

STANDING COMMITTEE ON PUBLIC ADMINISTRATION

**INQUIRY INTO THE TRANSPORT OF PERSONS IN CUSTODY
IN WESTERN AUSTRALIA**

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

SESSION EIGHT

Members

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

Hearing commenced at 1.44 pm**Mr JAMES McMAHON****Commissioner, Department of Corrective Services, sworn and examined:****Mr GREG ITALIANO****Principal Director, Special Projects, Department of Corrective Services, sworn and examined:****Ms SUE HOLT****Manager, Court Security and Custodial Services Contract, Department of Corrective Services, sworn and examined:**

The CHAIRMAN: On behalf of the committee, I would like to welcome you to the meeting. You will have all signed a document entitled “Information for Witnesses”. Have you read and understood that document?

The Witnesses: Yes.

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

That is the formalities out of the way. We have a series of questions that we would like to go through with you but there have also been some other matters that have come forth in evidence this morning that we may also ask about. If you do not mind, we would like to jump straight into those because we have a very extensive submission from you in relation to the terms of reference of the inquiry. We thank you for that submission as well. The committee does note from your submission that a governance working group has been established between the Department of Corrective Services, the Department of the Attorney General, the WA Police and Treasury comprising a joint management group, senior officer and a directors-general governance group. Has the joint management group met yet?

Mr McMahon: The joint management group, which is the—if you are referring to the group that is the senior officers group —

The CHAIRMAN: Senior officers.

Mr McMahon: No, I think they are meeting in the next couple of weeks. The senior group—we have had our first meeting. We had that a month or so ago.

The CHAIRMAN: So the directors-general governance group will meet once a month, that is our understanding.

Mr McMahon: I think you will find it is the senior officers group.

The CHAIRMAN: They will meet once a month.

Mr McMahon: And the directors-general group will meet quarterly or on an as-required basis. The directors general group is about the strategic architecture and getting the strategic direction, and the senior officers group is about literally the daily management, but done on a monthly basis—so are you turning up to court on time, where can we improve that, moving people out of lockups et cetera. One is very operationally focused and one is focused on a governance perspective but also on the future of the contract.

The CHAIRMAN: If those meetings take place, what issues have been discussed in broad terms? The directors-general governance group is looking towards the ending of the contract, what is going to happen post contract?

[1.50 pm]

Mr McMahon: Correct, it is about—first of all, the main thing is the overall governance of the contract. So that would be making sure we see things such as audit reports, independent spot checks on pricing versus invoicing et cetera. But it has a second role that is about—strategically are there better ways to do what we are currently doing. Underneath that, as I have said, is the senior officers group, which is the operational committee, if you like, to see if we can maximise what is currently in place. To give an example of that it is about moving people, for example, from Hakea into court, moving people into prison, and moving people for programs et cetera. Getting the time frames and logistics on that right is complex. It is not un-complex because you are dealing with offenders and remandees. We all know this but the people we are dealing with can sometimes not be having a good day, so time slips et cetera. Court times potentially slip for a whole range of reasons, so it is not an un-complex logistical framework versus a just-in-time on Toll deliveries and “I am delivering a package to somewhere”. So the human factors involved in what we do are complex. I am just making the point: I am the principal and I am managing that on behalf of the justice portfolio as the principal of the CS&CS contract.

The CHAIRMAN: I am going to hand over to the deputy chair to ask a question, but just before I do there was already a broad range of groups provided for under the CS&CS contract; the court security and custodial services board, strategic planning group, the agency consultative committee and the contract management group. Why was it necessary to have an additional governance working group rather than relying on those groups?

Mr McMahon: The senior officers group links up, in my view, far better for the justice portfolio. When we have the other groups in which we talk abatements, we talk what happened in the last quarter et cetera. From a contract perspective it is actually in the here and now and what we can be doing to make it better. Over time I think we will test and adjust how many meetings, but I need a group with all the agencies here and now to really maximise what we are doing operationally. We may have too many groups at the moment—time will tell us that. The directors-general group is something we did not have and now we do have it and that is, as I said, looking at governance at a macro level but, also, most importantly, looking at where we can take the contract over the near and medium term.

The CHAIRMAN: Do these DGs then report back to their respective ministers, and in turn to cabinet —

Mr McMahon: The normal process is that they will go back to cabinet as required and we can do joint submissions as well, which is powerful in its own right.

Hon DARREN WEST: I am really surprised to hear that because in 15 days the government has to let Serco know whether they have the contract next year or not. You have not had that high level discussion at all. Do you sort of feel a bit left out of the process?

