



Prisoner Transportation



VICTORIA

Victorian
Auditor-General

Prisoner Transportation

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The Hon. Bruce Atkinson MLC
President
Legislative Council
Parliament House
Melbourne

The Hon. Christine Fyffe MP
Speaker
Legislative Assembly
Parliament House
Melbourne

Dear Presiding Officers

Under the provisions of section 16AB of the *Audit Act 1994*, I transmit my report on the audit *Prisoner Transportation*.

The audit examined whether the transportation of prisoners in the criminal justice system is effective, efficient and economical. The main focus of the audit was on prisoner transport services managed by Corrections Victoria and used by Victoria Police and the Department of Human Services, as well as the transportation of prisoners by Victoria Police following formal charges being laid.

I found several shortcomings with respect to these issues, the most significant being the absence of overarching and coordinated oversight of prisoner transportation. I also found inadequate collection of data regarding prisoner movements and transportation costs to support effective decision-making. Despite the existence of formalised procedures, I found that prisoners were not consistently being transported to court-located police cells on time, and that the risks associated with inadequately separating prisoners in transport vehicles had not been appropriately mitigated.

I have made five recommendations aimed at improving decision-making and oversight of prisoner transportation, as well as enhancing service delivery outcomes.

Yours faithfully



John Doyle
Auditor-General

11 June 2014

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Auditor-General's comments



John Doyle
Auditor-General

Prisoners are required to be moved throughout the criminal justice system for a variety of reasons. In Victoria there are over 58 000 movements per year. The growing number of prisoners in the justice system and changes to the external criminal justice environment affect the need to move prisoners. These movements present a logistical challenge to the state, with key considerations being prisoner health and welfare and the maintenance of public safety.

In this audit I have looked at how effectively, efficiently and economically prisoners have been transported throughout Victoria's criminal justice system. I am currently limited in my powers to audit the performance of service providers directly. As a result, I have focused on the roles and responsibilities of Corrections Victoria and Victoria Police and their oversight of the outsourced prisoner transport services to identify the extent to which service delivery is effective, efficient and economical.

The audit found a lack of overarching and coordinated oversight of prisoner transportation across the justice system. This is an issue reflected in other audits undertaken by my office. For instance, a review of 200 reports tabled by VAGO between 2006 and 2012 found joined-up arrangements between agencies were often not coordinated sufficiently and that, while there was some degree of coordination, it was clearly inadequate, with only infrequent, high-level contact and insufficient collaboration.

This audit identified limitations with governance and risk management processes. While these exist for discrete elements of prisoner transportation, they do not cover the full movement of prisoners within the justice system, and operate in isolation from each other. Given that prisoner transportation is affected by issues outside the direct control of those responsible for moving prisoners, effectively managing prisoner transport will require collaboration across the criminal justice system.

I also found that neither Corrections Victoria nor Victoria Police collects information about the total number and cost of prisoner movements across the justice system. This reduces agencies' ability to make sound decisions regarding the adequacy and appropriateness of current arrangements.

Positive initiatives being implemented in other parts of the justice system, such as the use of video-conferencing for court appearances, have the potential to reduce transportation demands and should be considered in the planning of future prisoner transport arrangements. However, opportunities exist to improve service delivery outcomes by ensuring that procedures for supporting the safe transport—and specifically the appropriate separation—and timely delivery of prisoners are working effectively.

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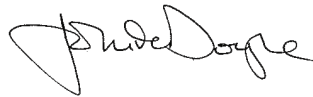
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The report contains five recommendations which, if implemented, will help improve the information available for decision-making, the overall governance of prisoner transportation, and service delivery outcomes under outsourced arrangements.

I intend to revisit the issues identified in this report to ensure these are being appropriately addressed.

I also want to thank the staff in the Department of Justice and Victoria Police who assisted with this audit for their constructive engagement with the audit team throughout.

A handwritten signature in black ink, appearing to read 'John Doyle', with a stylized, cursive script.

John Doyle
Auditor-General

June 2014

Audit summary



In Victoria, there is a minimum of 58 000 prisoner movements per year for a variety of reasons. Prisoners are moved between prisons to accommodate changes in their risk profile, maximise prison capacity, attend health and welfare programs, and facilitate court appearances. They move between police cells to maximise capacity and attend court and are also moved to hospitals and forensic health facilities for planned and emergency medical care.

Recent changes to the external criminal justice environment have affected prisoner numbers and, consequently, the need for prisoner movements. Changes include modifications to the parole process and the abolition of some suspended sentences, which took effect in the County and Supreme Courts in September 2013. Combined with additional factors, such as increases in average sentence lengths and imprisonment rates, these changes have contributed to significant growth in prisoner movements.

The audit assessed whether the transportation of prisoners in Victoria's criminal justice system is effective, efficient and economical. It examined prisoner transport services managed by Corrections Victoria and used by Victoria Police and the Department of Human Services. The audit scope also examined the transportation of prisoners by Victoria Police. It excluded interstate and overseas prisoner movement.

The audit included prisoners as defined by the *Corrections Act 1986*, and youth detainees where they are defined as prisoners for the purposes of prisoner transport services.

Conclusions

There is no overarching and coordinated oversight of prisoner transportation across the justice system. Governance and risk management processes do not cover the full movement of prisoners within the justice system but focus on each area separately and in isolation from each other.

Neither Corrections Victoria nor Victoria Police collects information about the total number and cost of prisoner movements across the justice system, so they cannot assess whether current contractual arrangements minimise the cost and maximise the efficiency of prisoner transportation.

Victoria Police undertakes a significant level of prisoner movement, but limitations of existing systems and processes and the complexity of the current prisoner management environment mean it does not monitor the cost of prisoner transportation.

The effectiveness and efficiency of prisoner transportation is adversely affected by different factors. Increasing prisoner numbers within the justice system means that prisoners are not always transported when and where required. In particular, prisoners are not consistently transported to court due to court-located police cells being used for the longer-term detention of sentenced and remand prisoners unable to be accommodated in prisons. Failure to appropriately separate prisoners increases the risk of prisoner injury or even death, and manual scheduling reduces the efficiency of prisoner transportation.

Findings

No overarching oversight of the system

A private prisoner transportation company currently manages the majority of prisoner transportation movements in Victoria. However, Victoria Police, Corrections Victoria, the Department of Human Services, prison management and Ambulance Victoria also have a role in moving prisoners within the justice system. Each operates independently and has different legislative and financial accountabilities.

