



ANNUAL REPORT 2005/2006

Acacia Prison Services Agreement

This report covers the operation of
Acacia Prison from August 2005 to
September 2006.



ACACIA PRISON SERVICES AGREEMENT

ANNUAL REPORT 2005/2006

TO THE MINISTER

To Hon Margaret M. Quirk MA LLB (Hons) 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 for the year ending 30 September 2006.

This report provides an overview of services provided under the Agreement for the management of Acacia Prison by Australian Integration Management Services Corporation (AIMS Corporation) and subsequently Serco Australia Pty Ltd from 16 May 2006.

Ian Johnson
Commissioner
28 September 2006

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The gardens and grounds of Acacia Prison.

Our vision for every prisoner at Acacia Prison is that he will work actively with the help of the prison to address his offending, develop his abilities, and rejoin his community as a full and law-abiding citizen. (Serco)

FROM THE COMMISSIONER

Running a prison is not the easiest business in the world and it places extraordinary demands on staff and senior management. It is complex and demanding, made more so by constant public and regulatory scrutiny.

From time to time things don't go according to plan and each day has the potential to test the resolve and capabilities of staff. Prison populations alone present unique challenges. Bringing together more than 750 male prisoners from a range of backgrounds, with diverse and special needs, is a challenge in itself.

A prison has to provide all the services you would find in the community including health, education, employment, training, meals and social activities, while ensuring safety and security. It is an unfortunate reality that, for many of the prisoners, their time in prison is the only time they receive proper health care, education and an opportunity to address their offending behaviour. This does not understate the reason and justification for their incarceration but merely points out that, unless these needs are addressed, the chance of them returning to custody is greatly increased. In turn, that means more victims in the community.

Significant demands are placed on Acacia Prison, as it has more Aboriginal prisoners than any other prison in the State and a number of these inmates are from remote communities. As well as the usual adjustments that come with imprisonment, Aboriginal prisoners can face great cultural dislocation. Being isolated from their communities means they have virtually no personal support system. It is a credit to staff that they 'step up to the mark' to try to make a difference to the lives of those in their care.

The bottom line is that a prison is full of people who don't want to be there and who are there due to a variety of causal factors including mental illness, substance abuse, personality disorders and intellectual disabilities, as well as a range of other circumstances.

Managing a prison has many potential hazards and it is important to recognise that any system has limitations and that good risk management is about minimising the exposure while understanding that it is impossible to eliminate all risk.

The past year has been an unusually turbulent yet exciting period for the Department of Corrective Services. The first half of the year was met with intense independent scrutiny in respect to a number of serious incidents involving offenders. This resulted in the Mahoney Inquiry into the Management of Offenders in Custody and in the Community, which provided a 'blueprint' for reform. This 'blueprint' was initiated with the creation of the Department of Corrective Services on 1 February 2006. As inaugural Commissioner of Corrective Services, I am committed to improving offender services and providing safer and enhanced corrective services in WA. Acacia Prison is just one part of that custodial system, representing the State's first and only private prison. The prison was introduced five years ago for a number of reasons. In the main it was about the need for additional prisoner beds and to introduce cost-effective and improved performance.

The privatisation debate in WA took place in late 1990s, at the same time the United Kingdom reported on the success of contestability and how its private prisons were out-performing their publicly operated counterparts in a range of key areas, including:

- preparing prisoners for release back into the community
- improving staff morale and relations between staff and prisoners
- providing better care of suicidal and at risk prisoners
- offering better procedures and more flexible visiting hours for prisoners.

Similar reports were being received from the United States, who were also claiming the recidivism rates from private prisons were half that of those from public prisons.

Based on the experience of the United Kingdom, the government of the day approved the introduction of Western Australia's first private prison on the basis of it providing better value for money, innovation and improved risk management.

One of the benefits of having at least one private prison is that it provides contestability, and a climate of competitive change among the other WA prisons. This, in turn, creates the sharing and transferring of continuous improvements between private and public prisons.

Australian Integration Management Services (AIMS) Corporation operated Acacia since it opened in May 2001. The first five years proved to be a challenging journey as AIMS and the Department broke new ground in operating corrections systems in WA.

The venture into a private prison was a major learning curve for AIMS and the Department and, while all was not perfect, positive progress was made and many teething problems were overcome. It should be recognised that, as a result of the hard work and commitment by AIMS Corporation and the Department during those formative years, much has been learnt about how a future partnership should work, and both Acacia Prison and corrective services in WA will benefit as a result.

This year, that experience and knowledge informed the review and re-tender of the *Acacia Prison Services Agreement*. The result was the development of a new agreement and the appointment of a new private contractor, Serco Australia, which started operations at Acacia Prison from 15 May 2006.

For its services throughout 2005/2006, AIMS Corporation was paid more than \$25.8m to operate Acacia Prison. This included almost \$1.29m in performance-linked fees.

Key issues

During the year the number of beds at Acacia Prison was increased to relieve population pressures in public prisons. The maximum bed population increased from 750 to 800, but because of staff shortages the actual prison population remained at a maximum 735 for most of the year. With newly appointed service provider Serco Australia now addressing staff shortages, it is anticipated Acacia will be able to increase the population to 800 from September 2006. This will provide some relief to the prisoner population pressures in the public system.

Staffing was an ongoing problem at Acacia this year, with difficulties experienced in retaining administrative and specialist staff such as nurses, teachers and psychologists. A number of trained custodial staff also transferred to the public prison system and the loss of such experienced staff created a range of difficulties for AIMS and Acacia.

Staffing requirements, including staff retention, were a major focus in the re-tender and the new agreement reflects this. Since they began operations in May, the general reputation of Serco appears to have provided greater interest in people applying for positions at Acacia Prison, both from an operational perspective and specialist services.

Monitoring and reviews

To ensure the level of service provided at Acacia Prison achieves contractual and Departmental requirements, the Department employs on-site monitors and undertakes a number of specialist, peer and management reviews. The reviews and monitoring are designed to measure the performance of the prison against the four cornerstones of prison management (custody and containment, care and wellbeing, rehabilitation and reintegration, and reparation). They are used in conjunction with performance-linked fee measures to

demonstrate overall performance. The focus on performance monitoring is essential to ensure a high standard of services is maintained and a similar concept is being developed for the public prison system.

Due to the re-tender of the agreement in 2005/2006 there was no annual review conducted in 2006 but the monitors and the contract management team maintained a close check on operational and contractual compliance to ensure services were delivered as close to specifications as possible.

Acacia Prison experienced difficulty in providing the necessary prisoner employment hours required in the *Acacia Prison Services Agreement*. This situation was primarily brought about by a lack of custodial staff and continued until the contract expired in May 2006. The lack of employment meant that some prisoners were required to remain in the units during the day.

While AIMS was successful in not having any major incidents at the prison this year and implemented a number of improvements, the decision had already been made, as the end of the first five-year contract approached, that it would be appropriate to test the market for the provision of prison services for the next five years rather than just extend the current contract.

Re-tender process

In deciding to re-tender the contract, the Department's procurement process consisted of a two-phase public open expression of interest and a restricted request for proposal process, both of which were endorsed by the State Tenders Committee on 24 August 2005.

The request for proposal (RFP) prepared for the re-tender specifically delineated the full scope of services to be provided under the new contract. These differed in some respects from the requirements of the original contract, reflecting the improvements in best practice that evolved over the previous five years.

Following an extensive evaluation of the RFP responses, including detailed site visits and referee reports, the Department awarded "preferred respondent" status to Serco Australia Pty Ltd and commenced final contract negotiation with them. The new contract with Serco was signed by both parties on 5 May 2006 and transition to the new service provider occurred at the expiry of the AIMS contract on 15 May 2006.

The future

Initial indications suggest that the new contract and the new service provider will have a positive impact on the service provision at Acacia Prison. The current increase in staffing numbers and the professional manner in which the transition was effected indicate that Serco has started providing sound management practices as it steadily works towards implementing new and improved prisoner management practices.

Serco has a wealth of experience in running prisons in the United Kingdom with particular strengths in prisoner education, programs, rehabilitation and support for prisoners re-entering the community. Drawing on this experience offers terrific opportunities for corrective services in WA and provides a good springboard as we embark on our own reform system.

It is hoped this experience will bring about innovative change to the way Acacia Prison does business and these can be used to inform improvements across the entire prison system.

Ian Johnson
Commissioner

REPORT DATA EXPLANATION

Data for the month of September 2006 is not available until mid-October 2006. While this report covers events through September, the most recent statistical data available is for August. Consequently, in accordance with the *Prisons Act 1981*, and data availability, the statistical events described in this report cover from 1 September 2005 to 31 August 2006.

Additionally, the data for May 2006 in graphs and tables in the report are split into data for AIMS (1-15 May 2006) and Serco (16-31 May 2006).

When reading the statistical information in this report it is important to take into account that Serco has only been in control of the prison since 16 May 2006 and that the Department is administering a contract which is notably different from the previous contract. It is expected to take at least 12 months before there are any significant changes to the prison's overall performance. Statistics in the report cannot be "split" between each service provider, and therefore reflect the overall performance for the year. Comparisons between service providers can also not be made. The 2006/2007 report will provide a true comparison of performance and indicate whether the prison has progressed or regressed.

In terms of performance measuring, some of the measures in the current contract with Serco do not commence until after 31 August 2006. However, where performance measures for Serco's operations have begun, the data is shown.

CONTRACT REVIEW AND PROCUREMENT PLANNING PROCESS

In July 2005, the then Department of Justice (now the Department of Corrective Services) had determined that the existing five-year contract with AIMS Corporation for the provision of services at Acacia Prison would not be extended at 15 May 2006. Instead it would expire and the services would be re-tendered.

While there had not been any major incidents, such as escapes, unnatural deaths in custody or loss of control, the Department felt the prison had not reached standards committed to in the original request for proposal. The 2005 annual peer review of Acacia conducted by the Department of Corrective Services, NSW, identified a number of significant concerns relating to its operation and management. These included:

- insufficient staffing to achieve the outcomes required of the *Acacia Prison Services Agreement*;
- response to contract direction not being undertaken in a positive manner and within set timeframes;
- an inability to recruit and retain professional staff (psychologists and education staff) with appropriate qualifications;
- failure to ensure all custodial officers were qualified to Certificate III in Correctional Practice;
- a lack of focus on some aspects of security; and
- loss of registration as a Registered Training Organisation required under the contract.

Of particular concern to the peer review team was the number of issues identified in the peer review conducted in 2004 that not been addressed or had only been partially addressed.

In summary, while AIMS responded to the results of the review and developed a strategy to remedy the problems identified, it did not deliver the quality of service to meet the requirements of the contract.

A business case to consider the service provision options was developed to help decide whether or not to extend the *Acacia Prison Services Agreement*. The options considered were:

- an extension to the then current contract;
- re-tendering of services; and
- transfer of services to an in-house delivery model.

Government endorsement was given to allow the contract to expire and to re-tender the services, in view of:

- the under-delivery of service by the existing provider compared with best practice;
- the comparative costing of the options and the significant increase in cost of between \$8 million a year (as estimated by the Department's analyst) and \$15 million a year (as estimated by the Office of Inspector of Custodial Services) to return services in-house;
- the opportunity to test the market and acquire alternative/additional services, and to implement new performance criteria; and
- support from the Office of the Inspector of Custodial Services for a private service provider rather than a return to in-house service provision.

Procurement plan phases

The procurement plan for the services re-tender consisted of an open expression of interest (EOI) followed by a restricted request for proposal (RFP) process, both endorsed by the Department of Treasury and Finance State Tenders Committee on 24 August 2005.

Expressions of interest process

There were five respondents to the EOI short-listing. The Department invited three of the five, one of which was AIMS, to respond to the RFP to provide ongoing management services for the operation of the prison. The RFP was structured as a modular document reflecting the cornerstones of prison management and other important areas of operation such as human resources and transition.

Request for proposal process

The RFP specifically outlined the full scope of services to be provided under the new contract. These differed in some respects from the requirements of the original contract, reflecting improvements in best practice with regards to prisoner management which evolved during the first five years of Acacia's operation.

Contract structure

The new contract is initially for five years, from 16 May 2006. There is provision for up to two five-year contract extensions, which are at the complete discretion of the Department of Corrective Services.

Table 1: Procurement process timeline

Stage	Date
Procurement plan submitted for approval	5 August 2005
Department of Treasury and Finance Tender Review Committee approval of procurement plan	11 August 2005
State Tenders Committee endorsement of procurement plan	24 August 2005
EOI documentation completed	30 August 2005
DOJ Steering Committee approval of EOI document	31 August 2005
EOI advertised	7 September 2005
Mandatory briefing for potential respondents to EOI	14 September 2005
EOI closed	6 October 2005
EOI evaluation and recommendation	21 October 2005
DOJ Steering Committee endorsement of EOI evaluation report	1 November 2005
RFP documentation completed	31 October 2005
DOJ Steering Committee approval of RFP document	1 November 2005
RFP issued	4 November 2005
Mandatory tender briefing	21 November 2005
RFP submissions closed	11 January 2006
RFP evaluation and recommendation	28 February 2006
Steering Committee endorsement of RFP evaluation report	3 March 2006
State Tenders Committee endorsement of RFP evaluation report	22 March 2006
Contract negotiations	4 May 2006
Contract awarded	5 May 2006
Contract commencement date	16 May 2006

Note: DOJ is Department of Justice

TRANSITION

Serco's transition into Acacia

The transition of service providers from AIMS Corporation to Serco Australia commenced on 16 May 2006. Serco's transition plan was approved by the Department of Corrective Services and was based on a series of steps formulated on continuous improvement. The first 100 days were deemed critical as Serco had to ensure the continuing stability of the prison while assessing the direction needed to introduce the many changes and improvements that were promised in the Serco contract bid proposal.

The transition plan was in two phases, with phase one running from 13 March 2006 to 17 May 2006, and phase two from 18 May 2006 to 25 August 2006. Serco had to meet transition milestones and tasks identified in their proposal.

Milestones/tasks were drawn from the following areas of the Serco proposal:

- Essential services/functions;
- Critical handover period; and
- Tasks contained in the 'Transition – Critical Prison Systems'.

The first 100 days of the transition were a success. All milestones in the transition plan were met and the prison continued to provide all necessary services. It is expected the transition period will continue until January 2007, when Serco should have all its new structures and staff in place.

ACACIA PRISON SERVICES AGREEMENT

The *Acacia Prison Services Agreement* is a contract for the management and operation of a publicly owned prison in Western Australia. The prison, about 50km east of Perth near Wooroloo, has a capacity of 800 medium-security male prisoners and is the only privately managed prison in the State. As from 16 May 2006 Serco Australia Pty Ltd is the contractor.

The initial five-year contract under the Acacia Prison Services Agreement was awarded to AIMS Corporation to operate the prison from 16 May 2001. Following re-tender processes (see Contract Review and Procurement Planning Process) a subsequent five-year contract was awarded to Serco Australia. The contract began on 16 May 2006, with the option of extensions on one or more occasions for terms of three to five years. The maximum remaining period for the contract with Serco is 15 years.

The Commissioner of the Department of Corrective Services, as Chief Executive Officer under the *Prisons Act 1981*, is the principal to the agreement for, and on behalf of, the State of Western Australia.

Fees

The Department pays the service provider an operational fee based on the prison's daily average population (DAP) over an operational month. A schedule of payment is defined within the agreement (see Table 2). The agreement provides for 5% of this fee to be withheld and aligned to performance and for \$250,000 of that 5% to be awarded for innovation. The performance is measured against predetermined measures (see Accountability), which were reviewed and revised under the new contract to be more relevant and robust than those in the previous one. The Department of Corrective Services' Contracted Services directorate verifies information and statistics provided by Serco, and also applies random sampling of data before paying the performance-linked fees.

Fees for service from the previous contract are also shown for information purposes (see Table 4). These fees are adjusted annually based on CPI and to reflect any increase in officer pay rates up to the rate of public sector officers, and increases in insurance costs. Details of the population increments and associated payments for the current contract are shown in Table 2.

