

STANDING COMMITTEE ON PUBLIC ADMINISTRATION

INQUIRY INTO THE TRANSPORT OF PERSONS IN CUSTODY IN WESTERN AUSTRALIA

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
MONDAY, 15 JUNE 2015**

SESSION SEVEN

Members

Hon Liz Behjat (Chairman)
Hon Darren West (Deputy Chairman)
Hon Nigel Hallett
Hon Jacqui Boydell
Hon Amber-Jade Sanderson

Hearing commenced at 1.29 pm**Mr COLIN PENTER****Convenor, Serco Watch, sworn and examined:**

The CHAIRMAN: On behalf of the committee, I welcome you to this meeting. I ask before we begin for you to take an oath or affirmation.

[Witness took the affirmation.]

The CHAIRMAN: You will have signed a document entitled “Information for Witnesses”. Have you read and understood that document?

Mr Penter: I have, thank you.

The CHAIRMAN: The proceedings are being recorded by Hansard. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of this hearing for the record. Please be aware of the microphones and try to speak into them and ensure that you do not cover them with papers or make too much noise near them. I remind you that your transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today’s proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise you that publication or disclosure of the uncorrected transcript of evidence may constitute a contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege.

Those are the formalities out of the way, Mr Penter. You submitted a very extensive submission which, as you aware, has now gone on the committee’s website, so it is now a publicly available document. Today you have also tabled the introductory comments to the committee. What I will say from the outset is that the committee has had an opportunity to look through your submission quite fully. It goes into a whole range of issues that are well outside the bounds of our terms of reference in this inquiry so we will not be going into any of those areas today. This inquiry is strictly in relation to our terms of reference regarding prisoner transport in Western Australia for transport of prisoners conducted by Serco and the prison system itself. We will not be canvassing issues with Serco to do with hospitals, with Serco to do with the United Kingdom or any other jurisdictions outside of Western Australia and prisoner transport. If we can be clear about that and you will confine your remarks to those issues that would be appreciated.

Mr Penter: Can I ask why the record of prisoner transport in another jurisdiction is not relevant?

The CHAIRMAN: Sorry?

Mr Penter: Why is the contractor’s record in prisoner transport in another jurisdiction not relevant?

The CHAIRMAN: We are the Parliament of Western Australia. We have jurisdiction over only Western Australia and matters that take place under this government. We are not at liberty, able to make comment on or take evidence with regard to things that happen in jurisdictions over which we have no jurisdiction. That is really the answer to that one.

Mr Penter: So am I correct in assuming that the committee’s view is that the contractor’s record in prisoner transport in another jurisdiction —

The CHAIRMAN: In Western Australia. If you read our terms of reference, you will see that we are talking about the whether the contract that Serco—and it might be ABC prisoner transport or it could be CDEF prisoner transport—whether the actual contract in place at the moment with the contractor is adequate for what it is meant to be doing and whether changes should be made to the contract. We are limited to how the people who have that contract deal with it in this jurisdiction. Are we clear on that? If you want to come in today to talk about Serco and issues that you have about Serco as a company, you need a forum other than this committee to do that.

Mr Penter: I do not. I understood that this is an inquiry into the prisoner transport contract.

The CHAIRMAN: In Western Australia.

Mr Penter: We believe the contractor's record in Western Australia and elsewhere in prisoner transport is relevant.

The CHAIRMAN: It is fine for you to speak about the Serco record in Western Australia, but you cannot speak about anything outside our jurisdiction. We have jurisdiction in only Western Australia; we do not have jurisdiction in Victoria, New South Wales or Queensland.

Mr Penter: I understand that. What I am saying is that I am rather surprised that the committee would believe that a contractor's record in another jurisdiction is not relevant to their performance here in Western Australia.

Hon AMBER-JADE SANDERSON: Can I make a suggestion, Chair? It is not that it is not relevant necessarily, but a lot of the issues have already been canvassed in the submission in quite a lot of detail. We have a short time frame for hearings so the most useful thing for us is for you to give evidence based on the WA contract at this point. We can use all submissions in relation to our deliberations.