There is a lack of interconnectedness between the police and corrections information systems which prevents each agency from having full access to prisoner profile data, including individual risk assessments. In the event that a prisoner is reassessed following an incident while in police custody, this revised risk information will be entered into the police system but will not be automatically provided to corrections or the transport contractor.

Without coordinated and overarching oversight of the prisoner transportation system, Corrections Victoria and Victoria Police cannot be assured that they are providing the most effective and efficient prisoner transportation. Their ability to adopt a systemic approach to managing prisoner transportation and addressing the issues adversely affecting transportation is limited.

The full cost of prisoner transportation is not known

The cost of transportation per prisoner—taking into account inflation—has increased by 106 per cent since 2004. Around \$42 million has been spent on outsourced prisoner transportation for the period 2009–10 to 2013–14. However, the full cost of transporting prisoners within the justice system cannot be determined because Victoria Police does not collect specific data on the proportion of time spent by police officers transporting prisoners. This makes it difficult for either Corrections Victoria or Victoria Police to determine the efficiency or value for money of current contractual arrangements.

Current arrangements do not drive efficiencies

Prisoners are not always delivered when or where required. Between September and December 2013, 824 movements to court were cancelled because of inadequate police cell capacity. Around 26 per cent of prisoners were delivered late to court locations between October 2009 and September 2013—the first four years of the current contract. These 'to-court' movements represent 30 per cent of total prisoner transports by the contractor. Late delivery can be caused by a variety of reasons, attributable to either the state or contractor.

Performance-linked payments made to the contractor do not promote ongoing efficiency and effectiveness. The model focuses on the achievement of minimum performance standards, rather than providing an incentive to the contractor to deliver above minimum performance. Once the contractor reaches the threshold for each indicator there is no ongoing inducement to drive further efficiencies.

Corrections Victoria paid \$822 000 in performance-linked payments over four years, but it is not clear how these incentives have enhanced performance. While Corrections Victoria considers the contractor to have performed more effectively in year three of the contract compared to years one and two, the contractor received a lower performance-linked payment in year three.

Manual scheduling increases inefficiencies

Around 50 per cent of prisoner movements are scheduled manually. While there is no contractual obligation to use software to automate scheduling, failing to do so creates significant additional workload for the contractor. Victoria Police has advised that it also creates significant work for its Prisoner Management Unit. This can ultimately reduce the efficiency, accountability and effectiveness of transportation. Manual scheduling, particularly of ad hoc requests, delays the transportation process, increases the risk that routes are not scheduled in the most efficient manner, and can increase the risk that prisoners are not appropriately separated.

Prisoner care can be compromised

Prisoners are separated for their safety and wellbeing, and failure to separate can result in injury and even death. The audit found that the prisoner transportation contractor has failed to adequately separate prisoners 21 times since 2009, despite there being zero tolerance for this event under the contract. Corrections Victoria has responded to these separation issues by requiring the contractor to enhance the training provided to staff. However, there have been incidents despite the training, indicating that this measure may be insufficient to address the issue.

Current and proposed contractual arrangements

The current prisoner transport contract is for a five-year term ending 30 September 2014.

Work on the tender documents for the new contract commenced in early 2013 to support their original planned release in mid-2013. However, following a decision to exercise a contract extension until 2015, the planned finalisation of the tender was deferred until October 2013 for release to the market in February 2014. As at May 2014, the tender documentation has not been finalised and the tender has not been released.

Positive initiatives

To ensure a greater degree of collaboration and coordination between Victoria Police and Corrections Victoria, a dedicated Frontline Vacancy Management and Court Flow Unit was established in Corrections Victoria in November 2013 to manage the flow of prisoners between prisons, police cells and courts. Corrections Victoria has been working collaboratively with the Magistrates' Court to ensure that telecourt facilities are being used wherever possible to reduce unnecessary prisoner movements. The introduction of the Frontline Vacancy Management and Court Flow Unit and the increased use of telecourt both have the potential to reduce the need for prisoner transportation.

Corrections Victoria and Victoria Police are also looking to change the payment model used for the new prisoner transport contract to one that more accurately reflects the cost drivers associated with the movement of prisoners.

Recommendations

| Number | Recommendation | Page |
|--|--|------|
| That Corrections Victoria and Victoria Police: | | |
| 1. | develop information and communications technology systems to support greater coordination and capacity utilisation of prisoner transport undertaken by different stakeholders | 25 |
| 2. | examine the use of different types of prisoner transportation, and the costs and risks across the full spectrum of the prisoner transportation system, to determine the value for money of current contractual arrangements. | 25 |
| That Corrections Victoria: | | |
| 3. | identifies performance incentives that are likely to drive more efficient and effective service delivery | 25 |
| 4. | works with the prisoner transport contractor to ensure that controls supporting the separation and timely delivery of prisoners are adequate and working effectively | 40 |
| 5. | investigates options for improving efficiency by fully automating the scheduling of prisoner transport in new contractual arrangements. | 40 |

Submissions and comments received

In addition to progressive engagement during the course of the audit, in accordance with section 16(3) of the *Audit Act 1994* a copy of this report was provided to the Department of Justice and Victoria Police with a request for submissions or comments.

Agency views have been considered in reaching our audit conclusions and are represented to the extent relevant and warranted in preparing this report. Their full section 16(3) submissions and comments are included in Appendix A.

1 Background

1.1 Introduction

Prisoners in Victoria need to be transported for a range of reasons. They are moved between prisons to accommodate changes in their risk profile, maximise prison capacity, attend health and welfare programs, and facilitate court appearances. They move between police cells to make use of available capacity and attend court and are also moved to hospitals and forensic health facilities for planned and emergency medical care.

Figure 1A illustrates the range of possible prisoner movement types. More detail about these movements is provided in Section 1.5.

