



Annual Report 2015/16

Contract for the Provision of Court Security and Custodial Services



Department of Corrective Services

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TO THE MINISTER

Hon Joe Francis MLA
Minister for Corrective Services

In accordance with section 45 of the *Court Security and Custodial Services Act 1999*, I hereby submit for your information and presentation to Parliament the 2015/16 Annual Report of the Contract for the Provision of Court Security and Custodial Services.

Under section 45 of the Act, the Chief Executive Officer of the agency principally assisting the Minister for Corrective Services, is required to prepare a report on services provided by the Contractor for the preceding 12 months.

This report presents an overview of services provided under the Contract by Serco Australia Pty Limited.

James McMahon
Commissioner

28 September 2016

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1 Key Areas of Focus and Achievements 2015/16

This Annual Report of the Contract for the Provision of Court Security and Custodial Services ('the Contract') covers the period 1 July 2015 to 30 June 2016 inclusive. It is the fifth service year under the current Contract for Serco Australia Pty Ltd. Key focus areas and achievements during this period included:

- On 19 June 2015, an approval of variation notice for the new State Administrative Tribunal was issued to the Contractor. On 20 July 2015, full services consisting of court security commenced.
- On 20 April 2016, an approval of variation notice for the new Supreme Court Civil Tower (namely the David Malcolm Justice Centre) was issued to the Contractor. On 11 July 2016, full services consisting of court security commenced.
- The Department continued to promote the use of audio-visual links for court appearances. During 2015/16 there were 10,436 attendances at court and 31,527 video link appearances. This is an increase of 24% for warrants for attendance at court and an increase of 29% for warrants appearing via video link from the previous year.
- During 2015/16, the Contractor completed the vehicle chassis replacement program. The Contractor is required to have a secure escort vehicle replacement strategy and not use a secure escort vehicle (chassis) older than five (5) years. On 17 December 2015, the last vehicle to undergo its chassis replacement was received back into operation.

2 Background: History of Contract

In January 2000, the then WA Department of Justice entered into a Contract for the Provision of Court Security and Custodial Services with the Corrections Corporation of Australia (CCA) for a five year period, with two extension options, each of three years. CCA, which later changed its name to Australian Integration Management Services (AIMS) Corporation, began delivering the services on 31 July 2000.

In 2005, the first option to extend the Contract was exercised, taking the Contract through to 2008. On 1 February 2006 the then Department of Justice separated to form the Department of Corrective Services (the Department) and Department of the Attorney General. The change created a complex service delivery and contract management structure across the two departments as well as service provision to a third agency, the WA Police.

In 2007, the Contract was novated from AIMS to Global Solutions Limited (GSL) and the Department chose to exercise the final three year contract extension option extending the Contract to 2011.

In 2008, the Department became responsible for assisting the Minister for Corrective Services in administering the *Court Services and Custodial Services Act 1999*. As such, the Commissioner of the Department is the Principal to the Contract for the Provision of Court Security and Custodial Services.

In May 2008, GSL was acquired by Group4Securicor, an international security solutions group and in January 2009 GSL changed its Australian operating name to G4S Custodial Services.

The Contract was publicly tendered in 2010 and the successful respondent was Serco Australia Pty Ltd. G4S Custodial Services continued to provide services under the Contract until the termination of the Contract on 30 July 2011. Serco Australia Pty Ltd commenced transition in June, and commenced service delivery on 31 July 2011. Serco Australia Pty Ltd continues to carry out service delivery under the Contract.

The current Contract, commenced for an initial term to 30 June 2016, with extension options of up to five years. On 16 June 2015, the Minister for Corrective Services announced that as a result of a review of the Contract, the Government does not intend to exercise these options.

The current Contract is based on a fixed monthly service fee for delivering specified service volumes identified across 17 pricing tables that are subject to quarterly service volume band reviews. The Contract allows flexibility for growth and reduction in demand, through the approved increase or decrease of specified service volumes. It also provides for greater price certainty despite demand variability.

Under the Contract the Contractor is responsible for the provision, maintenance and replacement of the Secure Vehicle Fleet, as well as air and coach transportation of persons in custody across the State. Regional Police lock-ups are cleared within 24 hours and air transport is also used for regional prisoner movements. Contract

officers are required to be trained to a specified level of proficiency in order to secure an improved quality of service.