Mr McMahon: No; we do not. I speak to the Commissioner of Police and the DG for the Attorney General on that. I speak all the time on a number of issues with streamlining justice. As you know, there is a whole policy process going on with streamlining justice. So we are speaking about these

contracts all the time. In fact, we have spoken regularly about lockup times, transport requirements and what we do in key hubs. The decision on keeping Broome prison open was all part of that. We knew we needed it because it is the Kimberley model. I do not think—I would see the Commissioner of Police and the director general of the Attorney General on a monthly basis. I think it is important. My minister will announce over the coming weeks the future of the Serco contract. That is obviously a parliamentary privilege and up through cabinet. I will not talk about that announcement. My minister will do that over the coming weeks.

Hon DARREN WEST: But I am just curious to know have there been any discussions around the potential to bring the contract back in house with you or has there been any talk about an alternative private provider or existing provider? You are telling us that there has really been no discussion at that high level about that sort of thing.

Mr McMahon: No, let me be clear: I am not saying that. There have been discussions. I will put it in context: under the directors-general group it has not happened because that is about to happen. But we have had discussions in a broad sense about the contract. I know we met last year, and after my first two months in the system we had 10 escapes in two months. I was having discussions right back then and in the last financial year, as you are aware, we had seven escapes under the CS&CS contract. The most risky area in a custodial sense for me as the Commissioner of Corrective Services is when people are outside the wire or outside our prison system. It would be fair to say from about February last year we started to look at this contract in detail. My minister has directed me to look at it in the context of the justice portfolio. That happened probably about March, April or May last year. But in terms of my number one priority, which is the safety of Western Australian community, this is our most vulnerable area, and I think the stats from last financial year would show you that. What I am pleased to report, if I can just expand on that, is that since we have made the improvements that we have put in place, I am very, very pleased to say we have not had an escape in the last financial year out of the CS&CS contract. It is a complex environment but through what I believe are some good management practices I believe Serco took on board the clear direction that was given to them in a number of key areas, which I can outline for you. We have improved from seven escapes last year, and I think you will find four of those were at the maxi level, three of them were medium, which are significant levels, through to none this financial year. I think the last escape under CS&CS was on 20 May last year, which was the Shenton Park one around the time school gets out, which was not overly great. After that we focused on a couple of key areas. We changed the way we do risk. So the risk assessments—we matrix between recommender and approver. We also change the restraints policy. We actually changed the type of restraint used but I will not go into the detail—I am happy to do it in a confidential session. We changed the type of restraints which Serco imported, which I think has proved its worth. We actually changed the policy as well, which I know has been brought up by previous people about the severity of how we have changed it, not the severity of what we did, but I will show you later if you ask a question around how we have managed that. We have changed our classification system at a certain level and we have also changed our use of intelligence and getting intelligence. Serco has what it calls a SERS, which is the tablet.

The CHAIRMAN: Our next question is on SERS, so maybe we can —

Mr McMahon: It gives the ability to go both ways with intelligence. The other thing we have done within the department is we grew a coordination centre as well, which allows us to manage both value for money and risk with where prisoners were going and how they are transported. Those major changes happened around February because, at that point, it was just not sustainable with what was happening. I think we have seen the results and they show themselves what has happened. That has not just been the department, it has been Serco that has been—there were a number of levels of compliance within the department, and also we have put in an assurance framework as well that helped that. To be fair, it is something we can be proud of but we can never take our foot off the accelerator.

The CHAIRMAN: I want to go to SERS and talk about that, but you just mentioned, which prompted my memory from a previous witness statement, a change in policy surrounding restraints. It has been put to us anecdotally that if a pregnant woman prisoner is transported by Serco they will be shackled. If a pregnant woman prisoner is transported by DCS they will not be shackled. Can you comment on that?

[2.00 pm]

Mr McMahon: Yes, I can comment on that. We have a policy which is restricted to staff, so I am just conscious—it cannot be made public. We put out the policy a number of times—because this was the change of policy to address things which happened late last February and then up through to about May. It clearly says that obviously our policy is not for pregnant women. I would also say that there is enough discretion given to Serco to make those assessments. Their policies are drawn down from ours and if they are doing that type of policy, they have discretion not to do that or to do that as long as they go through their other internal checks. But I want to make the point that at one point we had seven escapes, we now have none. So we have changed a number of things and they have worked, but this particular document talks about the minimum standard for restraints policies, which is where we provide our information through to Serco. It also talks about the type of areas where you do not need to be restrained. For example, with S95 work, which is the external work, which we know is part of the rehabilitative work, integration, employment —

Hon AMBER-JADE SANDERSON: Can I just clarify: Serco are not required to follow the department's policy on this though, so it is perfectly plausible that a woman who is being transported to hospital, about to give birth, could have been restrained.