Figure 1A
Prisoner movement types

| Movement type | Examples |
|----------------------------------|---|
| Inter-prison | <ul style="list-style-type: none"> • Movements between prisons following reclassification of prisoners. • Movement to a metropolitan prison to facilitate court appearances. • Movement to Port Phillip Prison to facilitate medical appointments at the St John's medical ward. • Movement between prisons to facilitate attendance at a rehabilitation program. |
| Between police cells | <ul style="list-style-type: none"> • Movement between police cells to: <ul style="list-style-type: none"> • facilitate sentenced and longer-term remand prisoners unable to be held in Corrections prisons due to lack of capacity • maximise operational capacity • adhere to separation requirements • free up cell space for incoming prisoners attending court. |
| To/from court | <ul style="list-style-type: none"> • Movement to and from prisons and police cells to court. |
| Hospital and forensic facilities | <ul style="list-style-type: none"> • Movements to and from St Vincent's Hospital for planned procedures. • Movement to and from public hospitals for emergency procedures. • Movements to and from Thomas Embling Hospital for psychiatric treatment and advanced clinical treatment and care. |

Source: Victorian Auditor-General's Office.

Prisoner transportation in Victoria is undertaken predominantly by an outsourced service provider under contract. In 2012–13, the contractor undertook approximately 58 000 prisoner movements.

Prisoner transportation is also undertaken by Victoria Police, Corrections Victoria, juvenile justice staff, prisons and Ambulance Victoria, but the total number of these movements is not captured. Movements may relate to the initial arrest of prisoners or subsequent movement between police cells. Movements arising from initial arrest have been excluded from the audit.

Prisoner transport is affected by prisoner numbers, arrest rates and court appearances. The changing demographics of the prisoner population, such as increasing numbers of older prisoners, can lead to additional transfers to address medical and welfare issues. The increasing use of police cells for longer-term detention requires more frequent movement between cells to free up capacity for court appearances and provide operational capacity for daily police arrests. The allowable days in police custody are not complied with regularly as Corrections Victoria is unable to move those prisoners into prison within the 14-day maximum holding periods.

The complexity of the justice system directly affects the transportation of prisoners. External and internal changes that have an impact on policing, court and corrections operations can influence the state's ability to transport prisoners efficiently, effectively and economically.

1.1.1 Prisoner numbers

Victoria has 14 prisons, including two prisons for female offenders. Two of the male prisons are privately operated.



Map illustrating locations of Victoria's 14 prisons

The Victorian prison system is facing significant pressure from a large growth in prisoner numbers. On 20 February 2014, there were 5 892 prisoners in custody, compared to 5 200 prisoners in custody on the same day in 2013. Prisoner numbers increased by 2 348, or 66 per cent, between 30 June 2002 and 20 February 2014.

The *Corrections Act 1986* allows for the use of police cells as police 'gaols' by listing cells in an order in the Government Gazette. The gazetted order may stipulate the maximum number of persons to be detained in each police gaol and the maximum period of detention for each gaol which cannot exceed 14 days—except for Mildura police gaol, which has a maximum of 30 days.

In June 2012, the Department of Justice advised Victoria Police that, based on forecast prisoner numbers, the estimated number of prisoners to be held in police cells would be between 150 and 200 prisoners per day. Subsequently, the 2012 VAGO *Prison Capacity Planning* audit found that the Department of Justice recognised the risks associated with prisoner detention in police cells. The audit found that in briefings to government the Department of Justice had committed to keep these numbers below 100.

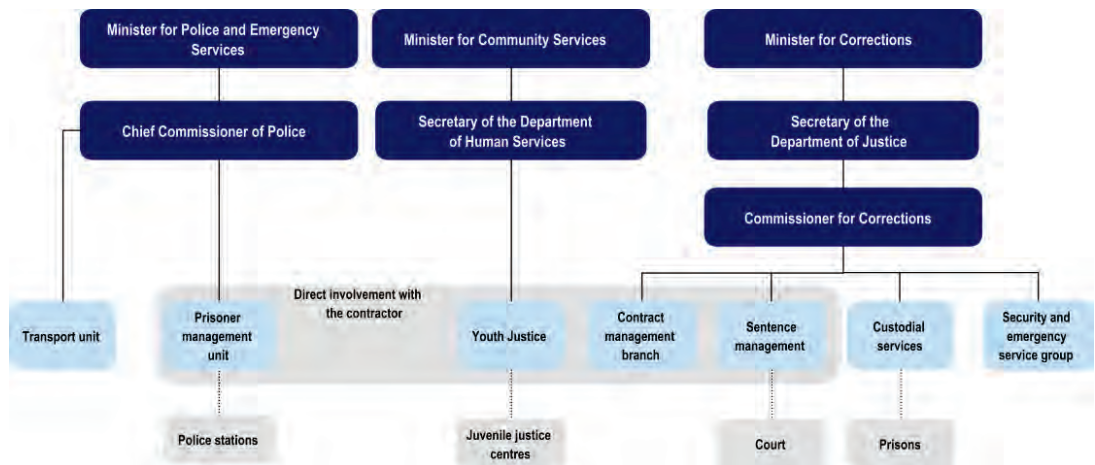
Prison capacity constraints have seen growing numbers of remand and convicted prisoners detained in police custody following bail hearings. On 20 February 2014, there were 261 prisoners in police cells, compared to 128 prisoners in police cells at the same time last year, representing an increase of 104 per cent. On 18 November 2013, the number of prisoners in police cells reached an all-time high, with 372 prisoners being detained in police custody.

1.2 Roles and responsibilities

The Commissioner for Corrections has ultimate responsibility for prisoners in the corrections system and is supported in her oversight of prisoner transport services by the Contract Management Branch within Corrections Victoria. The *Corrections Act 1986* enables the Commissioner to authorise a contractor to carry out prisoner transportation activities.

The Chief Commissioner of Police is responsible for prisoners in police custody and is a signatory to the prisoner transport services contract. The movement of prisoners is coordinated by the Victoria Police Prisoner Management Unit, which also facilitates the movement of youth detainees on behalf of the Department of Human Services. Figure 1B illustrates the various parties involved in prisoner transportation across the Department of Justice, Victoria Police and the Department of Human Services.

Figure 1B
Parties involved with prisoner transportation



Source: Victorian Auditor-General's Office.

1.3 Prisoner transportation costs

Additional prisoner transportation costs outside of the prisoner transport services contract are incurred by multiple parties. These include movement costs incurred by agencies, including Victoria Police and Corrections Victoria, as well as costs associated with contract management. However, costs incurred by Victoria Police—except for the Transport Branch—are not captured within its current financial reporting systems.