Table 2: Population increments and payments — current contract

Daily average population for operation month	Original operating sum for operation month	Annualised operation payment	Performance-linked fee withheld for operation month	Annualised performance-linked fee withheld	Band entry costs
0 – 600	\$2,280,346	\$27,364,154	\$114,017	\$1,368,208	0
601 - 625	\$2,298,425	\$27,581,100	\$114,921	\$1,379,055	0
626 - 650	\$2,390,448	\$28,685,371	\$119,522	\$1,434,269	0
651 - 675	\$2,426,563	\$29,118,755	\$121,328	\$1,455,938	0
676 - 700	\$2,472,142	\$29,665,707	\$123,607	\$1,483,285	0
701 - 725	\$2,514,950	\$30,179,400	\$125,748	\$1,508,970	0
726 - 750	\$2,544,685	\$30,536,217	\$127,234	\$1,526,811	0
751 - 775	\$2,583,920	\$31,007,040	\$129,196	\$1,550,352	0
776 - 800	\$2,596,880	\$31,162,564	\$129,844	\$1,558,128	0
801 - 825	\$2,655,873	\$31,870,478	\$132,794	\$1,593,524	\$38,905
826 - 850	\$2,720,883	\$32,650,597	\$136,044	\$1,632,530	\$36,093
851 - 875	\$2,787,731	\$33,452,776	\$139,387	\$1,672,639	\$40,311
876 - 900	\$2,859,131	\$34,309,577	\$142,957	\$1,715,479	\$42,654
901 - 925	\$2,981,528	\$35,778,335	\$149,076	\$1,788,917	\$82,966
926 - 950	\$3,052,838	\$36,634,055	\$152,642	\$1,831,703	\$47,811
951 - 975	\$3,102,763	\$37,233,158	\$155,138	\$1,861,658	\$22,499
976 - 1000	\$3,172,064	\$38,064,773	\$158,603	\$1,903,239	\$17,812

Note: Band entry costs are costs expected to be incurred by the contractor as it moves to a higher population band. The Department of Corrective Services would compensate the contractor accordingly.

CONTRACT MANAGEMENT

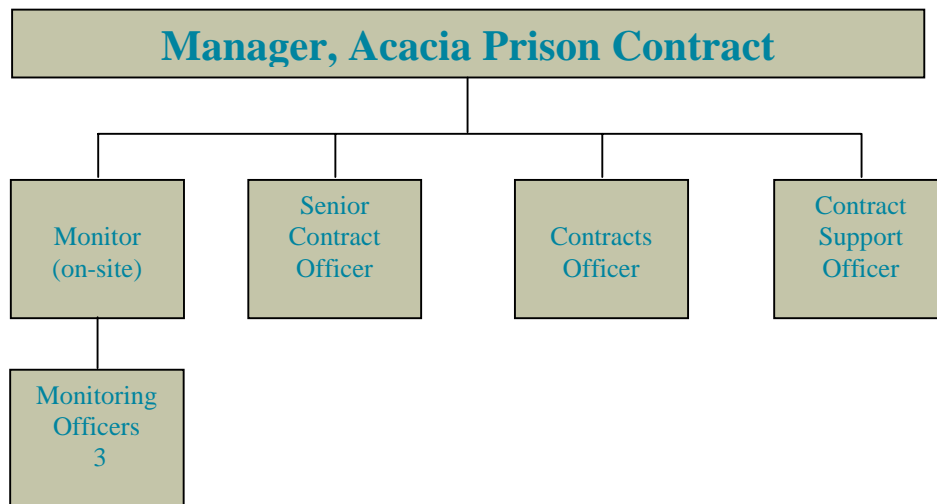
The contract is administered and monitored by the Department of Corrective Services' Contracted Services directorate.

The acting Director Contracted Services is Tony DeBarro and the manager of the *Acacia Prison Services Agreement* is Brian Lawrence. They are assisted by a team of contract management, monitoring and support staff.

In June 2006, the Department's Contracted Services directorate retained registration as a quality endorsed company through compliance with ISO9001. This indicated the continued high standard in preparing and documenting and adhering to its procedures.

Contract Management Team Structure

The Acacia Contract Management Team consists of eight staff. The Senior Contract Officer is also the Contract Manager for the Acacia Maintenance Agreement.



On-site monitoring

The fifth year of Acacia Prison's operational performance was monitored by the Department's on-site monitoring services team of four to ensure contract compliance and service delivery. In 2005/2006, the Department's monitors focussed on potential risks associated with the re-tendering period.

On-site monitoring remained an essential component to effective contract management. The monitors were all Department of Corrective Services officers responsible for an on-site presence at Acacia Prison to observe and report, in a systematic way, on all aspects of the prison's operation. On-site coverage continued to be provided seven days a week.

A monitoring plan provided day-to-day feedback on the services provided. The monitoring plan helped to determine compliance with legislative, policy and procedural matters embodied in the contract. The plan remained a flexible working tool, which could be continuously reviewed and improved.

The monitoring plan continues to be developed based on the results of a risk assessment of all specifications in the *Acacia Prison Services Agreement*. The frequency of checks for each operation and activity is determined by risk assessment. The higher the risk, the more frequent the testing.

Reporting framework

The Contracted Services directorate uses a comprehensive documented reporting process to keep the Commissioner and the Minister for Corrective Services informed about Acacia Prison.

Table 3: Reporting framework

Weekly Summary	A weekly report (based on daily activity reports) from the Monitor to the Contract Manager relating to issues that have been brought to the attention of the Director of Acacia Prison by the Monitor or the Contract Manager during that period.
Commissioner's Weekly Update	A weekly report from the Contract Manager to the Commissioner relating to issues and statistical information from Acacia Prison.
Commissioner's Monthly Report	A monthly report from the Contract Manager to the Commissioner relating to events, statistical information and the payment of performance-linked fees under the APSA.
Minister's Quarterly Report	Following Joint Board of Management meetings a report detailing Acacia's performance during the quarter is prepared for the Minister for Corrective Services.
Annual Report	A yearly report from the Contracted Services directorate, through the Commissioner to the Minister for Corrective Services to Parliament, relating to the operations of the contractor and its compliance with the contract.

Note: APSA is Acacia Prison Services Agreement

The reporting framework is complemented by extensive consultation and regular meetings between representatives of the Department of Corrective Services and the contractor. The most senior consultation forum is the quarterly meeting between the Department and Serco Joint Board of Management.

Joint Board of Management

In accordance with the current contract, a Joint Board of Management meeting is held quarterly to monitor and review performance and service delivery. The first meeting for the current contract was scheduled for 29 September 2006.

As well as reviewing performance, meetings also seek to resolve disputes or matters of non compliance. The Board has an 'agreed to' escalation process for dealing with matters of non compliance.

The Board for the current contract is chaired by the Commissioner Mr Ian Johnson and is made up of senior representatives from the Department and Serco. The Board consists of:

Serco

David Campbell
 Phil Edwards or John Smith
 Paul Mahoney
 Rod MacFarquhar

Chief Operating Officer – Asia Pacific
 Operations Director – United Kingdom
 Director Finance – Asia Pacific
 Director Acacia Prison

Department of Corrective Services

Ian Johnson	Commissioner
Michael Johnson	Deputy Commissioner Offender Development and Professional Standards
Andy Beck	Deputy Commissioner Adult Custodial
Brian Yearwood	Assistant Commissioner Corporate Support
Tony DeBarro	Acting Director Contracted Services
Brian Lawrence	Manager Acacia Prison Contract

The current Board's operating principles, developed jointly by the Department and Serco, are:

- Honesty
- Transparency
- Integrity
- Community engagement
- Teamwork
- Respect
- Fairness

CONTRACTOR COMPLIANCE WITH THE SERVICES AGREEMENT

Under the service agreement the service provider must comply with the *Prisons Act 1981* and other legislative requirements, including operating manuals prepared by the service provider and approved by the Department of Corrective Services.

Monthly performance meetings

Monthly meetings are held between Serco and the Contract Management Team. The meetings are to discuss the contractor's performance, with particular emphasis on performance-linked fee measures, and issues of contract compliance and service delivery. The first meeting was in June 2006.

Accountability

The performance-linked fee measures covered in this annual report are measured from 1 September 2005 to 31 August 2006 and include measurement outcomes for both AIMS and Serco. The data tables are split between the two companies. (see Table 6)

The performance measures of the initial contract were:

1. Number of serious prisoner assaults on prisoners
2. Number of serious prisoner assaults on staff/visitors
3. Number of serious staff assaults on prisoners
4. Percentage of positive results from random urine sampling
5. Number of substantiated prisoner complaints to Ombudsman
6. Number of incidents of serious self-harm or attempted suicide
7. Percentage of prisoners employed or in programs
8. Percentage of contracted work hours provided
9. Percentage of required vocational/education training hours provided
10. Percentage of required offending behaviour program hours provided
11. Number of failures of contractor responsiveness

The measures in the current contract are:

1. Number of serious assaults in each operation year
2. Number of prisoners each committing one or more acts of serious self-harm each operation year

3. Percentage of incident reports completed accurately and in accordance with the prescribed process in the Department of Corrective Services' Policy Directive 41
4. Percentage of random urine sample tests identifying a positive urine sample test result
5. Percentage of agreed staffing levels
6. Percentage of prisoners' sentence planning documents reviewed in accordance with their scheduled review date, and in accordance with the Department of Corrective Services' Director General's Rule 18
7. Percentage of prisoners to whom program requirements, as approved in the prisoners' Individual Management Plans (IMPs), are delivered as scheduled
8. Percentage of prisoners to whom education and traineeships requirements as approved in the prisoners' Individual Management Plans (IMPs), are delivered as scheduled
9. Management of social visits in accordance with the requirements of the Department of Corrective Services' Director General's Rule 7
10. Percentage of prisoner grievances managed in accordance with the approved process
11. Percentage of prisoners involved in a structured activity for no less than 30 hours a week
12. Percentage of the population of Aboriginal prisoners accommodated in standard and enhanced accommodation levels.

CONTRACT PAYMENTS

The initial and current agreements provide for contract payments made up of the base contract fee and the payable performance-linked fee. (see Tables 5 and 6)

Payments for the base contract fee were made to AIMS Corporation in 2005/2006 in accordance with the initial agreement, and Serco also received payments under the auspices of the new agreement.

Payment for May 2006 was made for each organisation on a pro-rata basis as the contract transitioned from 16 May 2006.

Performance measures and linked fees

The fee for performance levels is withheld from the monthly operation fee for service payable to the service provider.

When the Commissioner considers that the service provider has met the annual performance measures, the whole of the performance-linked fee (PLF) is paid. Should the performance level not be achieved there is capacity in some of the measures to pay a percentage of the total fee. During 2005/2006, payments were made quarterly, where possible, and adjusted annually to assist with cash flow for the service provider. This practice ceased when the contract was awarded to Serco.

Table 4 shows that, in 2005/2006, AIMS Corporation was paid \$1,283,377 for performance representing 100% achievement. The total payment of PLF includes a full payment for the month of May 2006 as all performance-linked measures were met by AIMS.

In 2005/2006, Serco Australia was not paid for performance, as the current contract provided for all performance payments to be made annually. In addition, a number of the performance measures in the current contract are not assessed until late 2006 and early 2007.

Tables 4 and 5 list the base contract fee and the performance-linked fee amounts withheld from AIMS and Serco for PLF measures each month.

Table 4: Contract Payments – performance — AIMS

Period	Total payable (\$)	Contract fee paid per month	Performance-linked fee withheld
June 2006	\$2,138,962	\$2,245,910	\$106,948
July 2006	\$2,138,962	\$2,245,910	\$106,948
August 2006	\$2,138,962	\$2,245,910	\$106,948
September 2005	\$2,138,962	\$2,245,910	\$106,948
October 2005	\$2,138,962	\$2,245,910	\$106,948
November 2005	\$2,138,962	\$2,245,910	\$106,948
December 2005	\$2,138,962	\$2,245,910	\$106,948
January 2006	\$2,138,962	\$2,245,910	\$106,948
February 2006	\$2,138,962	\$2,245,910	\$106,948
March 2006	\$2,138,962	\$2,245,910	\$106,948
April 2006	\$2,138,962	\$2,245,910	\$106,948
1–15 May 2006	\$1,069,481	\$1,122,955	\$106,948
TOTAL	\$24,598,063	\$25,827,965	\$1,283,377

Note: Total payable refers to the amount available to be paid if 100% of all performance measures were achieved.

The figure for May 2006 is for the pro-rata payment made to AIMS Corporation for the period 1-15 May 2006.

Table 5: Contract Payments – performance — Serco

Period	Total payable	Innovation/PLF bonus withheld	Contract fee amount paid
16–31 May 2006	\$1,313,386	\$ 65,669	\$1,247,716
June 2006	\$2,544,685	\$127,234	\$2,417,451
July 2006	\$2,651,562	\$132,578	\$2,518,984
August 2006	\$2,651,562	\$132,578	\$2,518,984
TOTAL	\$9,161,195	\$458,059	\$8,703,135

Note: Figures for July and August 2006 include an adjustment for CPI of 4.2%. Figures are exclusive of GST.

Penalties

Table 6 shows the performance areas for AIMS Corporation which achieved 100% of all performance measures. In the new contract, with Serco, the performance-linked fee is paid at the completion of the operation year.

Table 6: Performance-linked fees for 2005/2006 — AIMS

Performance-linked fee measures	Total fee payable (100% performance)	Actual fee paid (2005/2006 performance)
Number of serious prisoner assaults on prisoners	\$77,002.62	\$77,002.62
Number of serious prisoner assaults on staff/visitors	\$77,002.62	\$77,002.62
Number of serious staff assaults on prisoners	\$77,002.62	\$77,002.62
Percentage of positive results from random urine sampling	\$77,002.62	\$77,002.62
Number of substantiated prisoner complaints to Ombudsman	\$154,005.24	\$154,005.24
Number of incidents of serious self-harm or attempted suicide	\$192,506.55	\$192,506.55
Percentage of prisoners employed or in programs	\$160,422.12	\$160,422.12
Percentage of contracted work hours provided	\$160,422.12	\$160,422.12
Percentage of required vocational/education training hours provided	\$77,002.62	\$77,002.62
Percentage of required offending behaviour program hours provided	\$77,002.62	\$77,002.62
Number of failures of contractor responsiveness	\$154,005.24	\$154,005.24
TOTAL	\$1,283,377	\$1,283,377

Note: The expected amount of PLF payable is reduced as a result of the pro-rata nature of days in the month.

Other payments

Other payments, not linked to performance, were made during 2005/2006.

Payment of \$402,175 was made to AIMS for adjustments for gratuities and toiletries. The amount is based on the agreed contractual requirement for the Department to compensate the contractor for adjustments made to the gratuity system, plus the requirement for the contractor to provide toiletries.

An additional contractual payment of \$2,533,306 was made to Serco for transition expenses.

CONTRACT ABATEMENTS

The abatement amount in the new contract for each specified event is as follows:

- a) An escape — \$100,000
- b) A loss control — \$100,000
- c) A death in custody other than from natural causes — \$100,000
- d) Breach of the contractor's obligations to report or provide information, or the provision of a report or information which is misleading or inaccurate, including by omission — \$20,000
- e) Failure to comply with a performance improvement request issued by the Department of Corrective Services — \$20,000

The amount of \$20,000 in (d) and (e) is the maximum amount withheld as a result of the occurrence described in those items. Following the occurrence of such an event, the State will determine a reasonable abatement amount for the event by reference to the nature of the breach, of which the amount may be less than or equal to \$20,000.

