagascar, Mozambique, Nepal and other international destinations. The project is aiming to expand to manufacturing and provision of other optical services for people in remote Indigenous communities in Australia, and those in Third World countries. The progression of this will, however, will be subject to various approvals and the securing of funding.

Acacia Prison and Zimbulus signed a new Agreement in May for hydroponic plant growth at the Prison. Zimbulus has invested further in Acacia by financing the construction of a shed and the training of prisoners that will lead to recognised qualifications in the area of vegetable and fruit growing.

The Department engaged Computer Services Corporation (CSC) to design and install a new interface between the Total Offender Management Solution system (TOMS) and the Custodial Management System (CMS) used at Acacia. This new interface was established to facilitate data sharing between the two systems enabling Acacia to implement aspects of CMS to manage offenders. The interface, which also allows information to be transferred between the two applications, is now installed and the system became operational on 4 June, 2013. The CMS also uses biometric readers to log staff and prisoner movements using their individual fingerprints.

Acacia received a commendation this year at the National Save Water Awards, for their long-standing commitment to using water saving practices. Over past years, the initiatives put in place at Acacia have resulted in the saving of 2,500,000 litres of water annually. This saving addresses Acacia's objective to create a sustainable environment through varying means, such as the zone laundry system, compactor service, recycling schemes, water irrigation from reusable water, and the permaculture gardens that grow fresh foods for the kitchens.

Serco continued to use Skype technology to facilitate video communication. The technology has been used successfully in assisting prisoners attend events such as funeral, hospital, nursing home and Christmas 'visits'. The technology is predominantly accessed by foreign national prisoners, especially those from Europe and South America. Due to the lack of Skype equipment in remote regional locations, only a small number of Indigenous offenders have used the technology. Such contact, however, is encouraged and maintained where possible for Indigenous offenders through Video link to a Community Centre in outlying regions.

On this year's Anzac Day, more than 200 staff and prisoners gathered to pay their respects. One of the prisoners, who is in the process of completing a PhD in Military History, gave an Anzac Day address to the assembled crowd while the flag was flown at half-mast.

A DVD Rental Machine was installed in November Block. The machine has been well accepted by prisoners. An assessment will be made on its effectiveness and consideration given to deploying further machines across the Acacia facility.

2.5 Death in Custody

It is regrettable to report the death of a prisoner during this reporting period. The Department is currently awaiting the results of a Coronial Inquest into the death.

2.6 Staffing

Acacia Prison has 222 custodial officers in charge of the everyday care and welfare of prisoners. It has a further 150 non-custodial staff in areas of industries, health, education and training, and management and administration. This year, 42 new custodial staff commenced employment at the prison.

The Contractor has attained a staff retention figure of 95% this reporting period compared to 86% for the preceding year. This marks an improvement in staff retention rates during the 2012/13 reporting period.

Serco met their Performance Measure relating to staffing levels in every month during the period, demonstrating their sustained commitment to appropriate staffing levels.

Serco continued to undertake staff training in the areas of pre-service induction, specific training programs, and ongoing training programs as required under the Contract.

Section 3. Transparent and Accountable Operations

3.1 Contract Management

The Contract continues to be overseen and monitored through the Department's Contracted Services Directorate. A dedicated Contract Manager is responsible for ensuring all aspects of the Contract are met. The management of the Contract is supported by a range of staff and internal processes, including on site Monitoring Officers, assessment and calculation of Performance Linked Fees and internal governance frameworks.

Monitoring Officers play a key role in maintaining the delivery of quality services in line with Contract requirements. Monitoring Officers are responsible for conducting scheduled and as required compliance testing of Operational Service Requirements specified in the Contract. The feedback from the Monitoring Officers assists the Contract Manager in ensuring continuous improvement by Serco.

In 2012/13 The Acacia Contract Management Branch retained its Quality Management Standard AS/NZS ISO 9001:2008. The Standard was certified by SAI Global Audit and ensures continual compliance with customer, statutory and regulatory requirements.

3.2 Independent Reviews and Accreditation

Serco's operations at Acacia Prison are subject to a range of reviews by external bodies. During this reporting period, reviews have included:

3.2.1 Independent Visitors Scheme (IVS)

The IVS is managed by the Office of the Inspector of Custodial Services. It is an independent form of external scrutiny that monitors the standards of treatment and services to prisoners in Western Australian prisons.

During the 2012/13 period, the IVS undertook 12 visits to Acacia Prison. Issues raised by prisoners ranged from access to prisoner property, and cell temperatures, to allegations of bullying between prisoners.

3.2.2 Aboriginal Visitors Scheme (AVS)

The AVS is a Statewide service, funded by the Department of Corrective Services and provided to all prisoners in Western Australia.

During the 2012/13 period, the AVS attended Acacia Prison on 154 occasions. Three Aboriginal Visitors interacted with prisoners, with no outstanding issues emerging. Issues raised included sentence details, program information, and requests to move accommodation. The Visitors also assisted prisoners with making application for funeral attendance following the loss of family members.