1.4 Prisoner transport services contract

The first joint prisoner transport contract between Corrections Victoria, Victoria Police and an outsourced provider commenced in 2003. The current prisoner transport services contract commenced on 1 October 2009 and is jointly signed by Corrections Victoria and Victoria Police. The contract is for a five-year term ending on 30 September 2014. At the time of finalising this report, Corrections Victoria advised that it had activated a one-year extension and had agreed a variation to operate during the extension year. Specific services under the contract include:

- transport of prisoners and their property to and from specified locations—for Corrections Victoria prisoners, Victoria Police prisoners and Department of Human Services juvenile detainees
- an information system capable of scheduling the transport of prisoners and managing the transport fleet, that interfaces with the Department of Justice's Oracle Business Intelligence System
- a modern fleet of vehicles purpose built to transport prisoners
- recruitment of staff and staff training
- a set of endorsed operating instructions and emergency orders
- additional services, which include services to and from Mildura and weekend services.

Price is primarily based on prisoner numbers—cost per prisoner is recalculated annually—although the contract also includes performance-based payments of up to \$400 000 per annum and a 5 per cent contingency. Penalties—liquidated damages—are payable by the contractor based on the occurrence of specified events. For example, an escape will result in a \$20 000 penalty to the contractor, with an additional \$10 000 payable for each day the prisoner is at large.

According to data provided by Corrections Victoria, the total approved cost of the contract for the five-year period 2009–10 to 2013–14 is approximately \$42 million—note that the contract period is 1 October to 30 September, rather than based on financial years. In early 2013, a one-off ministerially-approved funding variation of \$3 276 680 was required to accommodate increased prisoner numbers and a range of additional services required by Corrections Victoria.

The contractor responded to approximately 58 000 prisoner movement requests during the 2012–13 contract year.

1.5 Reasons for prisoner transportation

1.5.1 Movements between police cells

The Chief Commissioner of Police has the authority to transfer prisoners from one police cell to another. Police transport prisoners to and between police cells on a daily basis as part of their general duties.

The contractor is also used to move prisoners between police cells, mainly to facilitate court attendance and to maximise capacity in police cells attached to courts, allowing for the reception of corrections prisoners for court attendance.

1.5.2 Police cell to prison movements

When a prison bed becomes available, remanded and convicted prisoners are moved by the contractor into prison, or in the case of young people, to a youth justice centre. A memorandum of understanding between Victoria Police and Corrections Victoria recognises that 'where practicable, no prisoner should remain continuously in police cells for more than 14 days'.

Corrections Victoria's sentence management policy requires the agency to minimise the number of prisoners held in police cells and the amount of time they spend in police custody. Its Sentence Management Branch has a central role in managing prisoners. The branch identifies prisoners' needs and matches them to correctional resources, with the overall objective being to ensure appropriate placement and management of prisoners. The branch liaises with the Prisoner Management Unit in Victoria Police and relevant prison management to monitor the movement of prisoners from police custody.

Prisoners are held in police cells across the state to facilitate pending court appearances and to manage their transition into the prison system. Prisoners are received into the prison environment from police cells through the Melbourne Assessment Prison (MAP) for males and the Dame Phyllis Frost Centre for females. Unsentenced male corrections prisoners who are on remand awaiting their trial are held at the Metropolitan Remand Centre after first being received at the MAP.



Melbourne Remand Centre

In consultation with the Sentence Management Branch, Victoria Police determines the order in which prisoners transfer into the corrections system. Generally prisoners enter the system based on the number of days spent in police custody and consideration of their special needs. For example, prisoners with psychiatric or medical requirements may be prioritised based on advice from health professionals. The Sentence Management Branch can also request that a prisoner be prioritised for transfer.

1.5.3 Movements within the prison system

Once in the corrections system, prisoners are transported between prisons, to medical appointments and for court appearances as required. With the exception of the Melbourne County and Supreme Courts, the transportation of prisoners from prison to court generally requires moving prisoners from corrections custody to police custody. This is because prisoners are usually detained in police cells attached to court facilities immediately preceding and following their court attendance. Currently there are two Magistrates' Courts sitting at the Melbourne County Court and prisoners attending those courts are brought to the county court cells which are managed by Corrections Victoria.

Prisoners requiring ongoing detention are typically returned to corrections custody following their court appearance—i.e. they would exit the court via a police cell and then return to prison.

1.6 Legislation

The *Corrections Act 1986* provides responsibility to either the Secretary of the Department of Justice or the Chief Commissioner of Police for the security, safety and welfare of prisoners and offenders while in their custody. It also includes specific requirements relating to the transport of prisoners and the transfer of custody of prisoners. Other legislation affecting the transport of prisoners includes the *Charter of Human Rights and Responsibilities Act 2006*, the *Corrections Regulations 2009* and the *Children, Youth and Families Act 2005*, which provides the legislative framework for the care, custody and treatment of young people in detention.

1.7 Audit objective and scope

The audit examined whether the transportation of prisoners in the criminal justice system is effective, efficient and economical.

To address the audit objective, the audit assessed whether:

- prisoner transport services are being provided when and where required
- prisoners receive appropriate care while in the custody of the contractor
- transportation costs are assessed, monitored and minimised
- contractual arrangements provide flexibility to match demand and incentives to minimise costs
- transportation delays and issues are identified, reviewed and addressed
- there is an appropriate performance framework to support service delivery outcomes and mitigate risks.

The audit examined prisoner transport services managed by Corrections Victoria and used by Victoria Police and the Department of Human Services. It also examined the transportation of prisoners by Victoria Police following formal charges being laid. This typically includes transport to court for bail hearings and the movement of remanded and sentenced prisoners held in police custody.

The audit scope included prisoners as defined by the *Corrections Act 1986*, and youth detainees where they are defined as prisoners for the purposes of prisoner transport services.

1.8 Audit method and cost

The audit methodology included:

- desktop research on prisoner transportation and prisoner health and welfare
- review of relevant legislation and policies, as well as documentation from Corrections Victoria, Victoria Police, the Department of Human Services and the prisoner transport services contractor
- data analysis, primarily covering the current contract period that commenced in October 2009

- examination of the current prisoner transport services contract covering the period 2009–14 and comparison with earlier outsourced arrangements
- examination of proposed outsourced arrangements that will commence in either 2014 or 2015
- process mapping of Corrections Victoria, Victoria Police and contractor processes
- examination of prisoner transport vehicles used by both Corrections Victoria and the contractor
- interviews with agencies, the contractor and stakeholders.

The audit also examined all movements undertaken for a random sample of 30 prisoners during the period 1 October 2013 to 31 December 2013. The sample was selected from a list of all the prisoners who were moved on a specific day in November, to ensure that the sample included prisoners who were moved during the analysis period.