Mr Penter: Sure. The point we made in our submission is that we believe the contractor's record in prisoner transport in other jurisdictions points to consistent, persistent and recurring patterns of underperformance here in Western Australia. The submission documents that cycle of what we believe is underperformance and failures. I believe that has been documented in what has been spoken about here this morning by a number of people. We have seen contract underperformance that has triggered contract termination clauses on multiple occasions. There have been multiple escapes, rising levels of abatement and contractual breaches. There have been serious allegations of understaffing and overcharging documented in our submission and other submissions. We have heard serious allegations about late deliveries and today we have heard problems about hospital sits. We have also heard Deaths in Custody Watch as well as others talk about allegations of mistreatment of prisoners. To us that is a pretty serious set of performance failures.

The CHAIRMAN: If I could put it to you that in that joint submission from CSA, CPSU, Deaths in Custody Watch and Serco Watch noted that the contractual breach of the CS&CS contract were following the escape that took place at the beginning of 2014; that was in January in Geraldton. However the Commissioner for Corrective Services noted in a public hearing in front of this committee in April 2014 that 80 000 transports had taken place in the two and a half years prior to that 3 January escape without incident, and on that basis the commissioner chose not to terminate the contract. He also had the Department of Finance undertake a review of the contract, which was satisfactory. Given all of that context with regard to that, you still maintain that the contract should have been terminated as a result of those jail Geraldton escapes.

Mr Penter: I guess the question we would ask is why are contract terminations clauses not activated after they have been breached multiple times and why are those reports not in the public domain? Have any of those reports been made available publicly?

The CHAIRMAN: Certainty the report about the escapes in January is in the —

Mr Penter: No; the executive summary of the department's investigation is on the parliamentary website and it was spoken to by Hon Amber-Jade Sanderson and therein lie the very problem that many of us are articulating in that with a private contractor there are catastrophic failures and there is no capacity for the public, the citizens, to be able to find out and test the claims that the commissioner, politicians and Serco make. We cannot test those claims. We cannot test claims about value for money, we cannot test any of the claims because of that problem of public accountability. Why have contract termination clauses that are breached multiple times and not acted on? That is the question we ask.

Hon DARREN WEST: What in your view would rectify that?

Mr Penter: End the contract with Serco as of 2016, as the UK government did.

Hon AMBER-JADE SANDERSON: So end the contract with Serco in preference of another private provider or a public provider and why do you think would work?

Mr Penter: I think that prison officers, Deaths in Custody Watch, CPSU and ourselves have flagged that three of the most catastrophic failures in the state's history in the corrections area have been as a result of private contractors—Aims, G4S and Serco. The idea that there is another contractor out there, I mean there is essentially one contractor one in this state, probably two, that could do it—G4S and Serco. Clearly with a private contractor we would go back to the same problems. Concerns have been raised about the public sector's capacity to provide the service, but I guess our view is that we do not believe that there is any evidence to suggest that the claims about private contractors—show us the evidence that private contractors deliver value for money and better performance. Do not make claims about it—show us the evidence. Yes, we believe it should be taken off the private provider and delivered out of the public sector. Clearly the public sector might have significant problems, but we believe that is a much better option than a private contractor.

Hon NIGEL HALLETT: Colin, obviously this is something about which you are very passionate. You would have done some modelling or costings on this to have such strong claims.

Mr Penter: About?

Hon NIGEL HALLETT: About the cost of providing a different type of service.

Mr Penter: What I know very well is the evidence —

Hon NIGEL HALLETT: You are saying it is costly and it is not doing it, but you have to have an alternative. Do you have an alternative?

Mr Penter: The point I am making is that the claim made by the minister, the department and the government is that it delivers value for money.

Hon NIGEL HALLETT: Yes, but I am listening to your claims; we want that backed up with evidence.

Mr Penter: We are an unfunded, citizen-led network. We have no resources and no funding. If I had the resources of the department, then I would probably be able to do that. But we do not have the resources. What I do know is that when you study the evidence about the privatisation of prisoner transport services and other services, it does not support the notion that the corporate sector delivers value for money. I know that evidence very well.

The CHAIRMAN: Thank you very much for coming in today, Mr Penter. That brings us to the end of our questions.

Hearing concluded at 1.42 pm