The Contractor's performance is measured against Key Performance Indicators and comprehensive Service Requirements. The Contractor is expected to deliver 100% of all services in accordance with the contracted service requirements. An Abatement Regime applies if the Contractor fails to deliver services as required.

The Department monitors and reviews the Contractor's provision of court security and custodial services State-wide. This has resulted in greater scrutiny of service delivery which enables the Department to identify issues in a timely manner, and seek prompt remedy from the Contractor when issues of concern arise.

The current Contract focuses on services being carried out with regard to the security of persons in custody, staff, and the general public at the highest levels, within set timeframes and with a high degree of duty of care. The monitoring processes developed, together with the Abatement Regime, support the provision of high levels of service delivery throughout the State.

The Contract has been re-tendered and an announcement of a preferred tenderer was released on 31 August 2016, with the new Contract commencing in early 2017.

3 Transportation Services: Movement of Persons in Custody

3.1 Person in Custody Movement Services (Transport)

3.1.1 Description of Service

The provision of movement services for persons in custody includes the transportation of such individuals between police lock-ups, courts, court custody centers, prisons and remand centres.

Movement services are also provided for persons in custody to attend medical appointments, funerals or other locations for approved purposes. The Contract also provides security services when a person in custody is admitted to a hospital.

Table 1. Individual Custody Movements Performed

| Services | Movements | Comments ¹ |
|---|-----------|--|
| Inter-prison Transfers | 4,255 | Inter-prison movements include metropolitan to regional and vice versa, and within regional areas and the metropolitan area. Movements are conducted by coach, air or secure vehicle. There was a decrease of 17% in movement of prisoners during 2015/16. |
| Court to Prison | 6,619 | Court to Prison movements have increased by 3%. |
| Prison to Court | 8,082 | Prison to Court movements have increased by 4% during 2015/16. |
| Medical Appointments | 4,615 | Scheduled and unscheduled medical appointments have increased by 1% during 2015/16. |
| Funerals | 180 | Funeral movements have increased by 6% during 2015/16. |
| Day Admissions | 156 | These services are for prisoners who are admitted to hospital for surgical or other procedures. This figure indicates a 3% decrease during 2015/16. |
| Prison to Hospital | 123 | Prison to Hospital movements have increased by 5% during 2015/16. |
| Hospital to Prison | 141 | Hospital to Prison movements have increased by 3% during 2015/16. |
| Lock-up Clearance (Metropolitan and Regional) | 12,026 | Using data provided by Serco, lock-up clearance numbers have increased from the previous service year by 19%. For regional areas, this service clears persons in custody from 24 WA Police Hub locations to local |

¹Increases and decreases in percentages for Table 1 are calculated between the numbers provided for each service in the 2014-2015 Annual Report and the numbers provided for service in the 2015-2016 Annual Report. Movements are also facilitated by prisons.

| | | |
|--------|----|---|
| | | <p>regional prisons. This service requires persons in custody to be cleared within 24 hours' notice.</p> <p>During this period lock-up clearances from metropolitan areas for persons in custody were cleared from the Perth Police Complex (PPC) in Northbridge.</p> |
| Visits | 43 | These services include visits to ill relatives and other approved escorts. This figure has increased by 87% during 2015/16. |

A total of 36,240 persons in custody movements occurred by various means (air, coach, secure vehicle, or other vehicles) during the 2015/16 service year. This is an increase of 1,697 or 5% person in custody movements.

Daily transfers to metropolitan courts continue to be conducted by the Contractor from the PPC in Northbridge, as well as from the Saturday Magistrates Court at the PPC to prisons. On 6 July 2014 this service was extended to include movement services from the Sunday Magistrates Court.

During 2015/16, Serco undertook 3,930 metropolitan and regional juvenile transport movements, consisting of metropolitan and regional court movements, regional lockup clearances and ad hoc movements such as medicals and funerals.