The total cost of the audit was \$290 000.

1.9 Structure of the report

This report is structured as follows:

- Part 2 examines the prisoner transport system
 - Part 3 examines the movement of prisoners.
-

2 Prisoner transport system

At a glance

Background

A number of agencies are involved in transporting prisoners, although the majority of movements are undertaken by the contractor and police.

Conclusion

There is no overarching or coordinated oversight of prisoner transportation across the justice system. Corrections Victoria monitors the contractor's performance but neither Corrections Victoria nor Victoria Police knows the total number and cost of prisoner movements. This prevents an assessment of whether contractual arrangements minimise the cost and maximise the efficiency of prisoner transportation.

Findings

- Governance, planning, risk management and monitoring processes focus on each area separately, rather than the system as a whole.
- After adjustment for inflation, the cost of transportation per prisoner has increased by 106 per cent since 2004, with \$42 million spent on outsourced services from 2009–10 to 2013–14.
- Corrections Victoria paid \$822 000 in performance-linked payments over four years, although these incentives have not always enhanced performance.

Recommendations

That Corrections Victoria and Victoria Police:

- develop information and communications technology systems to support greater coordination and capacity utilisation of prisoner transportation
- examine the use of different types of prisoner transportation, and the costs and risks across the full spectrum of the prisoner transportation system.

That Corrections Victoria identifies performance incentives that are likely to drive more efficient and effective service delivery.

2.1 Introduction

Prisoner transportation in Victoria has been outsourced to a private operator, although a number of other stakeholders including Victoria Police continue to move prisoners. Payment under the contract is primarily based on prisoner numbers, whereas a previous contract used a distance-based payment model. The state is considering an alternative approach for future contractual arrangements to commence in 2015, based on the number of prisoner movements ordered. This model is currently used in Western Australia which also outsources its transportation.

There are multiple governance arrangements to support prisoner transportation, reflecting the complexity and interdependence of the justice system. Effective service delivery requires cooperation and collaboration across a range of agencies and stakeholders.

The current prisoner transport contract concludes in September 2014. At the time of finalising this report Corrections Victoria advised that it had activated a one-year extension and agreed to a variation to operate during the extension year. Simultaneously, work is progressing on the procurement of future services.

2.2 Conclusion

There is no overarching and coordinated oversight of prisoner transportation across the justice system. This limits the potential to adopt a systemic approach to managing existing capacity and prisoner transportation. Neither Corrections Victoria nor Victoria Police collects information about the total number and cost of prisoner movements undertaken by a range of parties across the justice system so they cannot assess whether current contractual arrangements minimise the cost and maximise the efficiency of prisoner transportation.

Victoria Police undertakes prisoner movement using their Transport Branch—which is measured and costed. It also undertakes ad hoc moves of individual prisoners, which is captured on the police 'custody' system. It does not monitor the cost of prisoner transportation undertaken by general duties officers due to limitations of existing systems and processes and the complexity of the current prisoner management environment.

2.3 Costs associated with prisoner transport

2.3.1 Contract costs

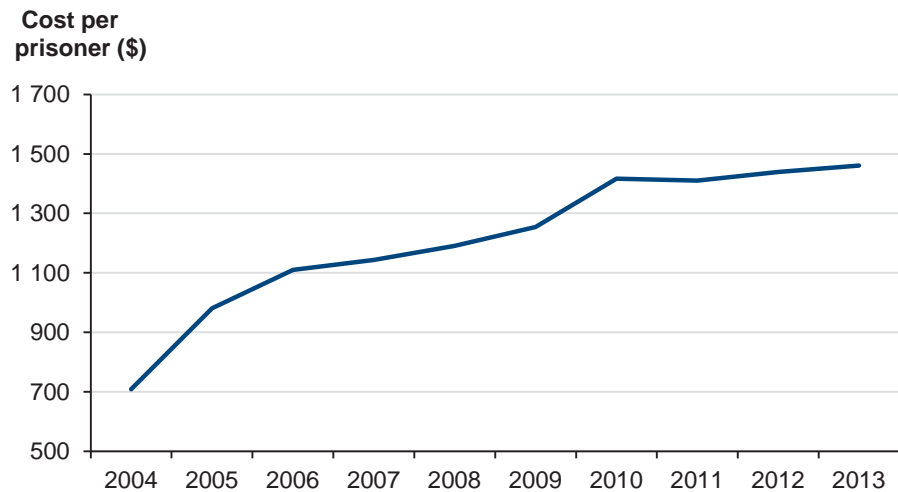
According to data provided by Corrections Victoria, the total value of the contract for the five-year period 2009–10 to 2013–14 is approximately \$42 million. Costs are primarily based on prisoner numbers, which make up 95 per cent of total costs. However, they also include performance-based payments of up to \$400 000 per annum, costs associated with a number of specified 'additional' services such as Mildura trips and weekend services, and a 5 per cent contingency.

Costs have increased by 29 per cent since the commencement of the current contract due to increasing prisoner numbers and, to a lesser extent, the provision of a range of additional 'out of scope' services to address the demands created by these increased numbers. These additional services have included:

- vehicle upgrades, including the purchase of a 24-seat vehicle instead of a 16-seat vehicle and upgrades to seatbelts
- additional services to Mildura due to increased use of Mildura police cells
- weekend services for weekend court sittings
- delivery of temporary bedding
- ad hoc transports to deliver prisoners to court throughout the day.

Since 2004, the annual cost per prisoner has increased by 106 per cent after adjusting for inflation using the Consumer Price Index. These cost increases are illustrated in Figure 2A.

Figure 2A
Annual cost of transportation per prisoner, adjusted for inflation



Note: The contract commenced in 2003, however, data provided by Corrections Victoria is from 2004.

Source: Victorian Auditor-General's Office based on unpublished Corrections Victoria data.

2.3.2 Contract flexibility and incentives to minimise costs

The prisoner transport contract provides for delivery to and from prisons, police stations, juvenile justice facilities, courts and forensic health facilities. Movements between prisons are undertaken in accordance with an agreed schedule. For example, prisoners are transported to Melbourne Remand Centre and Port Phillip Prison daily Monday to Friday, but to Beechworth Correctional Centre and Hopkins Correctional Centre only one day a week. Increased prisoner numbers have required additional beds being placed in some prisons, leading to increased movements to and from these prisons. This has necessitated changes to the schedule originally agreed with the contractor but without additional payments, as the service is still within the original scope.