Mr McMahon: If you have got that evidence, it may have occurred, but there is flexibility for it not to occur. It may have occurred but there is flexibility for it not to have occurred.

The CHAIRMAN: We are talking to Serco tomorrow. We will ask them then. There are guidelines that Serco is provided with and if they want to they can follow those guidelines but they do not have to.

Mr McMahon: They have flexibility to come back to us and if they deem that there is a requirement, to change it. Could I give another example of that? For example, with some terminally ill patients, if you are in hospital and the restraints cannot be fixed because of the accident that has occurred to the person or the illness, there has to be flexibility in all the systems. That flexibility is within the system.

Hon DARREN WEST: I am still a little unclear. The department's guidelines need to be adhered to by all members of the department, but they are optional for Serco. Serco has no obligation to follow those guidelines as the department staff do.

Mr McMahon: Sorry. So they have their minimum standards that they have set out in running the contract for the safe security, and I know from our meetings, they have—if you need to change things, you can go back through their chain of command and you have an ability to provide some flexibility within that. At some level, if they need to they can come back to the principal and talk to me about it.

The CHAIRMAN: So you can provide that to us in confidence, is that what you are saying?

Mr McMahon: Sure.

The CHAIRMAN: We can accept that and have a look at it and it can be a private document and then we can ask —

Mr McMahon: So that will not be published or —

The CHAIRMAN: No.

Mr McMahon: Okay.

The CHAIRMAN: We can ask Serco when they come in to provide us with their guidelines and we can do a match-up of that and see whether the two are the same. You are not aware that Serco has a separate policy? I am not going to ask you to comment on Serco, as you know. We will ask them when we see them. We will do a comparison for ourselves I think. Can we just talk about SERS; have there been issues surrounding the implementation of SERS? I think one of the things I read in the submission given to us by the Prison Officers Union was that a Serco person turned up at a prison with their tablet ready to do their thing they were going to do and they said “you are not going anywhere buddy because you cannot bring that in here.” Is that part of the integrated management system that is working at the moment?

Mr McMahon: That does not seem to be overly efficient.

The CHAIRMAN: I am just posing that question as part of the solution. Am I right?

Mr McMahon: Specific detail on whether SERS is working to its optimum capability and efficiency—I cannot understand that.

The CHAIRMAN: Talk us through SERS then—what is and how it is working at the moment.

Mr McMahon: How it is working at the moment— and I know this first hand because I checked on it recently when I was out at Fiona Stanley for a hospital visit. SERS is a mechanism to logistically manage their movement of offenders, detainees, remandees and prisoners. It is their logistical management system. They also have the ability to put risk aspects in there as well, so key intelligence and things people need to know about prisoners on that particular tablet. There are reasons tablets cannot go in certain areas of prisons, which I will not go into in an open forum but I am very happy to tell you in a closed forum. In fact, we have changed some policies on that with computers and a few things recently. SERS is there in the trucks, out in the field, and they communicate with that. I have not seen a report on my desk that says it is not working. I have had people saying anecdotally that it could be improved et cetera. But I think any system you bring with IT has a system of “you improve it as you go”.

The CHAIRMAN: The December 2013 OICS report commented that SERS data was unmonitored compared with the C3S software data, which was monitored by DOTAG. Has that situation changed?

Mr McMahon: I would have to come back to you on that unless we —

The CHAIRMAN: Do you want to take that on notice?

Mr McMahon: We will take that on notice.

The CHAIRMAN: That is E1. You know we write to you with these questions as to what they are so if you can make reference back to that 2013 OICS report.

Mr McMahon: Sure.

The CHAIRMAN: The February 2015 OICS report into escapes and attempted escapes from corrections in Western Australia notes that penalties such as abatements are intended to act as an incentive for service providers to implement continuous improvement. However, there is concern that in relation to data entry there are inconsistencies between, for example, the Serco staff record of arrival at court and the way court staff do the same. The correctness of the data is important because it is the way price is calculated for the contracted services. Is DCS reviewing the way this data is collected?

Mr Italiano: Our measure of timeliness to court is time into court custody, and that is the measure we use in the contract and the measure by which we hold Serco accountable for performance.

The CHAIRMAN: But is there consistency with the way that it is recorded?