Figure 1. Monthly Contracted Adult Transport Services

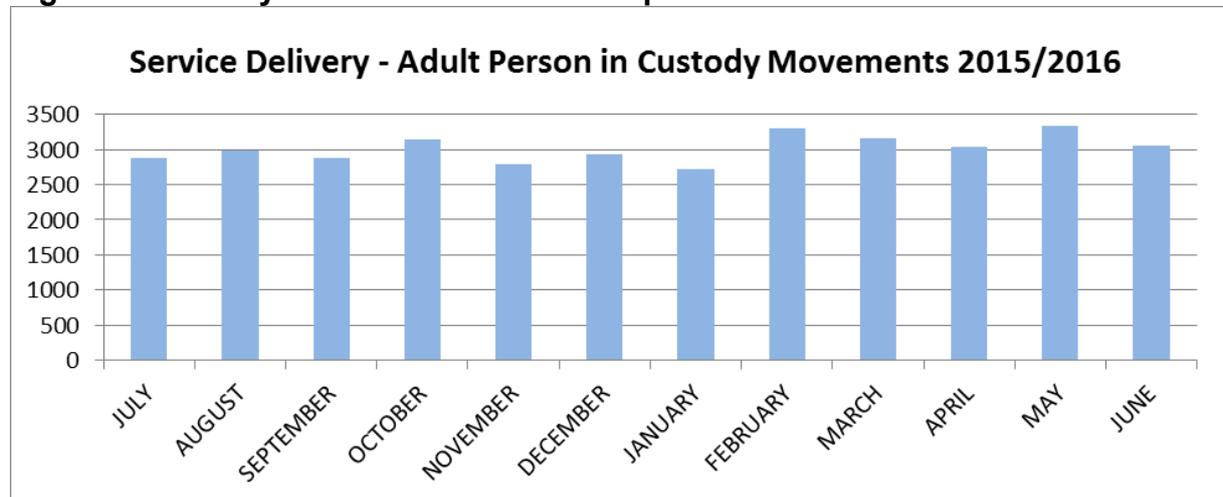
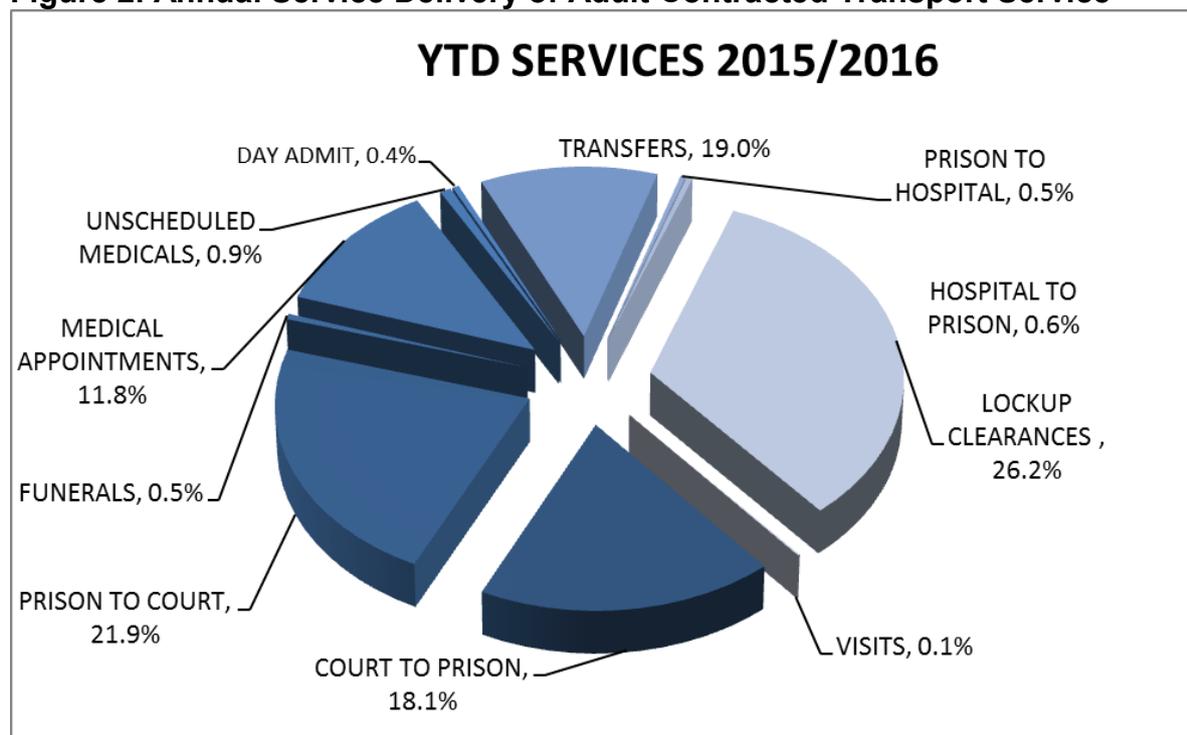