Beechworth Correctional Centre

Other changes to service requirements, such as increased Mildura services and weekend deliveries, are outside the original contract specifications and have resulted in additional payments by the state. For example, during 2012–13 there were 80 Mildura services, which is 23 above the threshold, and 101 weekend services, which is 93 above the threshold, because of the commencement of weekend court sittings. The combined payment for these services was \$261 688.

Previous Victorian contracts for prisoner transportation used a distance-based model, where payments were made based on the distance travelled by the contractor. The current contract is based on prisoner numbers, regardless of the quantity of moves required for these prisoners or the distance travelled by the contractor. The state will pay the prisoner-based amount regardless of whether an individual prisoner is moved once or multiple times.

There is no direct impact on the value of the contract if prisoners are moved multiple times. However, other parts of the justice system will be affected. For example, there will be additional costs associated with processing transport orders, processing changes in custody, and court appearances on matters that are dealt with through telecourt.

Historically, there has been reasonable correlation between prisoner numbers and prisoner movements. However, this correlation has weakened in recent years. If movement numbers or the complexity of movements increases disproportionately to prisoner numbers, there is an increased risk that service delivery may be compromised in an attempt to maintain the commercial viability of the contract.

Cost drivers for the contractor are primarily staff, vehicle lease and maintenance, and fuel. The contractor's costs will increase according to the number of moves required, rather than prisoner numbers. There is a more transparent link between these costs and contract payments under a movement-based model than a number-based model. While the contractor may benefit from introducing more efficient scheduling, these benefits will not flow through to the state in terms of cost reductions. Efficient scheduling could, however, improve the effectiveness of the service by ensuring that more prisoners are delivered to required locations in a timely manner.

Actual amounts paid under the contract increase proportionately to prisoner numbers, regardless of whether the required number of movements increases or decreases, or whether the contractor is able to deliver more prisoners at one time using a larger vehicle.

Alternative models

We have been advised that a movement-based model is being considered for future contractual arrangements, based on a similar model used in Western Australia.

A movement-based model would pay the contractor according to the number of individual prisoner movements required, and does not take into account the number of prisoners in a single vehicle. There is scope under a movement-based model to separate the different types of movements required, and to align payments with the geographic zones prisoners are moved between. The relative advantages and limitations of numbers-based, movement-based and distance-based models are described in Figure 2B.

Figure 2B
Advantages and limitations of payment models

| Model | Advantages | Limitations |
|----------------|--|--|
| Distance-based | Accounts for additional contractor costs associated with longer trips—i.e. fuel, staff and vehicles. | Reduces incentives for the contractor to improve efficiency. Lowest cost certainty. |
| Number-based | Highest level of certainty for forecasting of cost. | Requires correlation between prisoner numbers and movements which has weakened in recent years. Does not fully account for contractor costs. |
| Movement-based | Costs can be reduced through more efficient ordering of movements. | Lower cost certainty than a number-based model. |

Source: Victorian Auditor-General's Office.

The steering committee overseeing the procurement of future prisoner transport services considered all three models.

Using a movement-based model may allow efficiencies to be realised if the movement of individual prisoners is reduced. This would provide an impetus to agencies to consider the current reasons for transportation, and whether any of the movements could be managed through alternative means. For example, prisoners are currently moved between prisons to attend medical appointments. Increasing the level of medical services delivered within each prison facility would reduce the number of transports required. This is planned to occur with the opening of Ravenhall Prison, which will have an increased level of medical facilities.

Similarly, telecourt provides an alternative to prisoners physically appearing in court, as video-conferencing facilities are used within prisons.

A movement-based model represents a shared risk where the number of movements resides with the state and scheduling efficiency resides with the contractor. Inherent in a movement-based model is a risk that costs may not be reduced in the event of reduced moves. For example, if movements between two particular locations are reduced, but the same vehicle is required to move a smaller number of prisoners, the risk lies with the contractor—the contractor must still bear the cost of the transport vehicle but is paid for fewer prisoner movements. Conversely, the contractor can achieve efficiencies through scheduling—for example, transporting more prisoners in a single vehicle will increase contractor payments per transport.

The impact of the numbers of movements on contract costs under a movement-based model would increase the onus on Corrections Victoria as the contract manager to ensure that all external stakeholders, including the courts and prisons, understand the implications and explore the opportunities to minimise the unnecessary movements.

2.3.3 Whole-of-system costs

Costs associated with prisoner transportation extend beyond the prisoner transport contract and include costs incurred in a range of areas within the justice environment, as shown in Figure 2C.

Figure 2C
Estimated prisoner transportation costs, excluding contract cost

| Area | 2012–13 (\$) |
|---|------------------|
| Corrections Victoria—Contract Management Branch | 316 347 |
| Corrections Victoria—prisoner transport process mapping | 58 541 |
| Corrections Victoria—Sentence Management Unit | 62 000 |
| Corrections Victoria—Security and Emergency Service Group | 456 079 |
| Justice Prisoner Transport Project—tender development | 465 318 |
| Victoria Police—general duties transport | Not available* |
| Victoria Police—overtime related to prisoner transport | Not available* |
| Victoria Police—Prisoner Management Unit | 484 796 |
| Victoria Police—Ambulance Victoria transport requests | Not available* |
| Victoria Police—Transport Branch | Not available* |
| Total other costs | 1 843 081 |

Note: * Data on the numbers of ambulances requested by Victoria Police, and the total cost of these requests, is not captured by Victoria Police.

Note: Total is approximate based on an estimated proportion of time spent on prisoner transport activities by each area and excluding general duties police moves.

Source: Victorian Auditor-General's Office, based on data provided by agencies.

However, Victoria Police does not fully monitor costs due to limitations of existing systems and processes. Victoria Police does not utilise specific coding for time spent on prisoner transportation, preventing this information from being extracted from its financial management systems. Examples of this are highlighted in Figure 2C.

Neither Corrections Victoria nor Victoria Police collect or consider whole-of-system costs as part of their decision-making for the new contractual arrangements due to commence in either 2014 or 2015. This limits the ability of these agencies to determine the efficiency or economy of prospective arrangements.