Mr Italiano: There is consistency in or approach to measuring that, yes.

The CHAIRMAN: That is your approach; but what about Serco staff's approach?

Mr Italiano: The reality is that there are a number of factors that can impact upon timeliness at court, so traffic conditions, a range of factors affecting the way in which persons in custody are conveyed to court: factors that affect the journey time, factors that affect their entry into the sally port et cetera. The main issue for us is that the person is in court in time for whatever proceeding is scheduled for that individual, and that is the basis that we use.

Hon AMBER-JADE SANDERSON: The point is not how they get to court and why they are late, it is that they have completely different data-recording processes. So Serco has a different one, the courts have one and DCS has a different one.

The CHAIRMAN: It is like you are comparing apples and oranges.

Hon AMBER-JADE SANDERSON: So how are you able to gather that data when it is a key performance indicator?

Mr McMahon: That is fine. I can tell you that at the quarterly board meetings we have, we have a set of data that tells us when people arrive and when they do not. We have had numerous debates about how to improve that. I know in my board reports, which I am very happy to show you, we have data, recommendations and things we use to actually manage when people get there and the best way to get them there on time. In fact, there would not have been a board meeting that has gone by where we have not analysed data to do with those particular KPIs. There might be a difference in the data we are receiving and, as you know, with any data, there are different nuances in some of that data, but in terms of what we need to manage the contract, it gets raised every board meeting because it is something we clearly focus on.

The CHAIRMAN: So you have your report to the board on those issues that this available for us?

Mr McMahon: They are in board packs routinely and regularly.

The CHAIRMAN: Can we have one of those, and we will take that as E2.

Mr McMahon: Absolutely. I will be able to find minutes where I have raised those specific issues. Not about the information, but about the timeliness et cetera. We talk about that regularly.

The CHAIRMAN: Again under contract management, we want to move to funeral escorts. We again note in the OICS report into funeral escorts—this is from the September 2013 OICS report—that the contractor's estimate for assessing funeral escorts was not retained by DCS. Is this correct; if it is, was the decision to not retain estimates made in compliance with DCS's record-keeping plan?

[2.10 pm]

Mr McMahon: To be fair, Madam Chair, I am not sure of the question. The estimates of what specifically?

The CHAIRMAN: The estimate for assessing funeral escorts was not retained by DCS.

Mr McMahon: Assessing the risks or assessing the costs?

The CHAIRMAN: The report recommended that an internal quoting method be developed, which you supported. Is that how you do that now—in compliance with the DCS records?

Ms Holt: In terms of funerals, sentence management requests a quote from the contractor and that is retained by them on the individual file for that individual. They take that into consideration with a whole number of other things which are outside my scope and control. When they request the funeral escort to proceed, that is when they request for that to be approved by contract management and I will approve that. At that point, we maintain all records of everything that we have actually approved so that I can reconcile it from a financial basis, which is part of the contract management

side. But I have been assured that all the quotations for every individual they scored with an additional service is retained by sentence management for their records.

The CHAIRMAN: With regard to abatement, your submission notes a range of breaches of agreed service levels by Serco need financial penalties. The submission indicates that there is a maximum abatement per incident—information which is also in the 2013–14 annual report on the contract. Can you tell us whether the maximums were applied in each of the circumstances?

Mr Italiano: We cannot answer that.

The CHAIRMAN: Can we put that on notice?

Mr Italiano: Yes.

The CHAIRMAN: Okay, that is E3.

Mr McMahon: Madam Chair, just if I could add, in terms of maximums, are we talking 2013–14 year?

The CHAIRMAN: Yes.

Mr McMahon: I think in one of the particular cases—Fraser and Graham—we went way, way over what the abatement was for all the right reasons. I am just letting you know, with the specific detail, maybe not; but in a number of areas, I have looked at those, and gone, you know—made some very. I think that is on public record about the amounts we got for some of those particular escapes.

Hon AMBER-JADE SANDERSON: Are you able also to provide the total amount paid in abatements by Serco?

Mr McMahon: The specific detail, we can get you.

The CHAIRMAN: We make that part of E3.

The committee has received some concerns both in submissions and in evidence given to us today about the lack of publicly available information in relation to the performance of the contractor, including the details of abatement penalties. Is there any reason why this information is not readily available?