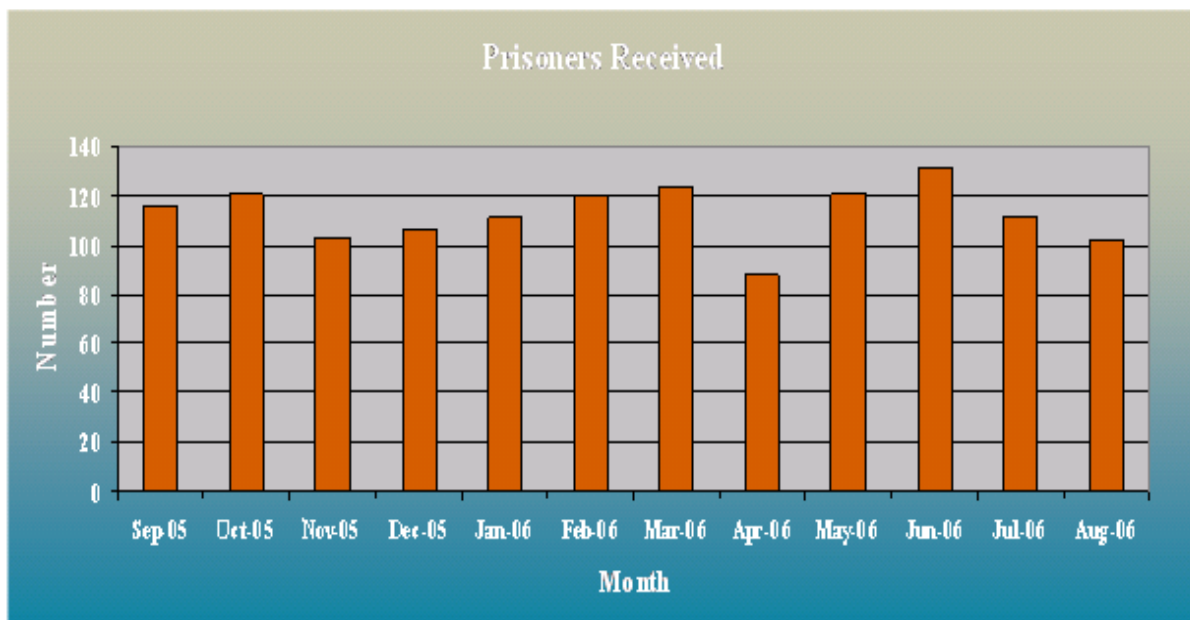
The abatement amount will be adjusted on each review date.

Escapes, disturbances and unnatural deaths

In 2005/2006 there were no major disturbances, unnatural deaths in custody or escapes. There were no unlawful releases during the reported period.

Acacia Prison received 1330 prisoners during the period at an average of about 25 new prisoners each week, keeping the daily average prisoner population close to capacity. The high number of prisoners reflected a State-wide trend across the prison system.

Graph 1: Prisoners received



EMERGENCY RESPONSE

Acacia has developed close relationships with WA Police, Mundaring Fire Service and the Department of Corrective Services' Emergency Response Group (ERG). It has also signed a

memorandum of understanding with the Fire and Emergency Services Authority, Volunteer Fire Brigade, WA Fire and Rescue Service, and the St John's Ambulance Service. Following the re-tender and awarding of the contract to Serco, it too has worked and continues to work toward replacing those memoranda with memoranda of its own with external agencies.

Regular emergency exercises are carried out with other agencies. These exercises are to test the prison's capacity to respond to emergency situations. The exercises provide the opportunity to work with the other emergency service organisations to ensure continuity of service during times of emergency.

CONTRACT DEFAULT

The prisoner will be assisted in developing his independent living skills and life skills through educational and vocational training programs easily transferable into marketable employment competencies. (Serco)

In April 2005, the Training and Accreditation Council withdrew Acacia Prison's accreditation as a Registered Training Provider of training and programs for prisoners, because the prison had not renewed relevant insurance cover.

The loss of accreditation was deemed a serious Breach of Contract and the Department issued AIMS with a default of contract notice.

AIMS responded and developed a memorandum of understanding with TAFE, via CY O'Connor College, and AIMS was granted interim recognition as a RTO. Serco is working towards having permanent RTO accreditation reinstated.

As at May 2006, there were 35 traineeships in hospitality, engineering, carpentry and horticulture. Serco intends introducing new traineeships in work areas such as laundry and cleaning.

INSPECTOR OF CUSTODIAL SERVICES

The Office of the Inspector of Custodial Services brings independent external scrutiny to the standards and operational practices relating to custodial services in the State. The office falls within the general portfolio responsibility of the Minister for Corrective Services and is answerable directly to the Parliament.

The office conducts reviews of prison operations and publishes a program of announced inspections for each year. Unannounced inspections can occur if the Inspector believes they are warranted. The next announced inspection scheduled for Acacia Prison is in 2007.

The Office of the Inspector of Custodial Services coordinates the Independent Visitors Scheme on behalf of the Minister for Corrective Services. The functions of the visitors are to:

- provide a safeguard for the and rights of prisoners and detainees;
- provide information to prisoners and detainees concerning access to services such as grievance procedures and information on community support agencies;
- speak on behalf of prisoners and detainees, when asked, to senior prison officers or group workers and/or the Director;
- record any complaint made to them by a prisoner, detainee or staff member; and
- document and detail what happened during an independent visit and to forward a report to the Inspector's office.

Independent Visitors' reports are sent to the Acacia Prison Director and the Department for comment.

In 2005/2006 the major issues raised have been:

- food – quality and quantity (both negative and positive comment);
- access to health services; and
- canteen goods.

All issues are addressed by the service provider and then forwarded to the Department for comment.

STAFFING

There was a steady increase in the number of staff employed at the prison compared with the previous year. Serco further committed to increasing staff numbers by October 2006.

Acacia staff offer a mix of experienced and new custodial officers who, through mentoring and on the job training and assessment, must achieve Certificate III in Correctional Practices.

Officers, who work as supervisors and above, must achieve Certificate IV in Correctional Practices.



“I believe my role is to rehabilitate the prisoners for when they return to the community. Another role is to guide them to having the correct attitude towards their peers/friends/family for when they leave prison making it easier for them not to re-offend.”

_ Custodial Officer Ryan Hutchings

Table 7: Staffing as at 31 May 2006

Staff Classification	2002	2003	2004	2005	2006
Custodial staff					
Case management officers	63	64	62	63	56
Security staff	53	63	62	56	77
Casual staff	31	30	41	15	9
Trainees				26	18
Supervisors	11	11	13	15	17
Total custodial staff	169	179	191	175	177
Non-Custodial staff					
Management	7	5	7	5	7
Administration/Medical	30	26	24	23	45
Support/Industries	21	18	8	38	11
Casual	11	24	0	0	8
Education/Programs	19	24	24	19	23
Operations management	3	7	4	3	-
Total non-custodial staff	91	104	67	88	94
TOTAL	260	283	258	263	271

Table 8: Staffing as at 31 August 2006

Staff Classification	2002	2003	2004	2005	2006
Custodial staff					
Case management officers	63	64	62	63	64
Security staff	53	63	62	56	81
Casual staff	31	30	41	15	4
Trainees				26	16
Supervisors	11	11	13	15	18
Total custodial staff	169	179	191	175	183
Non-custodial staff					
Management	7	5	7	5	5
Administration/Medical	30	26	24	23	39
Support/Industries	21	18	8	38	22
Casual	11	24	0	0	0
Education/Programs	19	24	24	19	26
Operations management	3	7	4	3	5
Total non-custodial	91	104	67	88	97
TOTAL	260	283	258	263	280

PRISON OPERATIONS

Individual Management Plans

Before arriving at Acacia Prison, prisoners take part in a comprehensive assessment process culminating in the development of sentence plans. Individual management plans identify issues that contribute to the prisoner's offending behaviour and determine appropriate management and intervention strategies for each prisoner during their sentence.

In 2005/2006 Acacia Prison continued to provide an effective case management philosophy and process, supported by assessment documentation that was well managed and accounted for through a simple, user-friendly filing system. Custodial and case management staff worked closely with prisoners and sentence management staff when reviewing the plans to seek input from unit staff. Prisoners continued to receive a copy of, and had input into, their individual management plan.

Education

Education courses for prisoners continued to range from basic numeracy and literacy through secondary to university. Many prisoners have a past where they had little involvement in formal education which may hinder their capacity to gain meaningful and worthwhile employment. Prison studies offer a lifeline in this regard.

The new contract provides for a performance measure centred on timeliness and accuracy of delivery of education courses.

The Education Centre at Acacia operates like a small primary school in terms of size and resources. There are specific areas for education in art, general maths and language classes, indigenous education and other courses as required. In addition to the school subjects, the centre is used for the theoretical aspect of traineeships.

Traineeships are provided to enable prisoners to develop a skill which is transferable to the community on release and this approach ties in with reintegration.



Education centre

Prison education should improve the quality and purpose of education and training to facilitate greater employment opportunities for prisoners upon release through:

- *delivering skills more relevant to gaining and retaining employment on release from prison;*
- *increasing literacy and numeracy skills while in prison; and*
- *providing seamless and supported transition from prison to prison, to community mainstream educational settings, or employment.*

___ Department of Corrective Services

Health Services

In July 2006, Serco appointed a new Health Centre Manager. The position is responsible for resource management and coordination of the Health Centre and other full-time staff, including a mental health nurse and a health educator.

Acacia's Health Centre is similar to a small country hospital. The centre provides 24-hour nursing cover, for all aspects of health care including routine nursing care, health status assessment and intervention, medication administration, annual health assessments, phlebotomy clinics and emergency care.

Acacia Prison uses iris scanning technology to manage the dispensing of methadone to prisoners. This technology has proven to be extremely accurate and reliable.



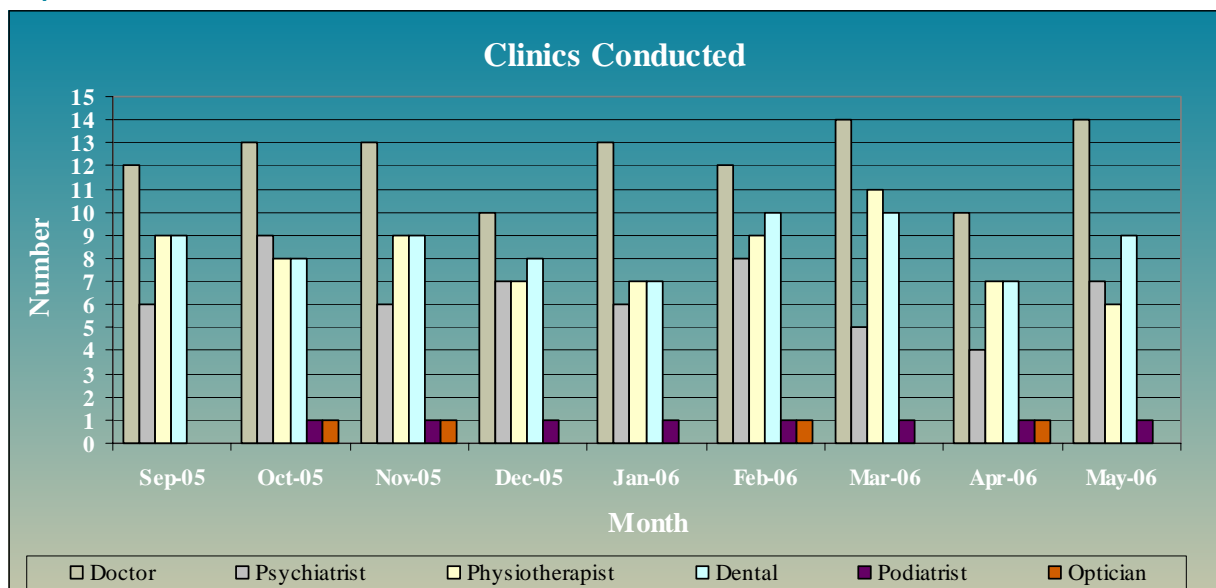
Prisoner using iris scanner

“Acacia Health Centre strives to promote wellness within the prison community by providing a holistic approach to healthcare delivered in a culturally sensitive manner. We promote health and wellbeing through the delivery of our services specifically focussing on the reduction of the risk of injury and disease. Effective assessment and triage are used to quickly detect health issues enabling speedy referral to the appropriate health service provider within our multi-disciplinary team utilising the expertise within the centre.”

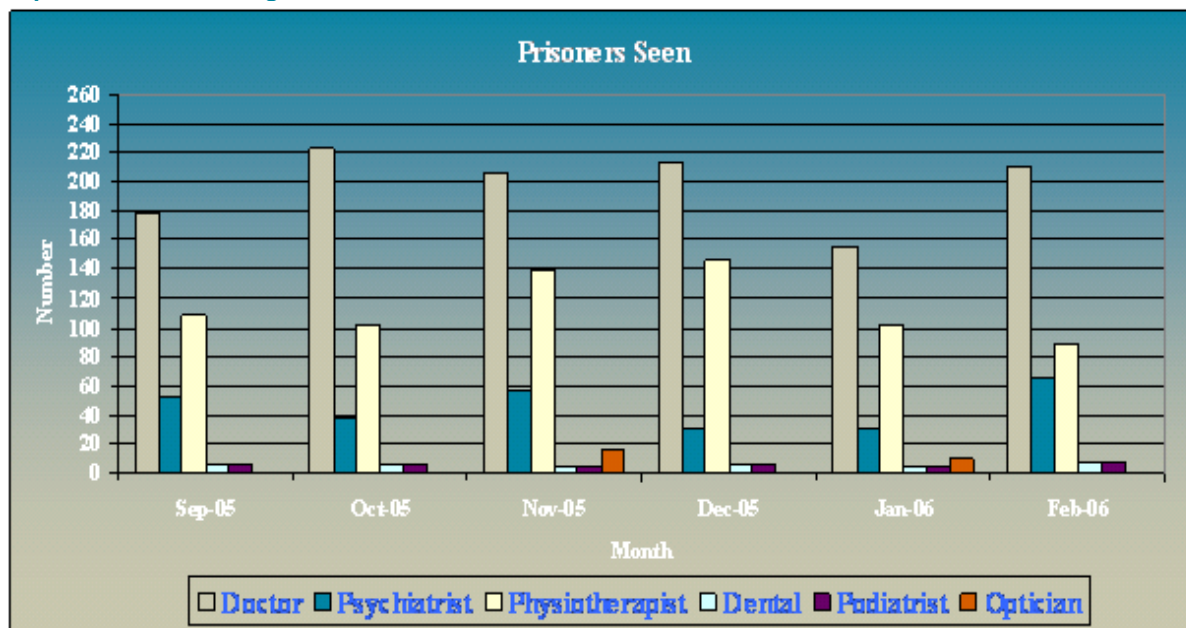
_ Health Services Manager Gary Davies

On average Health Centre staff treats about 155 patients daily, with complaints ranging from colds and sore throats, to diabetes and heart attacks. A general practitioner service, dental services, physiotherapy services, an optometrist, psychiatrist and a podiatrist also regularly visit the prison. Prisoners, like people in the community, can only access these services by appointment or by referral by the medical practitioner.

Graph 2: Clinics conducted



Graph 3: Prisoners using health services at Acacia.



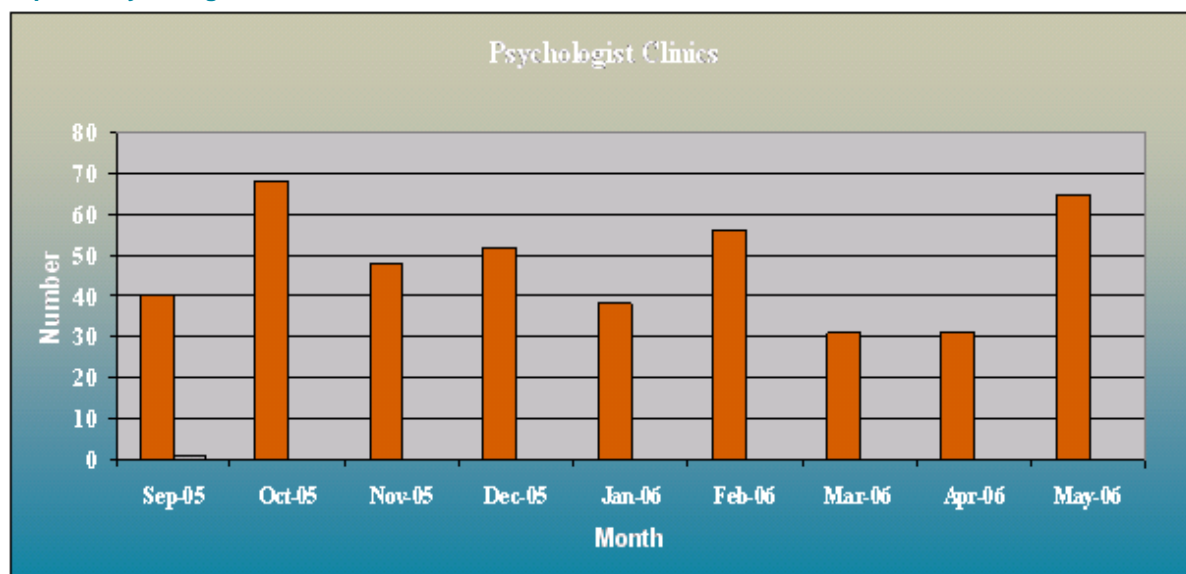
A health educator covers all aspects of health promotion and education and an Aboriginal health worker works in collaboration with other staff, coordinating all Aboriginal health care needs and participates in annual health assessments of Aboriginal prisoners.