2.4 Governance and risk management

2.4.1 Transport governance

Victoria Police, Corrections Victoria, the Department of Human Services, private prison operators, Ambulance Victoria and a prisoner transport contractor all move prisoners within the justice system. While prisoners are generally transported by police when they first enter the system, once in the system they can be transported by any one of these parties. Each of the parties involved in moving prisoners operates independently and has different legislative and financial accountabilities.

There are no overarching governance and risk management processes to cater for the full movement of prisoners within the justice system. Arrangements focus on individual elements—such as the prisoner transport contract—which can limit the information shared and reduce opportunities to address systemic issues. The stakeholders do not all meet together to discuss different transportation processes, risks are not assessed in a systemic manner and contingency planning does not involve all parties.

Corrections Victoria and Victoria Police both use elements of the same information and communications technology system for managing prisoners. However, there is limited sharing of specific prisoner data between each of the key parties associated with the prisoner transport contract. Corrections Victoria and Victoria Police enter prisoner movement data into different modules in the E-Justice system, and VAGO's analysis of movements for 30 prisoners during the period October to December 2013—approximately 150 movements—found a number of data inconsistencies. For example, one of the prisoners extracted from the corrections module could not be found using the police module. Two movements for a particular prisoner extracted from the corrections module were listed as having occurred on different dates in the police module.

The lack of interconnectedness between the police and corrections systems prevents each agency from having full access to prisoner profile data, including individual risk assessments. This can result in different classification of prisoners between police and corrections, which can adversely affect each agency's ability to manage prisoners in the most appropriate way. For example, a prisoner leaving corrections may be assessed as being able to travel with other prisoners based on information in the corrections system which police do not have access to. However, once in the police system, the prisoner may be reassessed by police as having to travel alone or separately from a specific prisoner, because of an incident that occurred in police cells. This is then recorded in the police system, which corrections cannot access. The assessment and reassessment are not automatically fed back by either police or corrections.

2.4.2 Governance of the prisoner transport contract

Despite governance gaps across the broader spectrum of prisoner transportation, there are various arrangements governing the prisoner transport contract. These include regular meetings between Victoria Police, Corrections Victoria, the Department of Human Services and the contract provider to discuss contractual issues and performance.

The prisoner transport contract material clearly defines roles and responsibilities and supports accountability for decision-making, as does the memorandum of understanding between Corrections Victoria and Victoria Police. Monthly and quarterly meetings are well structured and attended by key parties to the contract.

However, there are opportunities for periodic meetings with additional stakeholders directly impacted by the contract, such as the County Court, Children's Court, Supreme Court, prisons and forensic health facilities.

2.4.3 Risk management

While risks associated with prisoner transportation are currently assessed at an individual service level, system-wide risks are not. For example, Corrections Victoria's Contract Management Branch, Victoria Police and the Security and Emergency Services Group assess the risks associated with the prisoner transport contract, the Justice Project Steering Committee assesses the risks associated with the new tender, and the Security and Emergency Services Group assesses risks associated with the movement of high security prisoners.

There is no mechanism to formally assess the broader risks associated with prisoner transportation such as:

- prisoners normally transported by the contractor but required to be transported by Corrections Victoria Security and Emergency Services Group or the Victoria Police Transport Branch
- the relative effectiveness and efficiency of transport under the prisoner transport contract compared with transport by Victoria Police, prison staff or the Security and Emergency Services Group, including the impact on other requirements, such as how increasing prisoner transport affects general duties police
- safety and welfare considerations associated with different types of transport.

The absence of such a mechanism reduces the potential to identify systemic risks across the different modes of transportation, transfer better practice and achieve efficiencies.

2.4.4 Prisoner transport contract risks

The risk-management plan for the prisoner transport contract does not identify stakeholders, such as prisons or courts, despite prisons having a major influence on contract performance and the courts having a major influence on service demand. This limits consideration of the external factors adversely affecting the contract. It also limits the potential for system-wide initiatives that can mitigate the risk of prisoners not being delivered to court, such as enhanced use of videoconferencing and telecourt.

While Corrections Victoria and Victoria Police identify a number of prisoner transport risks, these are not adequately assessed or mitigated. This has led to the acceptance of a number of risks, such as an 'unacceptable level of untimely prisoner movement', that under the risk-management framework, should be mitigated. In some cases, such as 'incorrect segregation', the risk has eventuated, and yet the risk rating and mitigations have remained unchanged.

2.5 Performance monitoring

2.5.1 Whole-of-system monitoring

There is no overarching performance framework for measuring the effectiveness, efficiency or economy of prisoner transportation. Performance is measured at an activity level but is not shared among different service providers. This prevents the state from assessing the value for money of current contractual arrangements.

Strategic and operational committees exist within Corrections Victoria and Victoria Police to monitor issues that impact on the justice system, and stakeholder engagement mechanisms exist to seek input from external parties. While none of these committees specifically focus on prisoner transportation, the issues they discuss have an impact on transportation.

For example, Corrections Victoria has established committees and working parties to look at issues such as the use of telecourt, the health service delivery model in prisons and prison capacity. These provide a valuable mechanism for Corrections Victoria to plan for current and emerging issues within the corrections system. Formally linking these discussions back into the committees responsible for prisoner transport will ensure that the contract is designed and managed in a way that best meets the emerging needs of the justice system.

2.5.2 Contract performance monitoring

The prisoner transport contract incorporates performance monitoring, as outlined in the Prisoner Transport Services Contract Administration Manual, to confirm that the contractor is performing according to the performance standards in the contract. The contractor provides a range of reports to the Contract Management Branch in Corrections Victoria, including incident reports, untimely prisoner movement reports and monthly reports detailing items such as staff training and prisoner complaints.

Monitoring of contractor performance is supported by the Office of Correctional Services Review (OCSR) within the Department of Justice. The office is mandated to provide independent oversight and advice on the operations, conduct and performance of Victoria's adult corrections system, comprising prisons and Community Correctional Services as well as prisoner transport services. For the prisoner transport contract, the office undertakes reviews and validates incident reports.

Performance monitoring processes provide the state with detailed information regarding contractor performance. This level of detail did not exist under former contractual arrangements. The processes have supported improved performance by the contractor, particularly within the first 12 months of the contract. However, there are aspects of performance that have not been fundamentally improved through performance monitoring. For example, Corrections Victoria has been unable to significantly influence on-time performance, particularly since July 2013, because of external constraints associated with police cells.

