

Inspector's Overview

ACACIA PRISON'S GOOD PERFORMANCE MUST BE MAINTAINED AS THE END OF THE CONTRACT TERM APPROACHES

ACACIA IS GENERALLY A WELL-RUN PRISON

Acacia Prison is one of only two privately operated prisons in Western Australia. It first opened in May 2001 and is a state-owned asset of the Department of Justice. It has been privately operated since it opened in 2001. The current operator Serco Australia Pty Ltd was awarded the contract to operate and manage the prison in 2006. The current contract has had two extensions and is due to expire in May 2021.

Infrastructure at Acacia is maintained under a separate contract which is currently held by Sodexo Australia Pty Ltd.

Acacia is generally a stable and well-run prison. There are a number of factors that contribute to this position.

First, Serco works hard to provide quality services and have shown to be innovative, agile and flexible in their operating model. That is not to say that they are perfect but we have seen over the years of our inspection work a sustained commitment to continuous improvement and learning from mistakes.

Second, the contract with Serco is very well managed by the Department. The level of transparency and oversight is commendable. Both the Department and Serco have good governance processes in place to ensure effective oversight and reporting that meets the requirements set out in the contract. The Department has contract monitors onsite for several days each week undertaking compliance work. The contract has a number of performance and compliance requirements and monthly performance reports are analysed and linked to operational payments. In addition, Serco are required to meet both quarterly and annual reporting requirements. The Department also reports annually on the performance of the contract.

Finally, there is a strong framework of independent oversight of Acacia's operations. The work of our Office in undertaking a comprehensive inspection of the prison's operations at least once every three years, together with our regular liaison visits and the work of our Independent Prison Visitors, provides a level of ongoing oversight. In addition to our work, other independent oversight agencies contribute to the transparency and accountability of Acacia's operations.

CONTRACT MANAGEMENT LIMITATIONS

During this inspection we did identify limitations in how effectively the infrastructure maintenance contract was being managed by the Department. The Department had already recognised this shortcoming and taken steps to address the situation. They have transferred responsibility for management of the contract to the Infrastructure Services section of the Department and better governance arrangements are being put in place, including monthly on-site contract management meetings between the Department, Serco, and Sodexo. We were informed that a range of measures were being implemented to more closely monitor performance. This will be an area of continued interest and focus for us to ensure oversight and management of this contract improves.

ACACIA PRISON'S GOOD PERFORMANCE MUST BE MAINTAINED AS THE END OF THE CONTRACT TERM APPROACHES

THE GOVERNMENT'S INTENTIONS ARE NOT YET KNOWN

The contract between the Department and Serco is due to expire in May 2021.

The government's intentions beyond May 2021 in regard to the operation and management of Acacia are unknown at this time. There are a range of possible options but these are questions for the government and not this office.

Despite the potential for uncertainty from now until 2021, Serco and the Department must maintain Acacia's positive record and ensure that services do not decline. We have made several recommendations in this report for improvement and while there may be some understandable reluctance by Serco and/or the Department to invest new funds, they both must continue to look at how they can achieve better outcomes in the rehabilitation of prisoners.

There is, however, one certainty and that is that Acacia will continue to be a large and complex prison housing over 1,500 male medium-security prisoners. Whatever the future may hold for Acacia, planning and decision making needs to be progressed as soon as practicable.

The effective operation and management of the prison must not be distracted by whatever uncertainty may exist.

WELCOMED RESPONSE

A copy of our draft report was provided to the Department and each of the relevant contractors for comment prior to finalisation.

It was pleasing to get a positive response from both the Department and Serco to the draft report and proposed recommendations. Both responses are summarised in an appendix to this report. We will continue to monitor progress towards implementation of the recommendations by way of our regular liaison visits to the prison and ongoing interaction with the Department and Serco.

ACKNOWLEDGMENTS

The success of our inspection work is dependent on a lot of hard work and strong working relationships with key stakeholders.

I would like to acknowledge the cooperation we received from all stakeholders during this inspection, particularly the Department, Serco, and Acacia leadership and staff.

It is also important to acknowledge the significant contribution of our inspection team and our independent experts who contributed so much to our inspection. Finally, I would like to acknowledge the efforts of Jim Bryden for his hard work in planning the inspection and as principal drafter of this report.

Eamon Ryan

Inspector

26 August 2019