Mr McMahon: I think there are some things that are readily available. I think, like with any commercial contract, there is an element of commercial confidentiality that I think can be worked through. In those instances, I do not have any issues with getting those done; it is just a matter of getting it done through the right channels. So that is fine. I think—we may as well deal with it at this point—if it is an issue of security, I do have an issue with that. I am happy to brief anyone on a confidential basis about those things, but in terms of good order and management of a prison, I cannot let certain information be out there. But on a commercial basis, that is just working through it and that is a process that can easily be done. On a security perspective, that takes a little bit longer and we just got to work through that where we can. As you know, with some of the documents from last year, I gave in-confidence briefings to—I gave one to Mr Papalia et cetera. That is how we deal with those elements of security and commerciality.

The CHAIRMAN: Is there a difference between the way arrivals and departures of persons in custody are recorded at courthouses where the court services are provided by G4S Western Liberty Group?

Mr McMahon: I cannot answer that, but I will talk to the contract managers.

Ms Holt: Would you like to talk about arrivals and departures? I can go to arrivals first?

The CHAIRMAN: Yes. It has been put to us in things that there are differences again in the way data is collected and these things are managed.

Ms Holt: If we talk about arrivals. What basically happens is that the Serco system and the G4S system essentially do not interface. Contract management would get information from C3S that will

tell us a court custody time, which is what we utilise as the arrival time, because that is the contract stipulation. The contractor Serco who is doing the movement will also tell us the arrival time. We will actually look at the time they need to arrive to be able to still get there 30 minutes prior to the warrant time and be in court custody at that time. Both contractors need to allow sufficient time for that handover and efficient movement. But within the other courthouses, at say Joondalup court and Midland court, the entire system is exactly the same because G4S is not operating in that, Serco is. So court custody time is recorded—officers have it—for those movements.

The CHAIRMAN: Do you think the 30 minutes that is set out for their arrival is pretty well adhered to? It has been put to us again today in evidence and in submissions that it is not only a one-off occurrence and that prisoners regularly arrive late to court and court has already commenced by the time they arrive, which means that they unable to meet with their legal advisers prior to their appearance in court. Do you have any comment to make in that regard?

Ms Holt: Are we talking here CLC and DCB or all courts?

The CHAIRMAN: It seems to be regional Western Australia and in the metropolitan area as well.

Ms Holt: Any time that the prisoner is not able to see their lawyer and court is delayed, that is a disruption to the court and is a reportable incident under the contract and we review every one of those.

The CHAIRMAN: Can you provide on notice the number of disruptions for 2013, 2014 and this year, where they took place and what they were?

Ms Holt: Disruptions to court?

The CHAIRMAN: Disruptions to court, specifically for arrival times for appearances in court.

Ms Holt: Most of the late to court in terms of disruption to court where it results in a disruption to court are minimal. Off the top of my head I cannot —

The CHAIRMAN: Then there will not be many for you to report on.

Ms Holt: We will certainly look for those for you.

The CHAIRMAN: That would be terrific. If there is lateness to court and there is not a disruption notice, is the lateness itself still recorded?

[2.20 pm]

Ms Holt: We have recorded late to courts and we were doing some analysis in terms of all the various mitigations in relation to that, so whether it was perhaps a situation within the prison they may have delayed the movement commencing or there may have been something at the receiving end that may have caused the delay, like another vehicle in the sally port that prevents the vehicle coming through. There may be an ambulance in either sally port at the beginning or at the receiving that prevents the vehicle coming through so you are actually having a delay —

Hon AMBER-JADE SANDERSON: In your submission you state that in 2013–14 there were 453 late deliveries to court.

Ms Holt: Of those the majority by far have had mitigations in relation to a reason for the delay that is outside of the contractor's control.

Hon AMBER-JADE SANDERSON: It is at least one a day in a year.

Mr McMahon: Let me give that a little bit of context. The reality is that, as I said in my opening statement, there is a complexity in moving humans from prison to court particularly. I would say when I come —

The CHAIRMAN: Did you say moving humans? Do you move non-humans?

Mr McMahon: We do not move non-humans! But I make the point that in moving people it is complex and there can be delays, particularly at the prison end. Do not forget—it is the world that I and the department live in every day—we have potential attempted suicides on the way. I do not think people realise that—we do not put it in any big board reports or anything—but the contractor has to monitor the cabin on a daily basis.

The CHAIRMAN: On a daily basis you have prisoners attempting suicide?

Mr McMahon: No, I am saying that on a daily basis the monitoring of people going from there to there —

The CHAIRMAN: You need to make it quite clear because there is a lot of media in the room.