Mental health services

A significant number of WA's prison population suffers some type of mental illness. As a consequence, it is critical to provide treatment options to those prisoners. Psychologists are available to counsel prisoners and to deliver intervention programs designed to address prisoners' offending behaviour. The nurse manager is also a qualified mental health nurse and shares the workload with a senior psychologist and another mental health nurse. In 2006, Serco employed an additional mental health nurse who will start in 2006/2007.

Serco also intends to have the psychologists who present treatment programs share some of the work and provide further support to the senior psychologist. This structure will allow clinical debriefing which is an important aspect of psychological care.

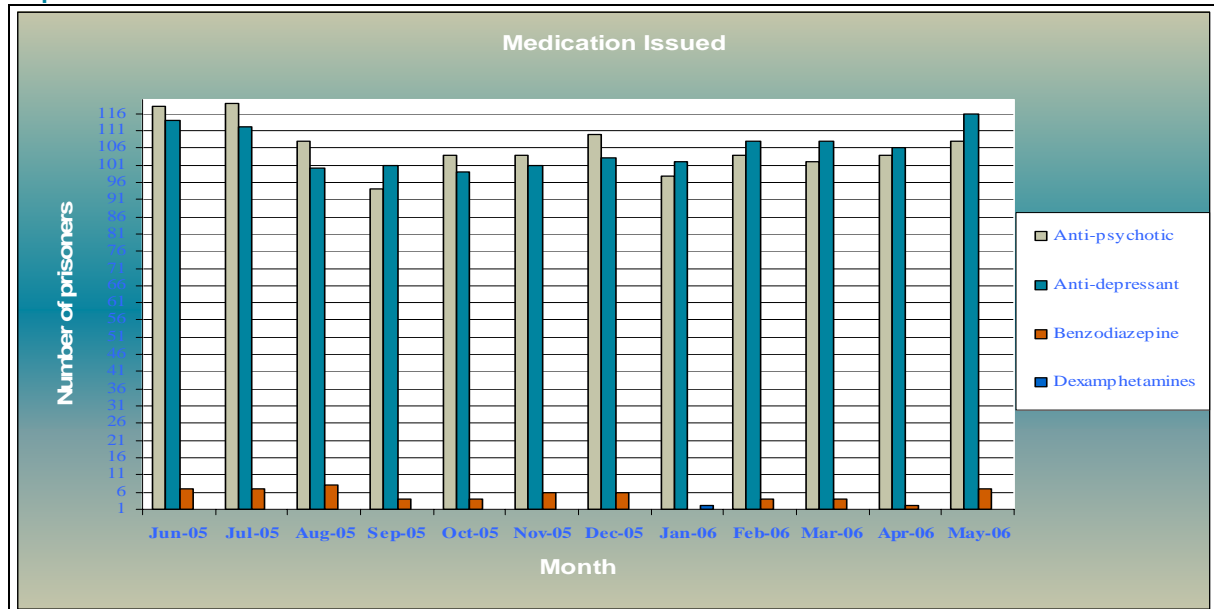
Graph 4: Psychologist clinics



Medication

Medication to assist in the treatment of mental illnesses is used in prisons and Acacia is no exception. Acacia Prison has the largest prison population in the State and, as such, dispenses a considerable amount of medication. A summary of some medications is shown at Graph 5. The treatment given in a prison can often be the first instance where a prisoner receives treatment for mental illnesses as they may have never attended a community clinic. It is often only their offending that has highlighted the need for treatment.

Graph 5: Medications issued



Note: Some prisoners may be on more than one of the medications described in the graph.

Food services

Some reports from prisoners to the Department of Corrective Services' independent visitors showed concerns regarding food. The kitchen, which prepares more than 850,000 meals a year, received one written complaint about food quality from a prisoner. The independent visitors reported that about five prisoners a month register dissatisfaction with the food.

All meals are prepared in accordance with Australian Dietary Guidelines. Dietitians assess menus every six months. Food is prepared by prisoners under the guidance of chefs. Prisoners working in the kitchen are able to undertake traineeships.



Acacia catering staff

The Food Services Department at Acacia Prison meets the needs of indigenous, ethnic and religious requirements of the prison population. The Self-Care Unit prisoners have commenced a 'responsible prisoner' program whereby they have a weekly budget provided to them and they are able to 'shop' for their weekly dry goods. This will be rolled out further in the next few months to include meat, dairy and frozen items. Traineeships are still proving to be successful, with one ex trainee securing full-time employment at a 4-star hotel and prospective employers showing interest in our current four trainees.

_ Catering manager Garry Harvey

Physical education and recreation facilities

Acacia Prison has several open areas for prisoners to take part in active recreation and team sports. Outdoor areas are attached to all accommodation units. Team sports include football, soccer, basketball and volleyball. Competitions are managed by prisoners under the auspices of recreation officers and conducted on the oval and in unit facilities. A gymnasium can also be used for indoor cricket, basketball and other sports. A prison library is located in the programs and education centre, and prisoners have access to hobby, arts and craft activities.



The gym



A keenly-contested soccer game

Aboriginal and indigenous prisoners

At the beginning of August 2006, Aboriginal prisoners made up almost 23% of Acacia Prison's population. There were more Aboriginal prisoners at Acacia than at any other prison in the State. Wongai prisoners from the Eastern Goldfields and Yamatji prisoners from the Pilbara and Murchison regions represented about 6% of Acacia's Aboriginal population. These prisoners, in particular, can experience cultural dislocation when isolated from their communities in the Pilbara, Murchison, Central Desert and Eastern Goldfields regions.

In August 2006, Vanessa Davies, the former CEO of Derbyl Yerrigan, was appointed Assistant Director Aboriginal and Indigenous Affairs at Acacia. The Department believes the initiative was a positive step toward more effective management of Aboriginal prisoners.

In 2005/2006, Aboriginal prisoners were able to prepare culturally appropriate foods, while the practice of allowing tribal elders and respected persons to visit in the prison was continued. The AIMS prison management fostered this arrangement and appeared to have developed a sound bond with various service providers from Aboriginal community groups, such as members of the Department of the Attorney General's Aboriginal Visitors Scheme.



Traditional Aboriginal foods are served not only on special occasions, such as NAIDOC day, but are available at least weekly. Consultation with community groups is common, with Central Desert elders attending the prison and assisting the more culturally remote Aboriginal prisoners.

On 16 May 2006, Serco began flying the Aboriginal flag outside the prison, adjacent to the Australian and Western Australian flags.

Serco has also established an Indigenous and Cultural Affairs Advisory Board. The Board meets monthly. Its members are:

Dennis Egginton	Chair Aboriginal Legal Service
Colin Garlett	President Derbal Yerrigan Board
Mary Cowley	Principal Indigenous Advisor Department of Indigenous Affairs
David McLean	CEO Derbyl Yerrigan
Rod MacFarquhar	Serco (Acacia)
Vanessa Davies	Serco (Acacia)
Peter Hall	Serco (Acacia)
Paul McMullan	Serco (Acacia)
David Loutit	Serco Australia

In addition to generic treatment programs for substance abuse, substance abuse programs catering specifically for Aboriginal prisoners are regularly delivered at Acacia. The programs include the Nyongar Alcohol Substance Abuse Program (NASA), delivered by external providers, and the Corroboree substance abuse programs, delivered by Aboriginal prisoners.

MAINTENANCE AGREEMENT

Under the *Acacia Prison Maintenance Agreement*, the servicing, repair and replacement of prison equipment and general maintenance of the prison is undertaken through the maintenance agreement.

AIMS Corporation continued to administer the maintenance agreement throughout 2005/2006 through a sub-contractor, Altys Multi-Services Pty Ltd.

The Maintenance Agreement is actually between the Department of Housing and Works and AIMS. The original subcontractor under contract to AIMS for the provision of maintenance to Acacia Prison was Transfield Services (Australia) Pty Ltd.

In October 2004, Transfield Services was replaced by Altys Pty Ltd (a company owned by AIMS Corporation's parent company, Sodexo Alliance) as the subcontractor by virtue of a deed of novation.

The 2005/2006 operating year was the fifth year of the maintenance agreement, and approximately \$1,200,000 was spent to ensure that the prison was maintained in line with the agreement. A prison equipment upgrade scheduled for year five was completed. The Department spent \$968,178 on upgrades, including security equipment, the waste-water treatment plant and electrical, laundry and kitchen equipment.

Maintenance Agreement annual inspection

The annual maintenance inspection of Acacia Prison was deferred from May to October 2005. The decision to delay the inspection followed the novation of the subcontract to Altys Pty Ltd in October 2004 and the Department's satisfaction with the monthly reporting and scrutiny undertaken by the company. The new inspection date reflected Altys' 12 months of operation as subcontractor.

The 2006 inspection is planned for October and will focus on the remedies applied to issues noted in last year's review and on the achievement, or otherwise, of planned maintenance levels. Some of the issues to be addressed include cleaning of the kitchen and management of the planned maintenance.

Environmental considerations

The Acacia Prison waste-water treatment plant is operated by Altys under an agreement with AIMS Corporation, in accordance with Department of Environmental Protection operating licence No 7718/4.

Altys has since commissioned ITT Flygt Australia to manage the plant and provide specialist advice on improvements and maintenance.

All exceedances (instances where prescribed maximum levels of effluent discharge have been exceeded) were reported to the Department of Environmental Protection and at no stage did the plant cause issues for the Department of Environmental Protection. AIMS Corporation, through its subcontractor Altys, acted quickly to ensure any problems were rectified and the licence terms complied with.

Altys installed a process of measuring the level of nutrient uptake by trees in the woodlots that are watered with treated effluent. The woodlot is a test-bed for the water and all nutrient levels were within allowable limits. The trees in the woodlots are growing vigorously and are clearly taking up nutrients to sustain this growth.



Blue gums at left are reticulated from the waste-water treatment plant. The plant manages the effluent from approximately 900 people daily. Treated water is also used to reticulate water to the prison lawns and gardens.

THE ACACIA PRISON CULTURE

Officers from the NSW Department of Corrective Services conducted the 2005 peer review and found the prison environment to be relaxed, with little tension between staff and prisoners.

Despite some periods of low staffing levels, inexperienced staff and, in some cases, a lack of effective management, the Department believed the prison continued in a positive vein and maintained a 'pro-social' environment.

Serco has committed to maintaining active pro-social modelling through its actions and attitudes. Prisoners' pro-social behaviour will be recognised, while anti-social behaviour will be challenged and rejected.

THE OPERATION OF ACACIA PRISON

Leadership and Management

We believe that at the hub of pro-social environments must be leaders who support and drive those that follow by the most powerful lesson of all, their own conduct. (Serco)

Serco made changes to the management structure of Acacia Prison in May 2006.

The new structure addressed the critical functions of the prison operations and assistant directors were appointed to manage each area.



The Acacia management team pictured (left to right): Mark Woodforde, Assistant Director Business Services; Paul McMullan, Assistant Director Resettlement, Programs and Education; Vanessa Davies, Assistant Director Indigenous and Aboriginal Affairs; Rod MacFarquhar, Director; Peter Hall, Assistant Director Residential; and Mark Walters, Deputy Director.

Prisoner population 2005/2006

Following a request by the Department, the maximum number of beds available at Acacia Prison was increased from 750 to 800 in 2006. This was done by installing double bunks in 37 cells spread across accommodation blocks. As staffing levels improve in 2006/2007, the prisoner population will be increased to a cap of 785, allowing for a contingency of 15 beds. The prison should be operating at the maximum capacity by October 2006.

The daily average prison population remained steady ranging between 715 and 732 in 2005/2006. Some 820 prisoners were released back to the community, which represented 12.5% of total prisoner releases throughout the State.

At 31 August 2006, the daily average population at Acacia Prison was 743 which included 39 prisoners rated as minimum security

The percentage of Aboriginal prisoners remained consistently above 30% throughout the year, and, at 31 August 2006, Aboriginal prisoners made up 31% of the Acacia population.

Population snapshot

On 31 August 2006, Acacia Prison's actual population was 738 and included:

- 19 appeal class prisoners;
- 620 long-term prisoners;
- 41 minimum-security prisoners;
- 0 remand class prisoners; and
- 237 Aboriginal prisoners.

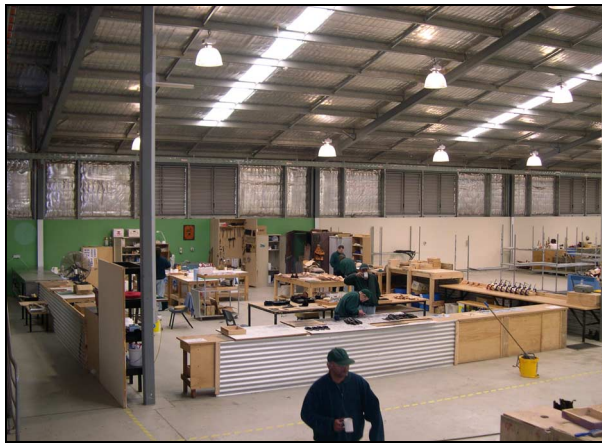
Table 9: Daily average population (DAP) by month

Month	Aboriginal	Percentage of total DAP	Non Aboriginal	Total DAP	Population on last working day of month
September 2005	249	34.4%	475	724	726
October 2005	251	34.4%	478	729	727
November 2005	256	35.0%	476	732	727
December 2005	249	34.2%	479	728	734
January 2006	238	33.3%	477	715	710
February 2006	238	33.1%	481	719	720
March 2006	239	33.0%	485	724	726
April 2006	240	33.4%	479	719	716
May 2006	238	32.8%	487	725	727
June 2006	232	31.6%	502	734	739
July 2006	230	31.1%	510	740	738
August 2006	239	32.2%	504	743	741

Protection status prisoners

Protection status prisoners require protection from mainstream prisoners for a range of reasons, including the nature of their offence (eg. intrafamilial of a sexual nature) or for having given evidence or information against co-offenders etc. Acacia maintains one of the largest protection accommodation units in the State and it is constantly at capacity, with the majority of its prisoners being long-term occupants. The population of protection status prisoners at 31 August 2006 was 106.

After taking over the contract, Serco re-distributed the accommodation protection status prisoners, which freed up 15 mainstream beds, enabling additional prisoners to be transferred to Acacia. This helped with availability of beds in the State's public prisons. The transfer also resulted in a significant increase in work opportunities for protection prisoners, by creating an area that could be converted into specific workshops for prisoners. The work opportunities mimic those available for mainstream prisoners, such as concrete products and horticulture.



Protection prisoner workshop area

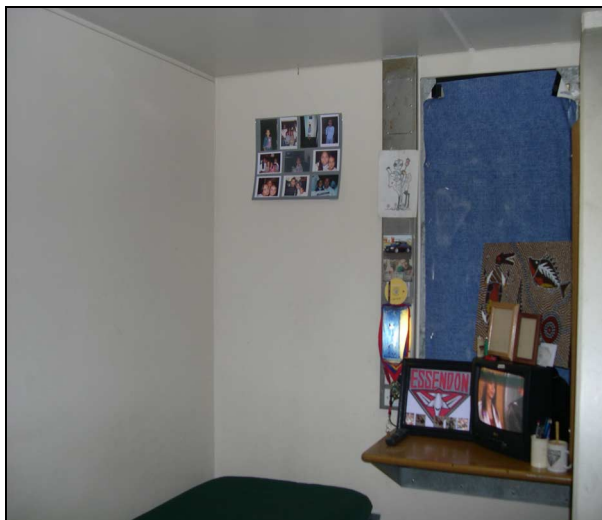
Prisoner incentives and privileges

Prisoners at Acacia have access to a range of incentives and privileges. Most of these are associated with the level of accommodation within the prison, with level one being the entry point and level three offering the most privileges. The level of privilege at which a prisoner is placed is based on the principle of rewarding good behaviour with increased privileges, and penalising unacceptable behaviour with reduced privileges.



Self-care day room

Prisoners will move to other accommodation units representing basic, standard or enhanced status purely on the basis of their progress in meeting the challenges in their IMP. Serco will ensure that progress will be regularly reviewed, with the prisoner being fully aware of progress to date and the next steps to be taken. (Serco)



Standard cell



Double bunk cell with Acacia-designed upper bunk

Serco has committed to an enhanced incentives and privileges scheme which will see more beds available for higher privilege levels. Another tier will be added to the top of the privilege scale. Serco also plans to provide specific programs to prisoners, who are undergoing punishment for prison offences and, by doing so, offer an alternative behaviour style to the prisoner.