Figure 2. Annual Service Delivery of Adult Contracted Transport Service



3.1.2 Total Expenditure: Custody Movement Services

The total cost of providing Custody Movement Services in 2015/16 for metropolitan and regional areas was \$36,524,102.19.

The 2015/16 cost of Movement Services includes the provision of air charter, coach movements, Police lock-up Hub Clearances within 24 hours, and the cost of maintaining and managing the Secure Vehicle Fleet.

3.2 Persons in Custody who died while in hospital

During 2015/16, six deaths in custody occurred while the persons in custody were at hospital under guard by the Contractor, Serco. The Coroner has yet to conduct inquests for the six deaths in custody.

3.3 Serco Escort and Recording System (SERS)

Serco Escort and Recording System (SERS), has been developed by Serco to support the management of prisoner escort and court supervision duties. SERS was launched in the United Kingdom in 2011, and has been further customised and refined in Australia as a key element of Serco's WA CS&CS Contract.

The application of SERS enables close monitoring of persons in custody during the period in which they are under Serco's care and supervision. Automated 'feeds' from the Department's Total Offender Management System (TOMS) ensures all transport requests are fed through to SERS to be actioned by Serco. Serco staff have access to SERS via personal computers, or tablets, and can record all interactions with each person in custody. Serco staff are unable to utilise SERS when facilitating moments via commercial flights. This is due to the requirements to turn electrical devices off prior to take off and the time it takes for the system to reactivate. On handover of

custody the information, in the form of person in custody event reports, is now issued to all prisons electronically and can be utilised to 'risk assess' prisoners.

In February 2015, key Departmental staff from the Monitoring and Compliance Branch received SERS training and gained access to custom reports and live data feeds via a portal.

3.4 Secure Vehicle Fleet

The Contract stipulates that 'The Contractor is contractually required to have a secure escort vehicle replacement strategy and shall not use a secure escort vehicle (chassis) older than five (5) years or greater than the manufacturer's warranty period or a secure escort vehicle pod older than ten (10) years old'.

During 2015/16, the Contractor completed the chassis replacement program build schedule. On 17 December 2015, the last vehicle to undergo its chassis replacement was received back into operation.

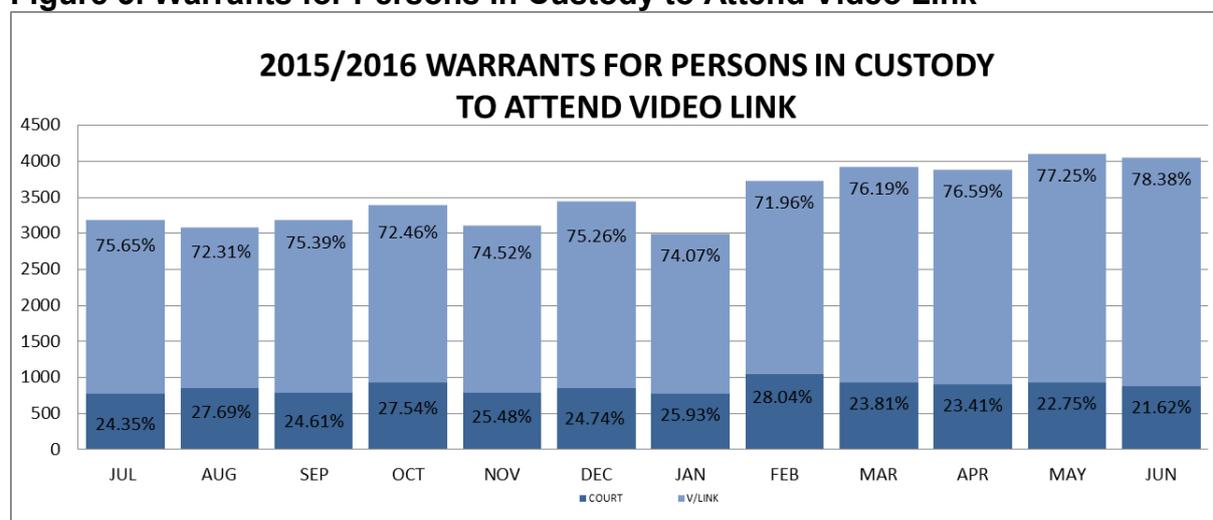
3.5 Increased Use of Video Links to Courts