Mr McMahon: Yes, thank you. For all those in the room, on a daily basis the monitoring of that takes some considerable effort. I am making the point that at one end getting prisoners onto a vehicle can be complex and getting them to court and moving them to where they need to be can be complex as well. But in the board reports that I referred to, we do look at those times each quarter.

The CHAIRMAN: Is there any difference in the departures? We have talked about arrivals.

Ms Holt: I think it is similar, Madam Chair, in that a court custody time is recorded in both systems, but where the contractor within its contract is not responsible for the court custody, they will report the vehicle arrival time.

The CHAIRMAN: On the arrival and departure time, again in evidence today we heard—we are getting some information taken on notice by Legal Aid in relation to a murder trial that recently took place over a two to three-week period. The prisoner in custody was consistently complaining that he was leaving prison prior to breakfast being served. He was arriving in court every day without having eaten and then consistently being returned to prison in the evening without having anything more than a sausage roll to eat and not having meals. Is that something that you are aware of and would concern DCS?

Mr McMahon: Madam Chair, it absolutely concerns DCS and concerns me as commissioner. I am the principal of the contract but I am also the principal of the Prisons Act. The care of prisoners and the care of my staff is what we do every day. But I am just making the point —

The CHAIRMAN: In fairness to you, that question has been taken on notice by Legal Aid. I have asked for the specifics of that particular case which we will in turn refer to you.

Mr McMahon: Madam Chair, I know of that case.

The CHAIRMAN: You do?

Mr McMahon: Yes, and we addressed the concerns.

The CHAIRMAN: Was that happening in that case?

Mr McMahon: I do not know the specifics of the detail of the sausage roll or whether it was cornflakes or not missing breakfast, but I do know there were logistical issues and we had to put some measures in place with the superintendent to address them—and we did that.

The CHAIRMAN: Ultimately, whose responsibility is it to feed our people in custody?

Mr McMahon: It is the responsibility of the state under the principal of the Prisons Act. It is the responsibility of me as the commissioner—that is who it falls to. Contractor or non-contractor, whether they are prison officers or superintendents, ultimately it comes to me and that is why the particular request to have it fixed was addressed to me and why I know of the case.

The CHAIRMAN: Are you saying that it is now fixed and there is no evidence now of people turning up to court without their breakfast or of going back to prison without having a meal?

Mr McMahon: Madam Chair, I cannot guarantee that 100 per cent because there are humans involved in the system. We did address that particular case. Given that issue raised a number of things, I am a lot more confident that that is being addressed within the system.

Hon AMBER-JADE SANDERSON: We have heard a number of times—in this particular case the individual was quite vocal and wanted to advocate for himself—from prisons and other stakeholders that the way Serco manages its daily transport, people leave very early in the morning and go back to prison after meal times, so they go a long time during the day without food and then they are basically handed a snack bag or something like that at the end of the day. It seems to be more a systemic issue rather than an individual case.

Mr McMahon: That is exactly my point. It is like when defence lawyers et cetera go to prisons, we have just widened that up so they can do weekend work if required et cetera. It is looking at it in a systematic way. I am absolutely agree with you and getting people fed when it fits, because the courts need to run, they are busy enough, and we need to cater—I mean cater in a broader sense—around that. You are 100 per cent right; the system needs to pick that up. The responsibility for that is me. It is neither specifically Serco nor the superintendent. It just needs to be fixed. Through all the systems of reporting of people not getting fed properly, we have number of mechanisms that prisoners can let people know through a confidential system that that is occurring; plus, I know from a Serco perspective, we can raise it with the superintendent et cetera. You are right. It is the system, but we do not want to stop courts doing what they do.

The CHAIRMAN: On this?

Hon DARREN WEST: No, further questions.

The CHAIRMAN: I think, commissioner, we have quite a lot of questions to ask you still and we will run out of time today. We will see how we go, but I think we may be asking you to come back to give us more time on another date. We will have to sort that out because we are rapidly heading towards the winter recess, but we would like to see what we can do. Let us push on.

Video links: your submission noted the increased use of video links to courts, which is clearly important in managing prisoner transport risks. Are there other issues around justice and offenders being dealt with? For example, what happens when a prisoner needs an interpreter, and how easy is it to ensure that their prisoner understands a proceeding that is being undertaken by video link?

Mr McMahon: The specifics on the interpreters I will come back to, if I could take that on notice. But if we do need interpreters within the system, we provide interpreters; that is something we do, but the specific cases, I am not sure. If we need interpreters, we have to get interpreters in. That is part of the justice process.