Assisted-care unit

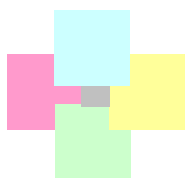
As in the community, prisons face the dilemma of an ageing population, with the number of aged prisoners increasing. Specific accommodation is provided at Acacia for the management of these prisoners.

As at 30 August 2006, the 20-bed Assisted-Care Unit, for aged and frail prisoners and those in need of special care, was at capacity. Serco will work toward a more structured day for prisoners in the Assisted-Care Unit and will enhance the level of privileges available in 2006/2007.



Assisted-care recreation area

PERFORMANCE AGAINST THE CORNERSTONES OF PRISON MANAGEMENT



Custody and Containment
Care and Wellbeing
Rehabilitation and Reintegration
Reparation

There are four cornerstones of prisoner management: custody and containment, care and wellbeing, rehabilitation and reintegration, and reparation. The Department's Contracted Services directorate has established set performance requirements within the contract for these cornerstones.

Performance data

The performance measures in the new contract differ from the initial contract, so the data between operators cannot be directly compared.

For AIMS, the period reported on is 1 June 2005 to 15 May 2006. For Serco, the period is 16 May 2006 to September 2006.

The following describes the performance of the contractor and, as in previous sections of this report, separates AIMS and Serco reports.

□ Custody and Containment

Prisoners should be kept in custody for the period prescribed by the court at the lowest possible level of security necessary to ensure their continuing custody, the good order and security of the prison and the safety and protection of the community. (DCS)

Assaults

There are inherent difficulties in accommodating 800 men from vastly different backgrounds in one place and sometimes this can lead to disagreements and even violence. Assaults in prison range from loud arguments that can lead to pushing and shoving through to assaults that result in serious harm.

Assaults can occur for many reasons and often relate to unresolved issues stemming from outside the prison, such as family related issues.

Table 10 demonstrates the assault records for Acacia Prison.

Table 10: Assaults — AIMS

Performance-linked fee measure	2001-02		2002-03		2003-04		2004-05		2005-06	
	No	Bench mark	No	Bench mark	No	Bench mark	No	Bench mark	No	Bench mark
Number of recorded incidents of serious assaults by prisoners on prisoners.	6	30 pa	5	30pa	5	30pa	1	30pa	3	30pa
Number of recorded incidents of serious assaults by prisoners on contractor persons or visitors.	2	8 pa	0	8 pa	1	8 pa	0	8 pa	2	8 pa
Number of recorded incidents of serious assaults by contractor persons on prisoners.	0	Nil pa	0	Nil pa	0	Nil pa	0	Nil pa	0	Nil pa

Five serious assaults were reported for the period 1 September 2005 to 15 May 2006. Three serious assaults were prisoner to prisoner, and two were prisoner to staff.

An assault is defined, in the counting rules for the performance-linked measures, as “an act of physical violence committed which is liable to cause an injury”.

An act of physical violence that does not result in bodily harm or require medical intervention is termed an ‘other assault’.

Serious assaults are defined as those in which the victim is admitted to hospital overnight.

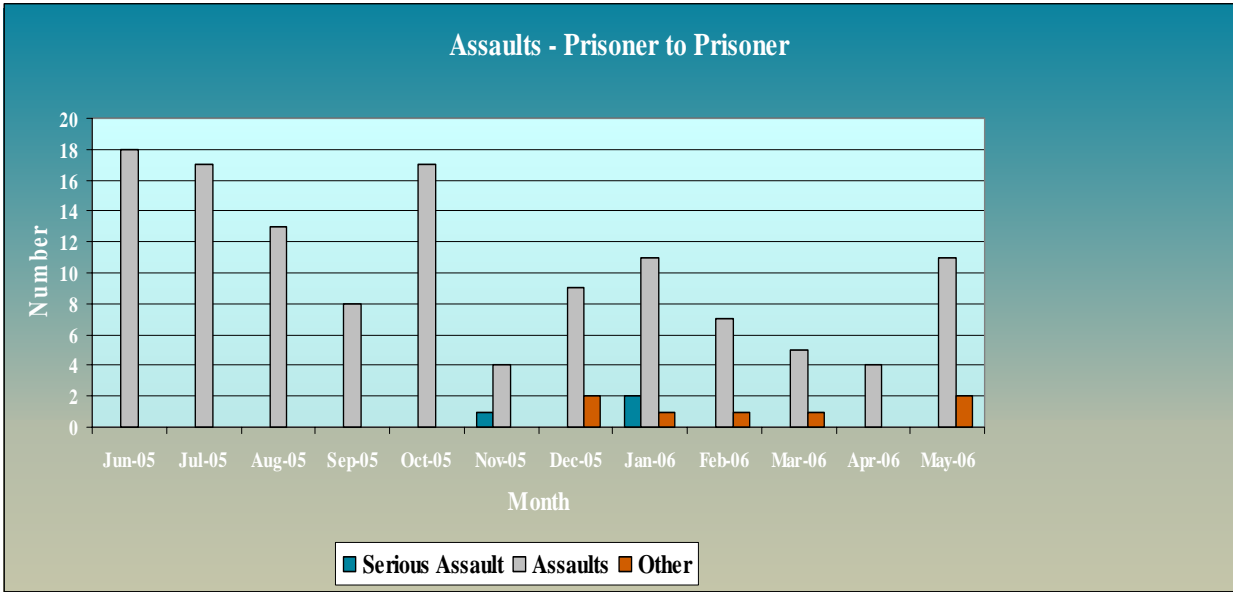
All assaults are monitored at Acacia as they can be an indicator of the level of order and safety in the prison.

Table 11 reflects the number and type of assaults by month at Acacia Prison.

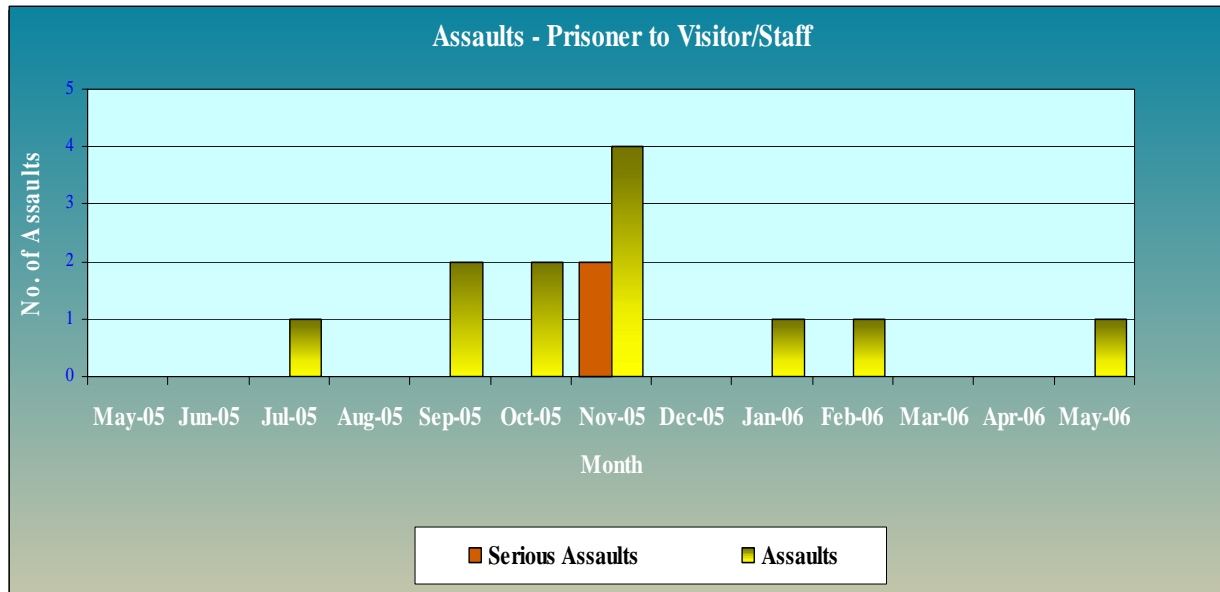
Table 11: Assault summary — AIMS
Prisoner to prisoner

Month	Prisoner to prisoner				Prisoner to staff			
	Serious assaults	Assaults	Other assaults	Total	Serious assaults	Assaults	Other assaults	Total
Aug 2005	0	13	0	13	0	0	0	0
Sep 2005	0	8	0	8	0	2	0	2
Oct 2005	0	17	0	17	0	2	0	2
Nov 2005	1	4	0	5	2	4	0	6
Dec 2005	0	9	2	11	0	0	0	0
Jan 2006	2	11	1	14	0	1	0	1
Feb 2006	0	7	1	8	0	1	0	1
Mar 2006	0	5	1	6	0	0	0	0
Apr 2006	0	4	0	4	0	0	0	0
May 2006	0	11	2	13	0	1	0	0
	3	124	7	134	2	12	0	13

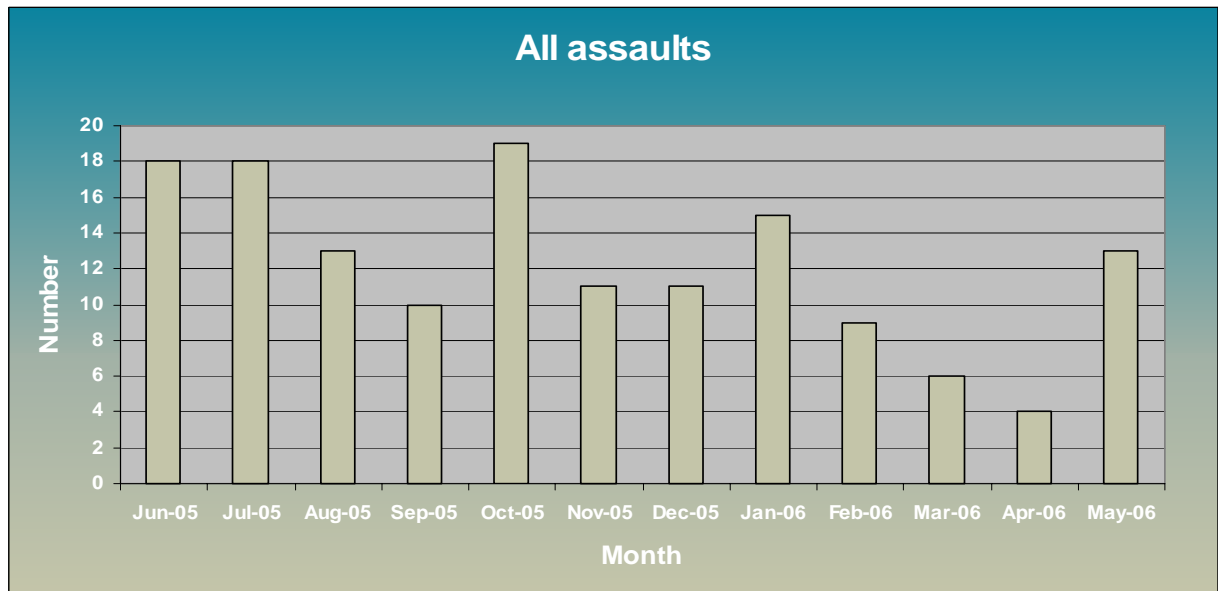
Graph 6: Assaults — prisoner to prisoner — AIMS



Graph 7: Assaults — prisoner to visitor/staff — AIMS



Graph 8: Assaults — all — AIMS



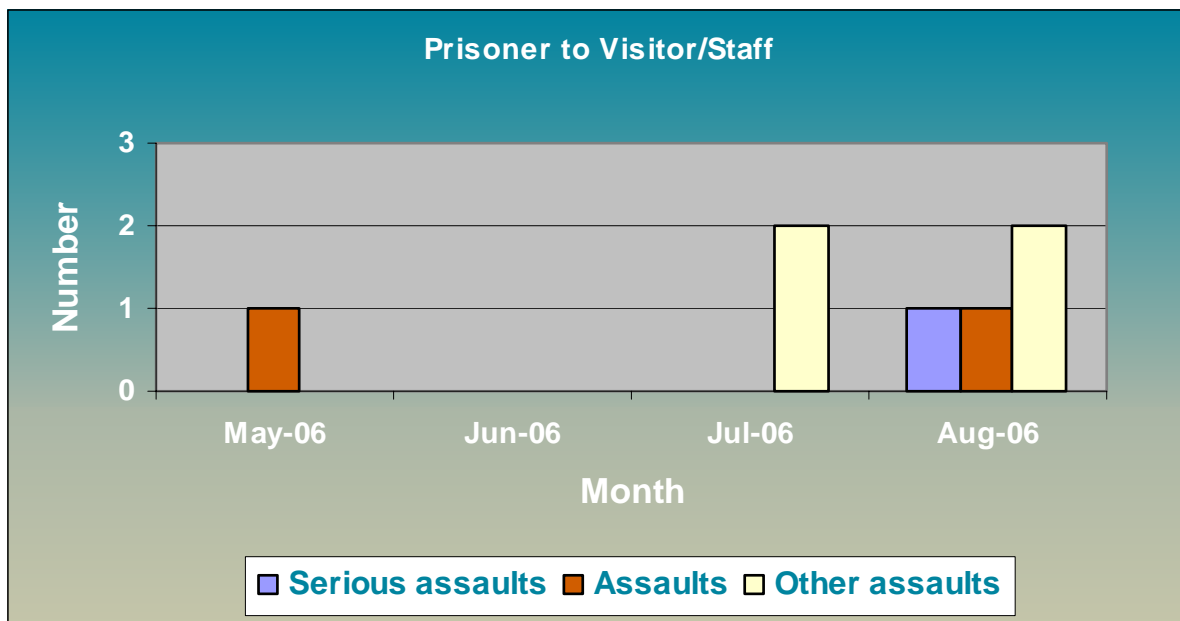
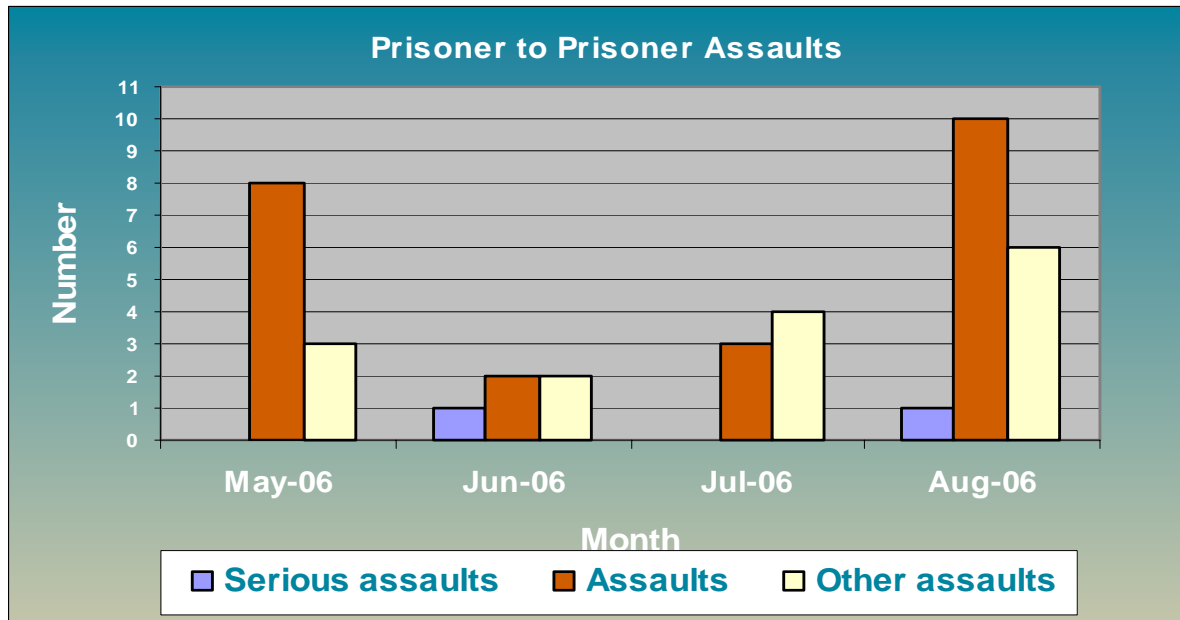
Data for Serco for the specified period is:

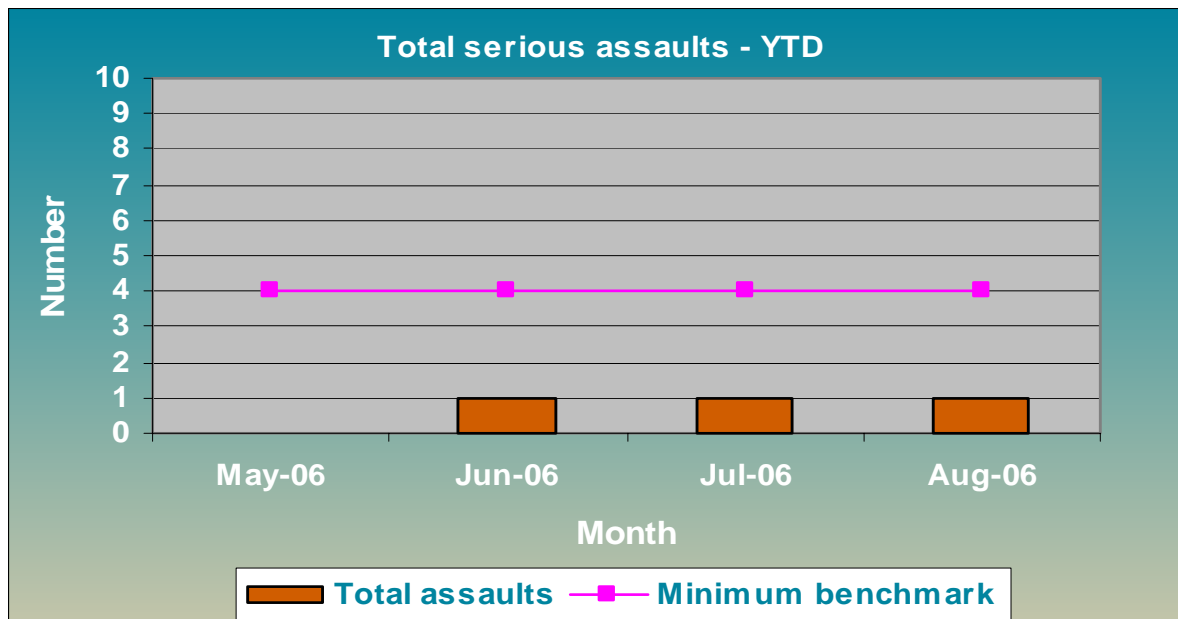
Table 12: Performance measure — Serco

Performance linked fee measure	Benchmark
The number of serious assaults each operation year	Greater than 12 9 – 12 6 – 8 4 – 5 Less than 4

Table 13: Assaults summary — Serco
Prisoner to prisoner

Month	Prisoner to prisoner				Prisoner to staff			
	Serious assaults	Assaults	Other assaults	Total	Serious assaults	Assaults	Other assaults	Total
June 2006	0	6	0	6	0	0	0	0
July 2006	0	3	4	7	0	1	1	2
Aug 2006	1	13	10	24	1	1	2	4
Year to date	1	16	14	31	1	2	3	6





Substance abuse

Despite the most stringent security measures drugs can make their way into prison. Searches and drug testing help to minimise drugs in prison. Cannabis is the most prevalent substance found at Acacia but, from time to time, other substances, such as amphetamines and opiates, are detected.

The *Prisons Act 1981* provides for urine samples to be taken from prisoners and these can be tested to determine any substance and level.

In the initial contract a prisoner's refusal to provide a urine sample was not counted as a positive result. In the current contract refusal is counted as a positive.

Summary - substance abuse - AIMS

The level of illicit substance use at Acacia rose slightly this year from 7.2% to 7.83%, however this is still less than the benchmark. One reason for the increase may have been an officer who was caught taking drugs into the prison. He was subsequently charged, convicted and imprisoned.

Test results for the period August 2005 to July 2006 indicated the following illicit substances had been used:

Cannabis	139	
Benzodiazepines	9	(5 proven to be legal medication)
Opiates	14	(10 proven to be legal medication)
Sympathomimetic	2	(2 proven to be legal medication)
Alcohol	2	
Buprenorphine	1	
Methamphetamine	2	

As part of the strategy to prevent contraband and drugs entering the prison AIMS appointed a new security manager and revitalised its intelligence process. Drug detection dogs were also used both within and outside the prison.



Drug detection dog at work

During this reporting period, 51 people were refused entry to the prison because they were suspected of substance trafficking. Of those, 10 were charged by police and convicted.

Table 14, showing data from June 2005 to May 2006, reflects results for that period.

Table 14: Urine sample results — AIMS

MONTH	Random Sample			
	No. of tests required	No. refused	No. of prisoners positive	% of random prisoners positive
Aug 2005	36	0	2	5.56
Sept 2005	36	1	1	2.78
Oct 2005	36	5	4	11.11
Nov 2005	36	2	6	16.67
Dec 2005	36	5	3	8.33
Jan 2006	36	0	4	11.11
Feb 2006	36	1	2	5.56
Mar 2006	36	1	3	8.33
Apr 2006	36	0	1	2.78
May 2006	36	3	2	5.56
YTD	396	17	31	7.83%

NOTE: While the initial contract did not record refusals to supply a sample, the current contract determines a refusal to provide a urine sample as a positive result. For this reason the maximum benchmark for positive test results has been increased from 8% to 13%.

Table 15: Performance measure — SERCO

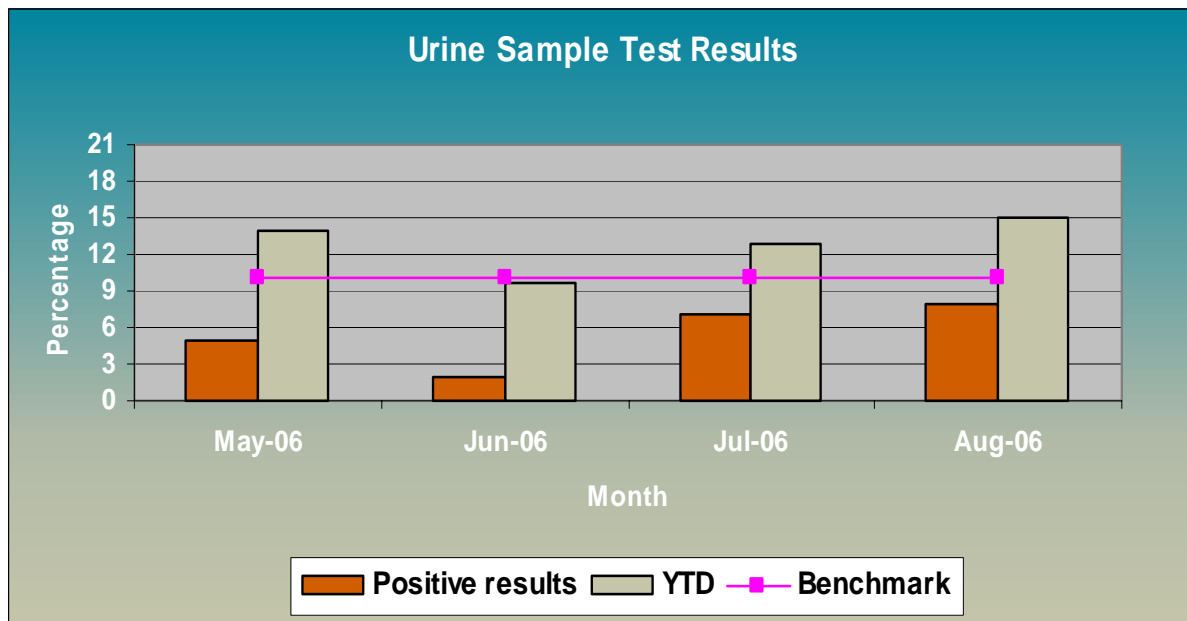
Performance linked fee measure	Benchmark
The percentage of random urine sample tests identifying a Positive Urine Sample Test Result.	More than 13% 10 – 13% Less than 10%

Table 16: Urine sample results — SERCO

MONTH	Random Sample							
	DAP	Tested	% of DAP tested	No. refused	No. of tests positive	Total positives	% of samples positive	YTD
May 06	725	36	4.97	3	2	5	13.9	13.9
Jun 06	731	36	4.92	1	1	2	5.6	9.7
Jul 06	736	36	4.89	1	6	7	19.4	13.0
Aug 06	741	38	5.13	3	5	8	21.1	15.0

Note: DAP = daily average population; YTD = year to date

Graph 9: Substance abuse — Serco



Prison charges

While prison charges are not measured in the current contract for performance reasons, they are an important indicator of prisoner behaviour and prison environment.

Charges can be preferred under the *Prisons Act 1981* and can range from minor misconduct to serious incidents such as assault, escapes and substance associated matters. Charges are preferred by custodial officers.

Prison charges — AIMS

A total of 644 charges were laid against prisoners during the year. Charges for minor offences, such as disobeying a rule, property damage, misconduct and swearing, increased slightly on 2004/2005. The number of charges is expected to decrease next year with other more positive prisoner management methods, such as loss of privileges, being applied by the contractor.

Minor prison charges were heard by the Superintendent Wooroloo Prison, while aggravated prison offences were heard by a visiting justice of the peace.

At year end, four charges remained to be heard, indicating that charges had been finalised in a timely manner.

Table 17 reflects the number of internal charges laid and heard during the year:

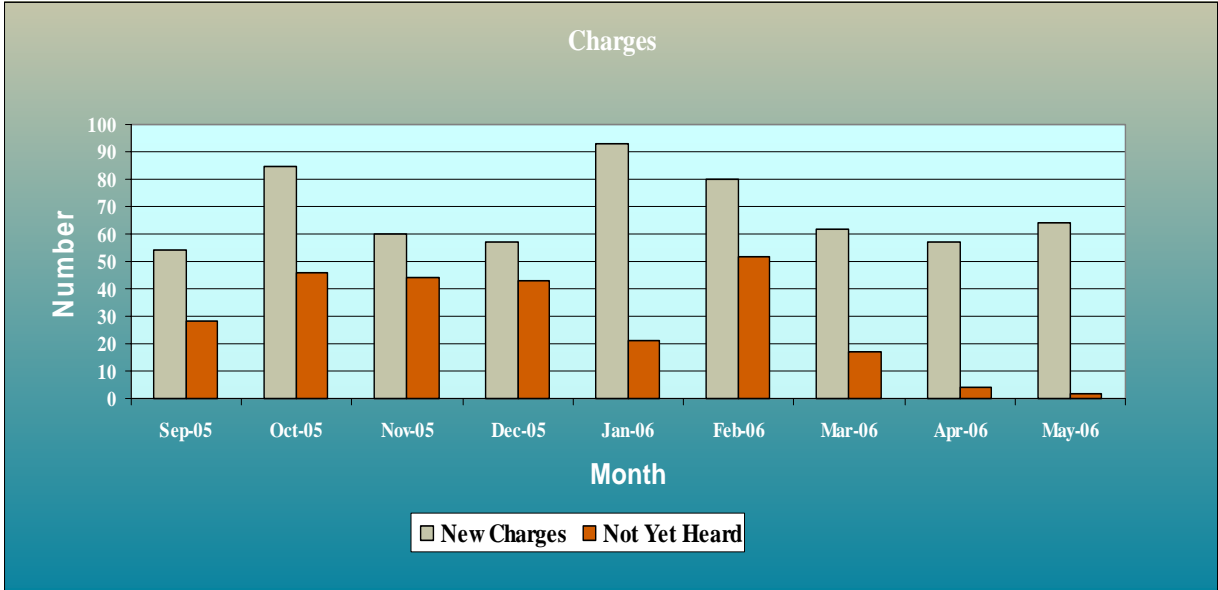
Table 17: Prison charges summary — AIMS

MONTH	No. of persons			No. of internal charges		
	Internally charged	Referred to police	Total offenders	Minor	Aggravated	Total
Sep 2005	54	0	41	28	26	54
Oct 2005	85	0	62	53	32	85
Nov 2005	60	0	49	26	34	60
Dec 2005	57	0	38	30	27	57
Jan 2006	93	0	65	70	23	93
Feb 2006	80	0	62	52	28	80
Mar 2006	62	0	44	39	23	62
Apr 2006	57	8	39	49	8	57
May 2006	64	0	64	66	30	96
TOTAL	612	8	464	413	231	644

Most Recent Hearing Findings						
Dismissed	Finalised			Not yet finalised		
	Guilty	Not guilty	Withdrawn	Adjourned	Refer to higher court	Not yet heard
0	22	0	2	0	2	28
0	31	0	8	0	0	46
0	12	0	4	0	0	44
0	14	0	0	0	0	43
0	13	0	5	0	0	75
0	26	1	1	0	0	52
0	24	0	7	0	0	17
0	24	1	5	0	0	22
2	89	0	1	0	0	4
2	255	2	33	0	2	

Note: Charges and outcomes by month.
 Figures for May 2006 apply to 1-15 May inclusive.

Graph 10: Charges summary — AIMS



■ CARE AND WELLBEING

It is Serco's view that the offender's period in prison is one of great opportunity, too valuable to waste on inactivity or poorly thought-out activities.

Prisoners are sentenced to spend time in custody, however the community expects that this time is used constructively and includes addressing offender behaviour. It is important that prisoners' emotional, physical, spiritual and cultural requirements are also acknowledged and met to help them rebuild their lives.

Acacia Prison has duties and obligations to the Western Australian community and, more importantly, to the victims of crime to ensure prisoner needs are addressed in keeping with community expectations.

Serco implemented the concept of the "responsible prisoner", the philosophy of a prisoner being actively involved in their schedule during imprisonment making them more responsible for their behaviour.

Ombudsman complaints - AIMS

Acacia Prison operates a grievance process under which prisoners can lodge a grievance that can be dealt with internally. The process allows for a range of issues to be locally resolved, reducing the workload on external agencies. Typically, complaints to agencies included matters of prisoner mail, prisoner visits and issues over food services.

The prisoner grievance process has considerably reduced the number of complaints made to the Ombudsman.

As with anyone in the community, prisoners can take their complaints to a range of agencies including:

- Minister for Corrective Services
- Chief Executive Officer
- Ombudsman (State)
- Commonwealth Ombudsman
- Human Rights & Equal Opportunity Commission (Federal)
- Equal Opportunities Commission (State)
- Commonwealth Attorney General (in the case of a prisoner charged or convicted of federal offences)
- Corruption & Crime Commission of WA
- Director, Office of Health Review
- Office of the Inspector of Custodial Services

Table 18: Complaints to Ombudsman

Performance-linked fee measure	2001-02		2002-03		2003-04		2004-05		2005-06	
	Actual	Bench mark	Actual	Bench mark	Actual	Bench mark	Actual	Bench mark	Actual	Bench mark
Number of substantiated prisoner complaints to the Ombudsman.	3	10 pa	3	10 pa	2	10 pa	2	10 pa	2	10 pa

From September 2005 to May 2006 the Ombudsman received 64 complaints, of which 53 were resolved and two were substantiated. The matters sustained concerned timeliness of prisoner transfers and mail. Nine complaints awaited resolution as at September 2006.

This data has not been assessed from a performance viewpoint for the new contract. Consequently, no data is presented for the period of Serco management.

Self harm

Self harm can range from minor to serious including attempted suicide. Any act of self harm has a severe impact on all concerned, prisoners and staff alike.

While all acts of self harm are considered serious by prison administration, some physical acts are extremely severe and require emergency treatment.

These types of acts, often requiring overnight stays in an external hospital, are classified as serious. The definition of ‘serious’ as detailed in the counting rule for the measure is:

- requires medical treatment and assessment by a medical practitioner resulting in overnight hospitalisation in a medical facility (prison clinic/infirmary/hospital or a public hospital); or
- requires medical treatment.

Table 19: Self-harm summary — AIMS

Month	Distinct prisoners who self-harm		No of distinct prisoners who attempted suicide	No of occurrences of attempted suicide	Total occurrences	Total distinct prisoners involved
	Self-harm	Serious self-harm				
Sep 2005	3	0	0	0	4	3
Oct 2005	1	0	0	0	1	1
Nov 2005	3	0	0	0	0	0
Dec 2005	3	0	0	0	4	3
Jan 2006	4	1	1	1	7	4
Feb 2006	2	0	0	0	2	2
Mar 2006	3	1	0	0	5	4
Apr 2006	2	0	0	0	3	2
May 2006	2	0	0	0	2	2
TOTAL	23	2	1	1	28	21

Note: There was one attempted suicide in January 2006 and this was classified as serious self harm.