The Department continues to focus on reducing unnecessary prisoner movements by collecting data, identifying strategies and managing the effects of new processes employed in this area. The Department has continued to promote the use of audio-visual links for court appearances, in order to successfully reduce the number of prisoners transported between regional and metropolitan locations.

Figure 3 outlines the number of warrants for persons in custody to appear in court and the number of warrants for persons in custody to attend via video link, and the percentages of those attendances that were facilitated by video link. There were 10,436² attendances at court and 31,527 video link appearances.

This is an increase of 24% for warrants for attendance at court and an increase of 29% for warrants appearing via video link from the previous year. The total overall person in custody movements for all services has increased by 5% this year.

Figure 3. Warrants for Persons in Custody to Attend Video Link



² The 2014-15 Annual Report excluded youth detention arrest warrant court appearance records.

4 Court Security and Court Custody

4.1 Description of Service

The Contract provides for court security and court custody services at major metropolitan and regional courts throughout WA and in designated jurisdictions.

Court security is the provision of security services (excluding custody) and generally includes court orderlies, gallery guards, perimeter security to external premises and internal security of public areas within major courts.

Court custody is the provision of security services within the court custody centre and the secure circulation paths leading to and from courtrooms. This includes dock guards in courtrooms for the management of persons in custody, and the management of custody centres where one forms part of a court complex.

4.2 Court Custody and Court Security Costs

The cost of providing court custody and court security services in 2015/16 for metropolitan courts and for regional courts was, in total, \$22,263,257.67.

5 Contract Compliance and Contract Costs

The Contract operates under a defined governance framework that is overseen by the CS&CS Board. The purpose of the Board is to provide direction and advice on strategic and policy issues that affect the management and provision of services under the Contract. The Board is chaired by the Director of Procurement and Contracted Services.

The objectives of the Board are to:

- Examine and resolve strategic issues that affect the Contract.
- Ensure compliance requirements are met.
- Facilitate improvements in the performance of the Contract.
- Review the ongoing relevance of aspects of the Contract.
- Provide a forum for co-ordination of relevant budget processes and to ensure that planning priorities inform the budget process.

5.1 Description of Service

The CS&CS Contract Monitoring regime was reviewed during the reporting period and the resulting revised regime introduced. The consequence of this review has resulted in a model that provides a more fine-grained breakdown of services monitored, which then provides for improved trend analysis.

Table 3 below, identifies the number of Compliance Reviews undertaken at metropolitan and regional sites.

Table 3. Schedule of Compliance Reviews Completed

| Compliance Reviews Completed | |
|------------------------------|------------------------|
| November 2015 | Albany |
| November 2015 | Geraldton |
| February 2016 | Supreme Court |
| February 2016 | Perth Children's Court |
| February 2016 | Joondalup |
| February 2016 | Bunbury |
| March 2016 | Armadale |
| May 2016 | Fremantle |
| May 2016 | Midland |
| May 2016 | Rockingham |

Table 4 below, identifies the number of visits per location to undertake monitoring activities at both metropolitan and regional sites.