3.2.3 Australian General Practice Accreditation Limited (AGPAL)

AGPAL is a not-for-profit organisation that provides independent accreditation to medical practitioners who comply with the Royal Australian College of General Practitioners Standards for general practices. AGPAL requires the

renewal of accreditation on a three-yearly basis. The current accreditation attained in 2012 is valid to September 2015. Practices accredited by AGPAL must meet a set of standards that ensure safe, high quality care is delivered to patients. To ensure this standard is maintained, Acacia Prison has a Quality In Practice (QIP) team which conducts annual audits. This ensures the AGPAL standards are maintained at the prison until the next accreditation period.

3.2.4 SAI Global Quality Management System Accreditation

In 2012/13 Serco maintained its Quality Management Standard AS/NZS ISO 9001:2008. The Standard was certified by SAI Global Audit and ensures continual compliance with customer, statutory and regulatory requirements. This is in line with the accreditation held by the Acacia Contract Management Branch.

Section 4. System-wide Learning

The contractual model used at Acacia Prison promotes innovation and provides financial incentives for the Contractor to innovate. Serco develops and implements a range of initiatives that not only bring benefits to the Acacia Prison population, but that can also be applied to those in other prisons across the State.

Many of the initiatives outlined throughout this report, that have been developed and implemented by Serco at Acacia, can be considered transferable to other facilities across the Department of Corrective Services estate. This fosters innovation, and results in the securing of cost efficiencies for Government.

The CMS Kiosk system has been trialled at Boronia Pre-Release Centre for Women and has received excellent feedback. Boronia is currently seeking to extend the Kiosk system within the Centre.

The Zimbulus Project previously outlined in this Report, is an excellent example of a partnership with private enterprise which will result in improved training opportunities for prisoners. This particular project is an example of how the Department could encourage further public/private partnerships throughout the prison system. These initiatives often provide cost efficiencies; a significant benefit during a financially challenging period.

Consistent with a recommendation from the most recent Office of the Inspector of Custodial Services (OICS) thematic review completed in 2010, Serco has completed an Innovation Register, where innovative practices that may be suitable for system-wide learning are detailed.

Section 5. Future Initiatives: The Year Ahead

The Acacia Prison Services Agreement has been operating for 11 years, yet there still remain opportunities for the State to benefit from improvements made in the quality and cost-effectiveness of services provided. The Department is continually looking to foster such improvements.

The Department's internal operational audit directorate, Standards and Review, attended Acacia Prison between 7 and 9 August 2013 to conduct an Operational Review. Serco and Contracted Services are currently awaiting the results of this review.

Serco and the Department are currently assisting the Office of the Inspector of Custodial Services (OICS) in preparing for the three yearly scheduled inspection of Acacia Prison. The inspection will conclude with an onsite inspection between 4 and 15 November 2013, after which the OICS findings will be published. Past inspections of Acacia Prison by OICS has resulted in a history of excellent reviews being attained.

Key Areas of Focus

Some of the major initiatives and challenges for 2013/14, include:

- The Acacia Prison Expansion project means 387 beds will be added to the facility, along with the associated infrastructure required to meet the needs of the increased prisoner population. The coming year will mean managing the construction works and associated security and safety risks to prisoners, staff and construction personnel, currently being undertaken while maintaining a fully operational medium security prison.
- Mitigating risks arising from the requirement of a temporary gatehouse at the eastern perimeter of the prison site.
- Development and implementation of a new Acacia Prison Maintenance Agreement that fully captures the existing infrastructure and assets while including all new elements of the prison both completed and anticipated.
- Monitoring and assessment of the revised Performance Measures commencing in July 2013.
- Continued collaborative work between the Department and Acacia Prison to improve outcomes regarding the reintegration of prisoners into the community post-release; improving education and training opportunities for the general prisoner population and, in particular, Indigenous inmates.

Section 6. Conclusion

In summary, during the 2012/13 operational year, the Acacia Contract Management Branch has successfully overseen the activities of Serco in its operations and management of Acacia Prison, in compliance with the requirements of the Acacia Prison Services Agreement.

Acacia Prison continues to set benchmarks in best practice in the Western Australian prison system. While maintaining high standards of prisoner care, Serco has managed to oversee a significant infrastructure expansion program.

The Acacia Prison has become a fine example of the public/private service delivery model; particularly in terms of operational transparency and strong external accountability, underpinned by its system of independently carried out appraisals and reviews.

The Acacia Prison Services Agreement sets clear standards and performance measures. To support this transparency, the Department has succeeded in developing contract management processes that are themselves subject to continuous review.

The primacy of ensuring both operational effectiveness and value for money for the State, will continue to be combined with the need to deliver a prison service that leads the way in best practice methods throughout Australia. The Contracted Services Directorate will continue its high level of monitoring and management operations to ensure all requirements of the Acacia Prison Services Agreement are met.