The CHAIRMAN: On the video link, and in evidence today as well, it was mentioned that there are facilities available to do video links throughout a number of the regional centres. In particular, two places were mentioned, Katanning and Ravensthorpe, where video facilities were available, and I am assuming that that would be at lockups, because I do not think there are courts at Katanning. I am just wondering, can you provide to us a list of the facilities in Western Australia through the lockup system where the video links are in fact operational at those centres; if they are not operational, the date that they are due to become operational; and if they are operational and not being utilised, perhaps the reason why that may be the case? Can you take that on notice?

Mr McMahon: We can take that on notice.

The CHAIRMAN: That is E5.

[2.30 pm]

Mr McMahon: But could I just add a comment to that. I know also we have a project, and with our 13 videoconferencing units across DCS, we have had upgrades to a lot of those. At the major facilities—for example, like Bandyup—we have added a couple as well, to get through things.

But generally, video linking is something that I think is a matter of course: the more investment we do in that over time, the better we will be for the future of the contract. That is something that is definitely squarely on the agenda of the DG's committee; we have put that out there as a clear agenda item—better use of digital technology.

The CHAIRMAN: The department I am assuming though takes into consideration the capacity of the person in custody to understand those proceedings—that they are taking place by video link, and that that is exactly the same as appearing in court?

Mr McMahon: Absolutely; that is part of the justice process. That is natural justice et cetera, et cetera. If people cannot understand, we have to make sure they have the ability to understand. That is wider than just corrections; that is the justice system.

The CHAIRMAN: On regional inter-prison transfers, your submission stated that reviewing regional inter-prison transfers has reduced costs by reducing the need to transport prisoners by air. The submission stated that you were now saving up to \$6 000 per movement. Who has reviewed the security requirements; and, related to this, how were those savings achieved?

Mr Italiano: If you are talking about scheduled prison flights, or chartered flights, the review is done by the operations centre and the prison, so there has to be a risk assessment done on every movement. That is not just on each prisoner, but also on the collective group that is boarding the aircraft. The decision to move, and then the risk associated with those persons being moved, both individually and collectively, are carried out by the op centre. In the case of a chartered flight, at the present time, that results in the aviation operator having to submit that risk assessment to CASA, because it is governed by commonwealth aviation legislation.

The CHAIRMAN: Is DCS considering an external audit of Serco's invoicing and charges to ensure that DCS is being correctly charged?

Mr McMahon: As you know, there have been two reports done on the CS&CS contract; I believe the Department of Finance—I just want to make sure I have got that right—and I think the EY report as well. The EY report spoke favourably of value for money in terms of the pricing —

The CHAIRMAN: By Serco?

Mr McMahon: Correct. Well, value for money in the delivery of that service. I suppose they use comparators. I would have to go back and check the exact way they did their analysis, but coming from EY, I suppose it is fair from that perspective. We have done two of those reports, I think, since last time we met you; two of those reports have been done on that to get thoughts and ideas about value for money. The EY report talks about value for money in a favourable sense, and that is the best way I can answer that. That is the only external report I have done since I have been commissioner, as well as the Department of Finance one.

Hon AMBER-JADE SANDERSON: So how are they able to quantify it when there is no public sector comparator, for example—that value for money?

Mr McMahon: I think, like with all commercial analysis, there is a range of ways of doing an evaluation, so that is what EYs do; they do valuations of companies right through to value for service for a water company. They will be able to quantify that. Having worked in the commercial sector, there is a range of ways they will provide that. They will have to do a comparator of some sort. Did they use that exact comparator? I do not know, but value for money they can establish. You can work out the cost of the vehicles, the cost of the people, the cost of the staff et cetera, et cetera. The term “how wide the value of money” where it picks it up, but their words they saw favourably value for money.

Hon AMBER-JADE SANDERSON: I think we have requested that report, have we not?

The CHAIRMAN: We have requested it, but we have not got it. We have the Finance one.

As you know, all the submissions to this inquiry are on our website, so they are public, but we have also had the WA Prison Officers' Union come in today to give us evidence. Interestingly, in their submission on page 7, they have gone to their members and asked their members how they feel about the whole Serco versus DCS transporting prisoners, and there are two that I would like to draw to your attention in the submission that deal with the costs of prisoner transport. This is from a senior officer of a regional prison in 2015, so this year —

A funeral escort was approved to take 2 medium security prisoners to the funeral location 850km from the prison. The Serco quote for undertaking the escort was \$40000. The quote was rejected and DCS staff completed the escort at a cost of \$8000.