Table 4. Schedule of Monitoring Visits Completed

| Monitoring Visits Completed | | | |
|--|----|-------------------------------|------------|
| Airport - Skippers | 11 | Fiona Stanley Hospital | 51 |
| Armadale Court | 13 | Fremantle Hospital | 13 |
| District Court Building/Central Law Courts | 27 | King Edward Memorial Hospital | 8 |
| Fremantle Court | 15 | Royal Perth Hospital | 21 |
| Joondalup Court | 17 | Sir Charles Gairdner Hospital | 9 |
| Mandurah Court | 14 | St John of God Hospital | 4 |
| Midland Court | 18 | Rockingham Hospital | 5 |
| Perth Children's Court | 12 | Swan Districts Hospital | 2 |
| Northbridge Court | 10 | Northbridge PPC | 5 |
| Family Court | 6 | Acacia Prison | 2 |
| Rockingham Court | 12 | Bandyup Prison | 9 |
| State Administrative Tribunal | 4 | Casuarina Prison | 14 |
| Supreme Court AXA | 6 | Hakea Prison | 27 |
| Supreme Court & Stirling Gardens | 18 | Banksia Hill Detention Centre | 4 |
| Fiona Stanley Hospital Secure Unit | 7 | Albany Prison | 1 |
| Funerals | 10 | Serco Base | 2 |
| Armadale Hospital | 1 | Total | 378 |

5.2 Key Performance Indicators (KPIs) and Abatement Regime

The Contract includes KPIs and an Abatement Regime. The KPIs relate to Specified Events referred to in the Contract as well as Performance Failures, including contractual, reporting and operational service failures by the Contractor. The Contractor can be abated for failing to meet a KPI, by being charged a fixed abatement amount in dollars, or by accumulating Abatement Points that are then converted into a dollar amount, which is calculated as a percentage of the monthly service fee. The precise amount of the abatement depends on the type and severity of the failure.

The total value of abatements applied for the period was \$193,226.

The following 14 incidents were subject to an abatement during the reporting period with a total abatement amount of \$148,203.

- 3 x Serious Failure to provide a Service, with a maximum abatement amount of \$57,590. The maximum abatement amount was applied in 1 instance, a partial abatement amount of \$5,759 was applied in one instance and a partial abatement amount of \$5,760 was applied in one instance. The total abatement amount was \$69,109.
- 7 x Failure to provide a Service, each with a maximum abatement amount of \$5,759. The maximum abatement amount was applied in 5 instances, a partial abatement of \$4,319 was applied in one instance and a partial abatement of \$2,789 was applied in one instance. The total abatement amount was \$35,903.
- 1 x Unauthorised release of person in custody, with a maximum abatement amount of \$34,554. The maximum abatement amount was applied. The total abatement amount was \$34,554.
- 3 x Unsecure person in custody unauthorised release, each with a maximum abatement amount of \$2,879. The maximum abatement amount was applied in 3 instances. The total abatement amount was \$8,637.

In addition, 77 reporting and 64 service failures were abated to a total of \$45,023.

5.3 Performance Improvement Notices

The Contract provides for the issue of a Performance Improvement Notice (PIN) in the event the Contractor has breached an obligation specified in the Contract or has not sustained any service element. This mechanism enables a specific performance issue to be addressed and promptly remedied.

Contract Management issued one PIN during the operating period.

On 21 December 2015, a PIN was issued in relation to vehicle issues, namely air conditioning servicing, CCTV and vehicle breakdowns/faults. The Contractor responded to the Notice within the specified time and the Department continues to monitor performance against this issue.

5.4 Customer Satisfaction Survey

The Customer Satisfaction Survey is a further element which encourages the maintenance of a high standard of Contractor delivery of services. The Contract provides for the withholding of a percentage of the service fee. Based on the survey results a proportion of withheld fee is provided to the Contractor. Through the use of this mechanism, the Contractor is rewarded with an Incentive Payment.

The survey measures the Contractor's performance with regard to establishing and maintaining effective relationships with the Client Agencies to ensure efficient delivery of the services and the transitional services to the Principal. The Contractor's performance is subject to regular measurement through customer satisfaction reviews based on the achievement of specific service objectives.

On completion of the surveys, conducted quarterly, the Contractor Serco achieved an average Customer Satisfaction Measurement of 60% for this service year. This is an increase of 2% in Customer Satisfaction on the previous year.