Graph 11: Self-harm — AIMS

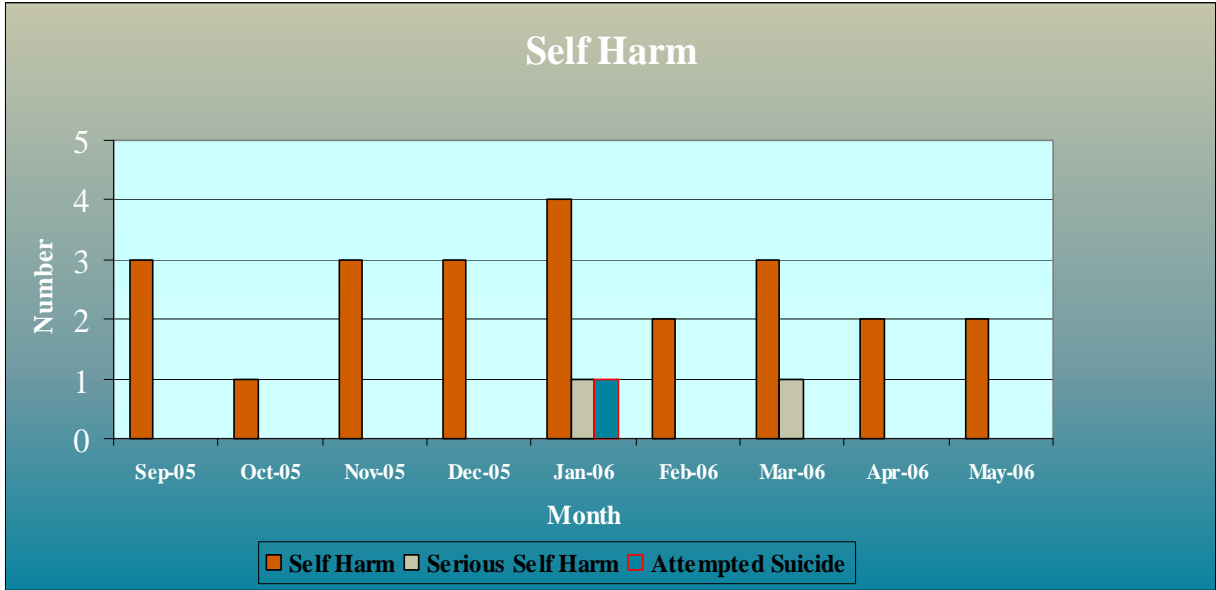


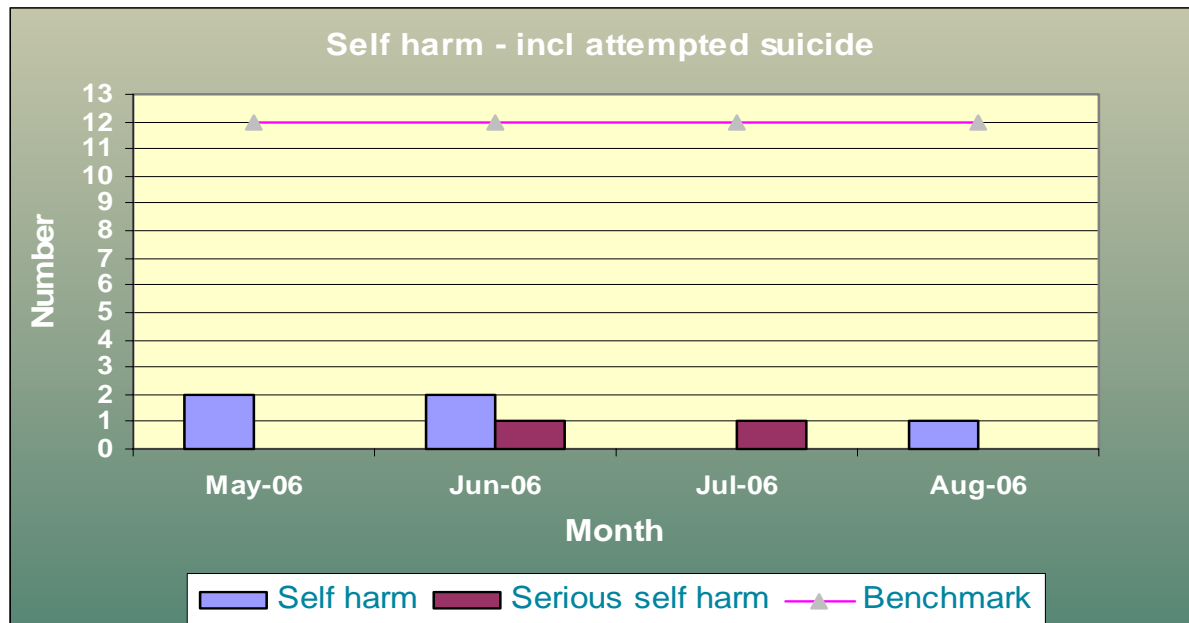
Table 20: Self-Harm Summary — Serco

Performance-linked fee measure	Benchmark
The number of prisoners each committing one or more acts of serious self harm each operation Year.	Greater than 12 9 – 12 6 – 8 4 – 5 Less than 4

Table 21: Self Harm Summary — Serco

MONTH	Distinct prisoners who self-harm		No. of occurrences of self-harm		No. of distinct prisoners who attempted suicide	No. of occurrences of attempted suicide	Total occurrences	Total distinct prisoners involved
	Self-harm	Serious self-harm	Self-harm	Serious self-harm				
May 06	2	0	2	0	0	0	2	2
Jun 06	2	0	2	0	1	1	3	3
Jul 06	0	1	0	1	0	0	1	1
Aug 06	1	0	1	0	0	0	1	1

Graph 12: Self harm — Serco



Incident Reporting

The new contract includes a performance measure based on quality of reporting. This performance measure did not apply to the initial contract therefore no data can be presented for AIMS’ performance. The primary focus of the measure is incident reporting, but can include reports such as notifiable incidents and for other areas.

Accurate incident reporting is extremely important as it enables a complete profile of all prisoners and any event in which they have been involved. Incident reports can contain preferred charge and also form the basis of any evidence presented into the hearing of the charge.

Table 22: Reporting — SERCO

Performance-Linked Fee Measure	Benchmark
The percentage of incident reports completed accurately in accordance with requirements.	Less than 90% 90 – 95% Greater than 95%

This measure will not be assessed until 1 October 2006.

■ REHABILITATION AND REINTEGRATION

Prisoners are encouraged to participate in programs, education and activities that seek to reduce the risk of offending and increase their potential for reintegration into the community. (DCS)

A focus on rehabilitation and reintegration (resettlement) is a guiding principle in Acacia Prison. In 2006, Serco recently employed an Assistant Director specifically to manage reintegration of prisoners. The Assistant Director has a mandate to ensure specialist service delivery to prisoners to help them in addressing their offending behaviour and assist their reintegration into the community. Reintegration services include case management, health care, food services, rehabilitation and treatment programs, education, prisoner admission and induction, sentence management, family support, accommodation, employment after prison and community support.

The Assistant Director Resettlement will work closely with the Department, which has implemented a range of strategies to address re-offending. Two components of the Department's 're-entry strategy' are the Community Re-entry Coordination Service (Re-entry Link) and the Community Transitional Accommodation and Support Service (TASS). Both of these programs are offered to all WA prisons.

TASS

The Transitional Accommodation and Support Service seeks to assist a number of ex-prisoners with identified high needs and a high risk of returning to custody due to a lack of suitable accommodation and support.

Non-government agencies are engaged to provide re-entry support and mentoring services to referred offenders one month before release and for a transitional period of six months around accommodation provided by the Department of Housing and Works.

Prisoners can nominate to be part of this program in any area where housing is offered.

The program is voluntary and the extent to which it is promoted at the prison significantly impacts the number of applications from the prison.

Nominations to the program

Forty five prisoners at Acacia Prison applied to participate in the TASS program in 2005/2006. This was the highest number of applicants from any male prison in WA.

Referrals to the TASS program

Six applicants from Acacia to the TASS program were recommended for a place in the program and referred to Centrecare, the service provider for male clients in the metropolitan area for TASS, for assessment of suitability for the program.

Placement on the TASS program

Six applicants were released from Acacia prison into the TASS program in 2005/2006 and housed and supported in the metropolitan area.

RE-ENTRY LINK

The Community Re-entry Coordination Service (Re-entry Link) provides support to prisoners and their families and helps offenders re-enter the community. The service is provided by Outcare Inc at Acacia Prison. It operates under a case management framework by assessing the offenders' needs and working with them to implement appropriate action plans to address those needs through referral and advocacy on their behalf.

Client support under Re-entry Link begins three months pre-release and continues in a through-care model for up to six months after release. The program is voluntary.

Referrals to Re-entry Link (Acacia)

Between July 2005 and June 2006, Acacia referred 216 prisoners to the Re-entry Link program.

Clients who have been case-managed

Of the 216 referrals to Re-entry Link, 104 were accepted into the program and case-managed. Outcare Inc was the contracted service provider for Re-entry Link for male prisons in the metropolitan area. Outcare used a through-care model to operate the program.

LIFE SKILLS INFORMATION SESSIONS

Life skills sessions continued to run for one day a week on a rolling four week basis. Attendance at each session was, on average, 16-20 prisoners. Every three months an abridged one-day session was run for "protection prisoners" however one-on-one appointments were arranged as necessary. The session topics included:

- accommodation
- Centrelink and Job Network
- budgeting
- communication – (at home and in the workplace)
- life skills – acknowledging cycles and avoiding the pitfalls.

Serco plans to introduce significantly different approaches to reintegration than those previously seen at Acacia. The plan includes a "links suite" which will enable prisoners nearing release date to link up with prospective employers who have earlier been involved with the prisoner's passage through the prison system. Prisoners will also receive specific training and skills to reflect their proposed employment on community reintegration. Some skills and training will be provided through traineeships that can be continued in the community as apprenticeships.

TREATMENT AND DEVELOPMENT PROGRAMS

The suite of intervention programs for offenders at Acacia Prison is consistent with public prisons. The new *Acacia Prison Services Agreement* reflects an increase in the number of programs including sex offenders' treatment program and violent offenders' treatment program. The additional programs reflect the need created by a large number of prisoners who spend the majority of their sentenced time at Acacia Prison.

Treatment programs include:

Addictions Offending

- Moving On From Dependency — high intensity
- Preventing and Managing Relapse — low intensity
- Aboriginal Education Preventing and Managing Relapse Program — low/medium intensity
- Managing Anger and Substance Use — medium intensity

Cognitive Skills

- Reasoning and Rehabilitation — medium intensity
- Think First — medium intensity

Sex Offending

Medium Program — medium intensity

Violent Offending

- Violent Intensive Program — high intensity
- Building Better Relationships (DV) — medium intensity
- Skills Training for Aggression Control (STAC) — medium intensity

Voluntary programs include:

- Men without Hats (voluntary support group)
- Alcoholics Anonymous
- Narcotics Anonymous

The prison makes good use of prisoner peer support team workers (prisoners who support other prisoners). Serco ensures that within a week of arrival all new prisoners participate in the “motivation to change” program designed to expose the change potential in each person and how they can change their offending habits. The program includes introduction to education, programs and community corrections officers. Prisoners also play a key role in presenting the motivation to change program.

Program delivery

In the initial contract, Acacia Prison performance was measured on its ability to meet at least 85% of prisoners’ Individual Management Plan program requirements. In the new contract, this increased to 90% as an incentive to achieve greater performance levels. Table 23 and Graph 13 demonstrate that Acacia achieved and exceeded this requirement during the past operation year.

Table 23: Percentage of required offending behaviour program hours provided — AIMS

Month	No. of IMPs audited this month	No. of IMPs that met program requirements	% of IMPs that met program requirements
Sep 2005	36	35	97.2
Oct 2005	36	36	100.0
Nov 2005	36	35	97.2
Dec 2005	36	36	100.0
Jan 2006	36	36	100.0
Feb 2006	36	36	100.0
Mar 2006	36	36	100.0
Apr 2006	36	35	97.2
May 2006	36	36	100.0

Graph 13: Programs delivery — AIMS

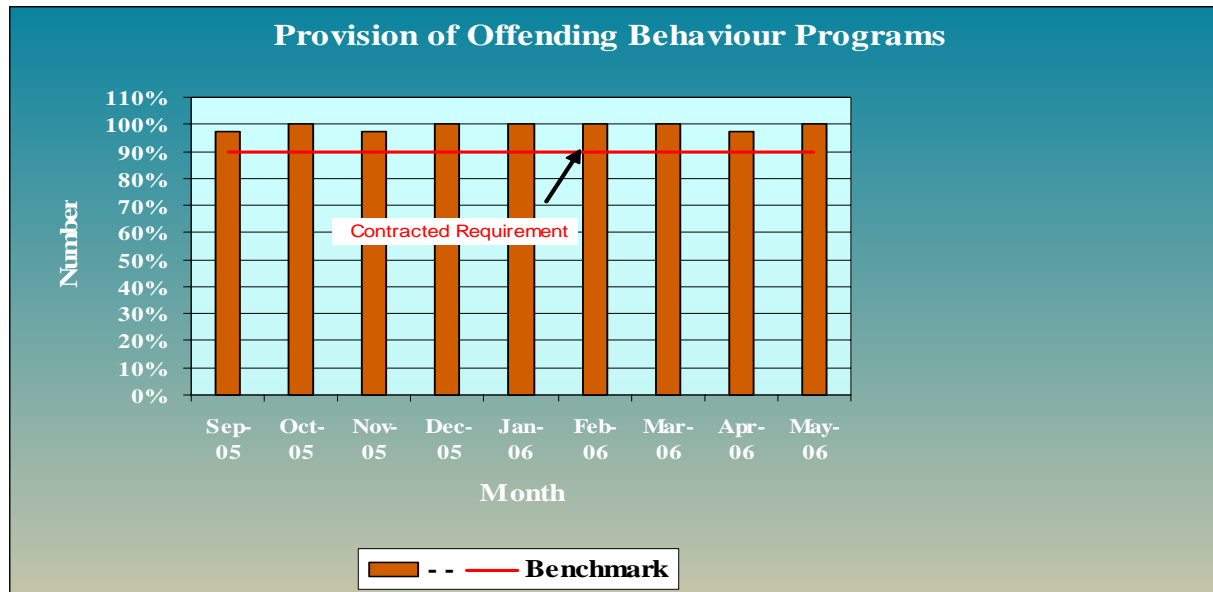


Table 24: Percentage of required offending behaviour program hours provided — SERCO

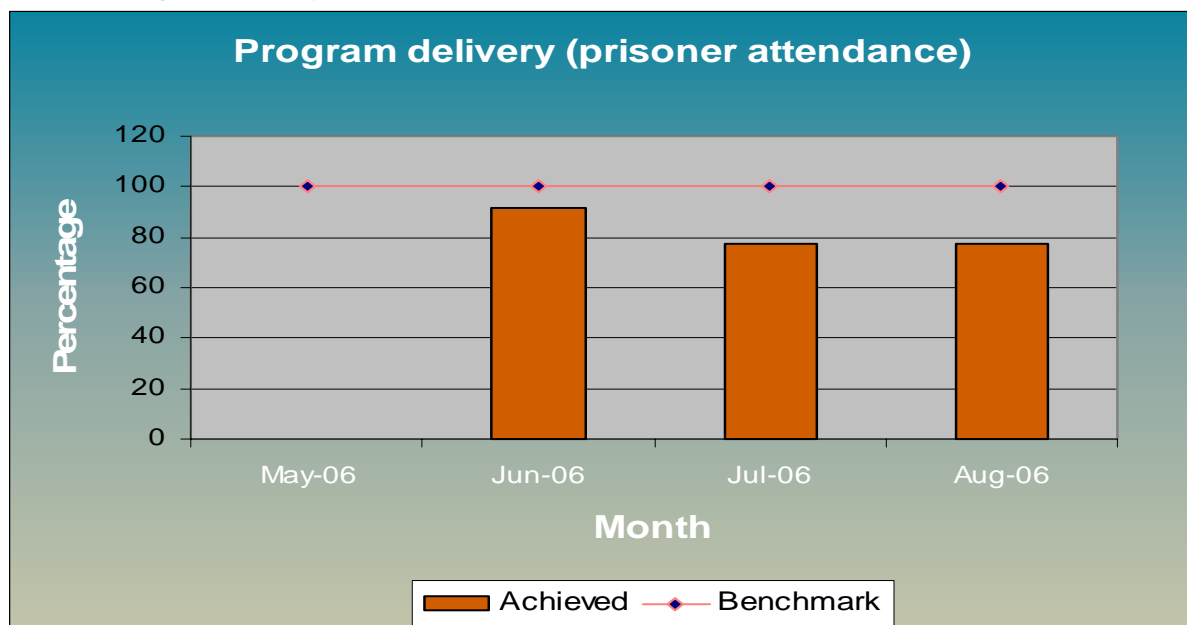
Performance-linked fee measure	Benchmark
Percentage of Prisoners whose program requirements as approved in the Prisoners' Individual Management Plans (IMPs) are delivered as scheduled.	100%

Table 25: Programs delivery — SERCO

MONTH	Benchmark	No. of Programs Commenced	Percentage of required delivery achieved
May 2006	100	0	N/A
Jun 2006	100	2	91.3
Jul 2006	100	4	77
Aug 2006	100	3	77

Note: The significant falls in July and August 2006 were due to program delivery for 10 prisoners not being achieved in the quarter as scheduled.