The second one I would draw your attention to is —

An inter-prison air escort required between here and another North-West prison —

Again, this is a senior officer of a regional prison in 2015 —

on a weekend after the routine Friday escort was cancelled due to cyclones and Serco staff shortages.

Serco quoted \$52000 to move the 6 prisoners. DCS Prison Officers on overtime completed the escort at a cost of \$12000.

These are the sorts of things that, when we ask whether there is an audit being done as to Serco invoicing and charges, whether those sorts of things are taken into consideration at the time, because that to me begs the question: are you getting value for service? Obviously, quite rightly in those two circumstances, DCS said, “No, you’re not going to get that money. We’ll do it ourselves.” Those are just two examples out of one submission from one group.

Mr McMahon: Madam Chair, the first thing I am really pleased about with that is internally our checking system is going well, so from a —

The CHAIRMAN: I am sure Ms Holt probably said very firmly no to that.

Mr McMahon: I think from a coordination centre, which is new, so that is the operational coordination and working closely in turn with contracts. I am very pleased that both were said no to. Applause to people on my left here, because that is something we really strive to do. I am very happy about that. This is not about sticking up for anyone in my comment here, but my comment is: when you are running a business and you have certain assets in certain locations, if you are moving someone 850 kilometres, it is hard to have a group of people running a business on standby to do that. I make that point that I can see why—if you say it is \$40 000 and you have to fly people up et cetera, what is the security requirements et cetera. Across the estate, we have major centres across Western Australia. We have Roebourne prison, we have a Derby prison that can take a group of prison officers and go and do things. I think the overtime one and all those ones, it is the same thing. If I was running Serco—I am not, but if I was—you cannot hold idle resources, and that is where that extra cost comes in. I think it gives you a view that, on those types of activities, we have said no for them to do it, and we have obviously done them ourselves at a far cheaper cost, and maybe that is an indication of what the reality is about how we need to look at the future of the contract.

The CHAIRMAN: Members, I am conscious of the time and that we have the Department of the Attorney General scheduled but there are still quite a number of questions here. Commissioner, we do have some set questions that we would like to ask you. If we were to submit those to you for a response in writing, what sort of undertaking could you give us as to when you might get those back to us without the necessity for us to call you back in physically? Basically, it is up to you and if you tell me you can answer this quickly, we will not call you back in.

Mr McMahon: Madam Chair, I will do it as quick as I can.

[2.40 pm]

The CHAIRMAN: Sorry, we should not deliberate in public here. Look, I think we will have to call the hearing to an end, given our time. The committee has to discuss how it will proceed from here. We will do that very quickly and let you know. We cannot do deliberations in public, as you will appreciate. If we can ask for the room to be cleared, we will deliberate on what we do and then we will let you know in one or two minutes.

Mr McMahon: Thanks, Madam Chair, and thanks committee.

Proceedings suspended from 2.41 to 2.45 pm

The CHAIRMAN: Commissioner, what we are going to do is provide you with the rest of the questions that we had prepared for today, but we want you to go away and do your homework and come back with answers.

Mr McMahon: The compromise—Madam Chair, that is fine.

The CHAIRMAN: We now have to find a date. What is your availability like in the next week or so? We are not sure, after this sitting week, we have our estimates week, as you are probably aware, in our house, which is different to how the Assembly does its estimates, and we are just seeing if we are able to meet as a committee to take evidence during that week. Given that three of our members are regional members and they will be in Perth for the rest of this week, we might find some time. It will be a very tight time frame for you to answer these questions. Today we could have gone on for at least another hour or hour and a half and there may be other questions that will arise subsequently to what is here.

Mr McMahon: Madam Chair, first of all, I will fit in with you. That is point one. Point two is that at the end of the day this is about getting a better contract for the state of Western Australia or a better way of doing business, so I will need to support where I need to support and we will get the questions back to you.

The CHAIRMAN: You will bring them back with you?

Mr McMahon: I will bring them back.

Hon DARREN WEST: Some of them, if they take time, you might have to say that.

The CHAIRMAN: As we have done today, the ones that you have taken on notice, I do not expect that you will have those answers because of it is data collection and I understand that.

Mr McMahon: That is right.

The CHAIRMAN: But these ones are pretty much in the flavour of what we have been asking now.

Mr McMahon: I think also, if there are issues with other reports—commerciality or security—if it is done on a confidential basis, I am very happy to take you through that briefing I gave Mr Papalia.

The CHAIRMAN: That is what we will do. Thank you so much. I am sorry we delayed you a little bit, and we have kept DOTAG waiting, too.

Hearing concluded at 2.48 pm