The Department and client agencies continue to review the questions posed as part of the Customer Satisfaction Survey to improve the effectiveness of this mechanism.

5.5 Overview Contract Cost of Service

The cost of delivering services under the Contract increased slightly during this financial year. This year's increase has been attributed to the new State Administrative Tribunal contract variation as well as an increase in Juvenile Services movements.

In total, the cost of delivering the service during 2015/16 was \$58,787,360 compared to \$58,091,323 in 2014/15.

A breakdown of the contract costs associated with the Court Security and Custodial Services Contract is below (rounded to the nearest dollar).

| Description | Payment |
|--|---------------------|
| Custody Movement Services (metropolitan and regional areas) | \$36,524,102 |
| Court Custody and Court Security Services (metropolitan and regional courts) | \$22,263,258 |
| Gross Total | \$58,787,360 |
| Abatements applied | \$193,226 |
| Net Total | \$58,594,134 |

6 Training

6.1 Improved Training of Contract Workers

The Contract requires all Contract Workers to have successfully completed a Certificate III, or for Supervisors, Certificate IV in Correctional Services in their first year of employment.

During 2015/16, all staff met their required certification in Certificate III within the 12 months specified. Of the 371 Serco Contract Workers, 307 (or 83%) have completed Certificate III qualifications, and 64 (or 17%) are currently completing their Certificate III qualifications, and are doing so within the 12 months specified.

Sixteen Serco staff also completed Certificate IV. All client service managers are required to have Certificate IV in Correctional Practice completed within 12 months of being appointed. Two client service managers who were appointed in the past 12 months are in the process of Certificate IV training.

During this service year the Contractor's certification rate of Contract Workers in respect of Cardio Pulmonary Resuscitation (CPR) training was 97.6%. The Contract Workers who do not have current CPR training are not currently in active roles as Contract Workers.

7 Contract Reviews

In addition to the Monitoring Reviews for compliance (as outlined in Section 6.1 Monitoring of Services), the following contract reviews were undertaken during the 2015/16 reporting period.

The reviews are conducted across a range of contractual activities aimed at improving service provision to ensure a secure, safe and value-for-money service.

7.1 Review of Contractor's Operational Instructions

An annual review of the Contractor's Operational Instructions (OIs) was undertaken consistent with the requirements of the Contract. The review ensures all OIs comply with Departmental policy and legislation, and meet all service requirements and contractual responsibilities (as per Section 10.3 of the Contract).

During 2015/16, the Contractor undertook its review of the OIs. The Contractor and the Department will continue to review OIs in relation to issues and incidents as they occur.

7.2 Volume (Band) Changes

The Contract provides for regular increases and decreases for contractually specified service delivery to be reflected in specific price variations, without the requirement of formal contract variations. This allows the State to only receive the service required and make price variations, up or down, to reflect the changes in service demand.

The Contractor submitted Volume Band data and requests in accordance with the requirement for Quarterly Review of Baseline Volume Bands in Schedule 4, Clause 3.2.3, of the CS&CS Contract for regional court transfers, regional lock-up clearances and metropolitan medical, funeral and other escorts for approved purposes. Volume Band reviews were finalised for each quarter of the financial year during this reporting period.

7.3 Service Commencements

The following services commenced during this reporting period:

- A new court complex at 565 Hay Street, Perth has been commissioned to replace the existing court complex and includes the new State Administrative Tribunal. On 19 June 2015, a Contract Variation was implemented to facilitate the provision of court security services at the new State Administrative Tribunal from 20 July 2015.
- A new court complex at 565 Hay Street, Perth has been commissioned to replace the existing court complex and includes the new Supreme Court Tower (namely the David Malcolm Justice Centre). On 20 April 2016, a Contract Variation was implemented to facilitate the provision of court security services at the new Supreme Court Tower from 11 July 2016.

8 2016/17: The Year Ahead

8.1 Contract Termination

The Court Security and Custodial Services (CS&CS) Contract has been re-tendered and the announcement of a preferred tenderer was released on 31 August 2016, with the new Contract commencing in early 2017.

8.2 Increased Use of Technology

The Department will continue to explore the use of technology to further reduce the number of prisoners transported within and between regional and metropolitan locations.