Graph 14: Programs delivery — Serco



Education and Vocational Training

AIMS performed well in the delivery of vocational/educational training hours in 2005/2006. Table 26 and Graph 15 detail the percentages achieved.

Table 26: Vocational/education training hours provided — AIMS

MONTH	No. of student tuition hours		Total hours	Tuition hours per prisoner per week	Contracted tuition hours per prisoner per week	% Contracted tuition hours provided
	Education centre	Vocational training				
Aug 2005	2332	820	3152	4.6	4	115.0
Sep 2005	2486	920	3406	4.9	4	122.5
Oct 2005	2144	920	3064	4.35	4	108.8
Nov 2005	2052	960	3012	4.27	4	106.8
Dec 2005	2100	790	2890	4.1	4	102.5
Jan 2006	Average used - summer school			4.32	4	108.0
Feb 2006	2094	860	2954	4.3	4	107.5
Mar 2006	2420	780	3200	4.63	4	115.8
Apr 2006	2712	590	3302	4.7	4	117.5
May 2006	2320	510	2830	4.09	4	102.0

Graph 15: Tuition hours — AIMS

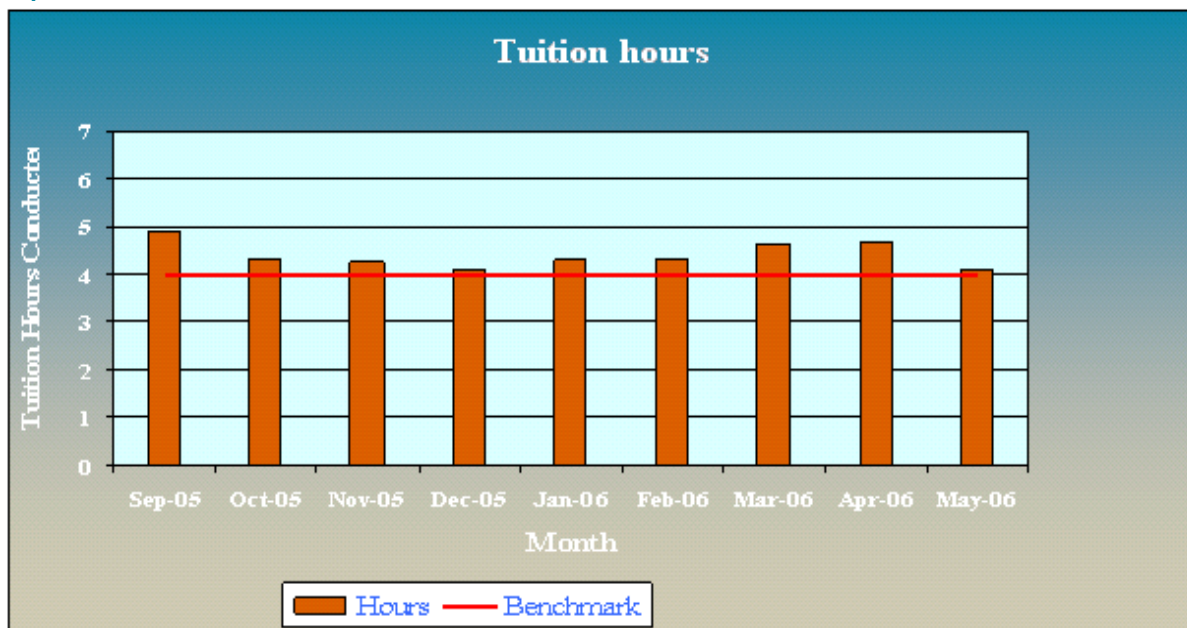


Table 27: Vocational/education training hours provided — SERCO

Performance-Linked Fee Measure	Benchmark
Percentage of prisoners to whom education and traineeships requirements as approved in the Prisoners' Individual Management Plans (IMPs) are delivered as scheduled.	100%

This measure is not assessed until 1 January 2007.

NON COMPLIANCE

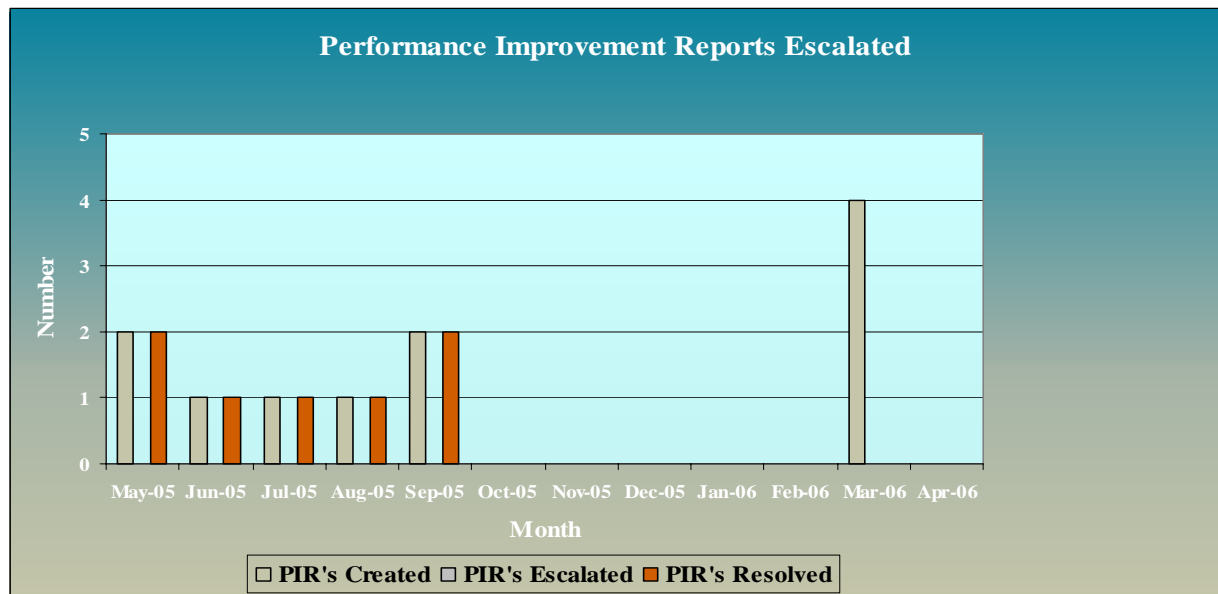
This measure, from the initial contract, has been replaced with a Contract Abatement whereby poor performance can be managed by a Performance Improvement Request (PIR). The PIR in the new contract has an associated abatement amount of \$20,000.

In the initial contract, Performance Improvement Requests were issued whenever performance was not addressed following verbal requests. The Request was contractually regarded as a precursor to a Default Notice.

Table 28: Performance improvement requests — AIMS

Month	PIRs created	PIRs escalated	PIRs resolved	Issue
Aug 2005	1	0	1	Notifiable incident report
Sep 2005	2	0	2	ERG numbers, RTO status
Oct 2005	0	0	0	
Nov 2005	0	0	0	
Dec 2005	0	0	0	
Jan 2006	0	0	0	
Feb 2006	0	0	0	
Mar 2006	4	0	0	Insurance – special risk Mail Prisoner Release Procedures RTO status
Apr 2006	0	0	0	
May 2006	0	0	0	

Graph 16: Performance improvement reports — AIMS



■ REPARATION

Prisoners are to continue to positively contribute to the community through work and other activities. (DCS)

Percentage of prisoners employed or in programs (on the last working day)

Prisoners are expected to be involved in meaningful activities. This is one aspect of their 'repayment' to the community. Prisoners are expected to maintain a working week of five days in accordance with community norms. Prisoners are typically involved in the following activities from 8am to 4pm:

Production

Metal work
Cabinet manufacturing
Horticulture
Education
Treatment program attendance
Leather goods
Toy manufacturing
Traditional art

Service

Laundry
Cleaning
Food services
Grounds maintenance
Facilities maintenance



Cabinet workshop



Metal workshop

Table 29 and Graph 17 demonstrate the amount of employment participation under AIMS' operation.

Table 29: Prisoner employment — AIMS

Month	Eligible population on last working day of month	No. of prisoners not participating	No. of prisoners participating	Percentage participation	Benchmark
Aug 2005	673	15	658	97.8	90
Sep 2005	684	33	651	95.2	90
Oct 2005	670	36	634	94.6	90
Nov 2005	686	56	630	91.8	90
Dec 2005	686	26	660	96.2	90
Jan 2006	625	35	590	94.4	90
Feb 2006	660	19	641	97.1	90
Mar 2006	670	11	659	98.4	90
Apr 2006	687	15	672	97.8	90
May 2006	614	21	593	96.6	90
TOTAL	8023	328	7695	95.9	90

Graph 17: Prisoners employed — AIMS



The current contract provides for the following measurement:

Table 30: Performance measure — Serco

Performance linked fee measure	Benchmark
The percentage of prisoners in a structured activity for no less than 30 hours a week.	100%

This measure is not assessed until January 2007.

Prisoner work provisions

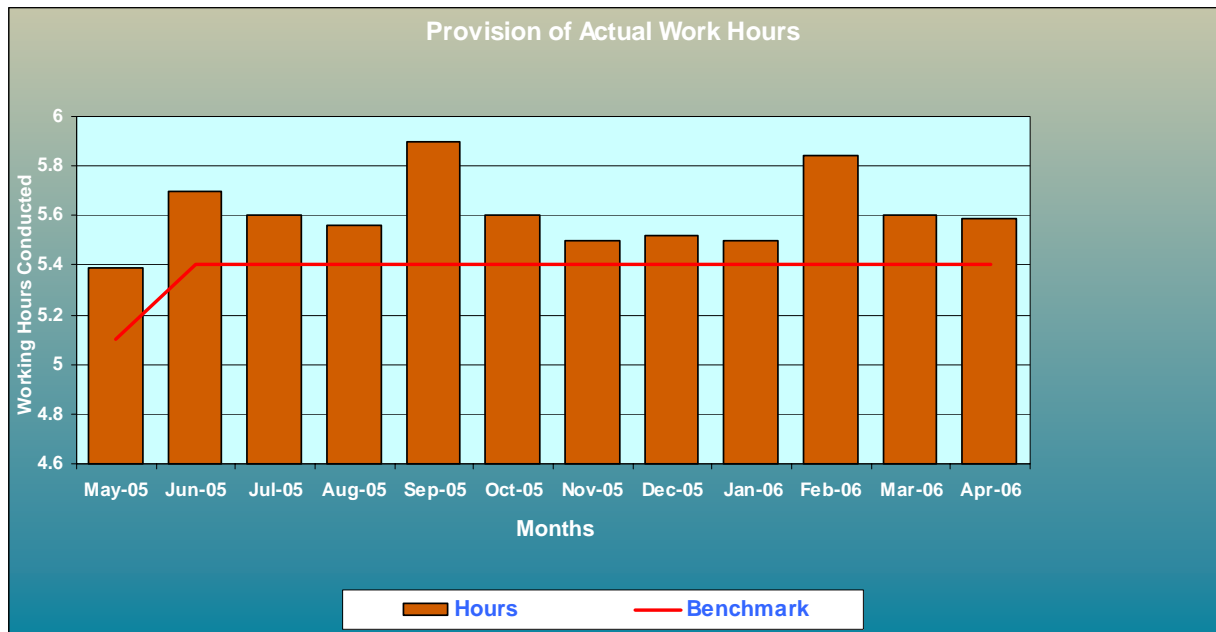
Prisons must provide work opportunities which help prepare prisoners for reintegration into the community. Some of these include traineeships. Prisoners' existing skills are used and enhanced where possible.

Table 31: Percentage of contracted work hours provided — AIMS

MONTH	No. of hours worked for month	Average daily No. of prisoners eligible to work	Average hours worked per prisoner per day	Contracted work hours per prisoner per day	% Contracted work hours provided
Sep 2005	74,976	623	5.90	6	98.3
Oct 2005	75,428	637	5.60	6	93.3
Nov 2005	75,828	646	5.50	6	91.7
Dec 2005	81,158	668	5.52	6	92.0
Jan 2006	75,838	625	5.52	6	91.9
Feb 2006	71,748	614	5.84	6	97.4
Mar 2006	77,260	690	5.60	6	93.3
Apr 2006	68,258	890	5.59	6	93.2
May 2006	79,726	619	5.60	6	93.3

Records indicate that AIMS achieved this performance measure for every month in the period.

Graph 18: Work hours — AIMS



The new contract does not provide for measurement of this data, hence data for Serco is not shown.

Prisoners are credited a gratuity for working and can spend the gratuity at the prison canteen. Visitors can also provide limited funds into a prisoner's private cash account and this money is generally used to buy items such as joggers and other 'luxury' goods. Some prisoners save from this money and Serco introduced a scheme to match savings for each prisoner on release up to \$50. This will enable prisoners to re-enter the community with personal funds and not be totally reliant on Centrelink payments.

DEFINITIONS

Enabling legislation

The enabling legislation that allows private sector involvement in the management of prisons in Western Australia is the *Prisons Act 1981*, which incorporates the amendments passed by the Parliament in late 1999. The amendments allow for private sector involvement in the management of a prison within strict guidelines and with appropriate safeguards for the State.

Department

Department of Corrective Services (formerly Department of Justice to 31 January 2006)

Contracted Services

A directorate within the Department of Corrective Services

Operation year

1 June 2005 to 31 May 2006 – note that the contract changed hands from 16 May 2006. The operation year in the new contract runs from 1 July to 30 June each year.

Performance-linked fee measures are recorded over the operation year.

Reporting year

1 October 2005 to 30 September 2006.

The annual report covers events in the 12 months up to 30 September 2006. Some graphs and tables include data for the operation year as measures were changed in May 2006.

Contracting parties

The principal to the agreement is the Commissioner of the Department of Corrective Services in his capacity as Chief Executive Officer under the *Prisons Act 1981*, for and on behalf of the State of Western Australia.

The contractor is Serco Australia Pty Ltd.

From 16 May 2001 to 15 May 2006 the contractor was AIMS Corporation.

Service requirements

Under the terms of the agreement, Serco provides for the management, control and security of Acacia Prison and the custody, care, and rehabilitation of prisoners at the prison.

Contract duration

The term of the agreement is for five years from the start date of 16 May 2006. The principal has the option to extend the term of the agreement on one or more occasions, and for terms of not less than three years and not more than five years, but cannot extend the operation period beyond the expiration of 15 years from the start date.

Regulatory framework

Serco must adhere to the same legislation, policies and procedures as publicly operated prisons in delivering services. The figure following shows the hierarchical relationship between legislation, policies, the agreement, and Acacia Prison-specific operational procedures developed by AIMS Corporation. Serco has six months from the commencement date to produce new Operational Rules.

Table 32: Regulatory framework

Prisons Act 1981	Passed by Parliament
Prison Regulations 1982	Approved by Executive Council
Director General's Rules	Approved by the Minister
Policy Directives	Authorised by the Commissioner
Operational Instructions	Authorised by the Commissioner
Services Agreement	Entered into by the Commissioner
Operating Manual	Developed by Serco and approved by the Commissioner

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