Incident reporting

Any incident reported by the contractor is investigated by the Contract Management Branch in Corrections Victoria, which has the ability to review contractor CCTV footage as well as data produced by the contractor's vehicle tracking system. This system is capable of monitoring parameters such as vehicle location, journey duration, staff duress alarms, door openings, cell temperature and vehicle speed.

A sample of incident reports is subsequently investigated by OCSR. Its findings may inform the Contract Management Branch's own compliance and audit activities, decision-making regarding contract compliance, and the provision of performance payments. However, any subsequent action and response remains the Contract Management Branch's responsibility.

Historically, the time taken for OCSR to conclude its review has been excessive. For example, an investigation of six 'failure to segregate' prisoner incidents between February 2010 and September 2010 commenced on 25 September 2010 and was not completed until 9 November 2011. The investigation was then not formally closed until July 2013. This significantly reduces the value of the review process. The Department of Justice has advised that a range of process improvements have been introduced since the beginning of 2014 to allow the OCSR to operate more efficiently and effectively.

Service monitor

The prisoner transport memorandum of understanding between Corrections Victoria and Victoria Police identifies the role of a service monitor. This role is also specified in the contract administration manual. A key function of the service monitor is to assist the contract administrator, Corrections Victoria, to determine the need for any new reporting standards. However, the role has not been formally allocated to any party and is undertaken by the Corrections Victoria Contract Management Branch, which limits any independence of the role.

2.5.3 Performance payments

The prisoner transport contract incorporates performance-linked payments to support the achievement of 12 key performance indicators. The indicators represent a range of incidents that the contractor is required to avoid, such as escapes, assaults and untimely movements. Performance-linked payments up to a maximum of \$400 000 per annum may be lost if agreed threshold numbers are exceeded for each incident category.

Figure 2D describes the indicators and associated thresholds, and includes the performance for the past four years as recorded by Corrections Victoria.

Figure 2D
Contract performance levels

| Performance incident | Allowable performance threshold 2012–13 | Percentage of fee at risk (of \$400 000 available per annum) | Actual incidents per annum | | | |
|--|---|--|----------------------------|-------------------|------------------|------------------|
| | | | 2009–10 Year 1 | 2010–11 Year 2 | 2011–12 Year 3 | 2012–13 Year 4 |
| Escapes | 0 incidents | 10 per cent | 0 | 0 | 0 | 0 |
| Unlawful releases | 0 incidents | 10 per cent | 0 | 0 | 0 | 0 |
| Self-harm | 2 incidents | 5 per cent | 2 | 1 | 0 | 0 |
| Assaults on staff or persons | 2 incidents | 3 per cent | 0 | 0 | 0 | 0 |
| Assaults prisoner on prisoner | 6 incidents | 5 per cent | 0 | 0 | 1 | 0 |
| Assaults by staff on prisoner | 0 incidents | 3 per cent | 0 | 0 | 0 | 0 |
| Loss/damage to prisoner property | 5 incidents | 4 per cent | 0 | 3 | 0 | 0 |
| Reporting failure | 2 incidents | 5 per cent | 14 | 2 | 5 | 2 |
| Untimely prisoner movement | 1 per cent of all movements | 25 per cent | 3.4 per cent | 5.1 per cent | 3.3 per cent | 3.1 per cent |
| Injuries to/illness of prisoner | 5 incidents | 5 per cent | 1 | 4 | 0 | 0 |
| Vehicle maintenance/safety failure | 19 incidents | 10 per cent | 74 | 18 ^(a) | 22 | 15 |
| Failure to segregate prisoners | 0 incidents | 5 per cent | 10 | 4 | 2 | 5 |
| Failure to properly carry out prisoner searches | 5 incidents | 5 per cent | 1 | 0 | 0 | 0 |
| Failure to secure vehicle | 0 incidents | 5 per cent | 0 | 1 | 1 | 1 |
| General failure to comply with the service specifications. | 11 incidents | 10 per cent | 12 | 10 | 18 | 15 |
| Performance-linked fee paid | | | \$180 000 | \$240 000 | \$160 000 | \$242 000 |

(a) The threshold for 'vehicle maintenance/safety failure' was 16 in 2010–11.

Note: Green text indicates the number of incidents/movements was within the allowable threshold in that year and red text indicates that the allowable threshold was exceeded.

Source: Victorian Auditor General's Office based on annual reporting provided by Corrections Victoria.

Previous, current and proposed future prisoner transport contracts all use different payment models. Nonetheless, performance payments within each contract are modelled on very similar systems. Eight of the performance incidents in the current model are identical to the previous model, and each of these had the same thresholds initially in the current contract as per the previous contract.

The models do not specifically account for the differing efficiency drivers related to each contract. For example, efficiency under former contracts would be achieved by reducing the distance travelled by the contractor and efficiency in the future contract will be achieved by reducing the number of movements for each prisoner.

Corrections Victoria paid \$822 000 in performance-linked payments over four years, but it is not clear how these incentives have enhanced performance. While Corrections Victoria considers the contractor to have performed more effectively in year three of the contract compared to years one and two, the contractor received a lower performance-linked payment in year three, of \$160 000, compared with years one and two, \$180 000 and \$240 000 respectively. In year three, the contractor had only two 'failure to segregate' incidents compared with 10 in year one and four in year two.

There is some duplication between indicators. For example, a 'vehicle maintenance and safety' incident can lead to an 'untimely prisoner movement' incident, resulting in the risk that the contractor is potentially being penalised twice for the same event. It would be more appropriate for indicators to focus on either causal issues such as the availability of vehicles, or consequences, such as untimely movement, but not both.

The performance thresholds have been increased twice since the commencement of the current contract in response to requests by the contractor, with their rationale being increases in prisoner numbers. However, increases in the thresholds would be more correctly aligned to individual prisoner movements rather than prisoner numbers. Nonetheless, we note that this would not have materially affected performance payments.

While the incidents within the performance model generally reflect key risks associated with prisoner transport, the percentage of performance-linked payments related to each incident does not reflect the consequence of these risks for prisoners or the public. For instance, the performance-linked payment if there are no 'failure to segregate' or 'failure to secure vehicle' incidents is \$20 000 for both incident types, despite a potential consequence being injury or harm to prisoners or the public. Conversely, the performance-linked payment related to performing below the thresholds for 'loss or damage to prisoner property' and 'vehicle maintenance and safety failure' is \$16 000 and \$20 000 respectively. The payments associated with each of these thresholds directly reflects the cost to the state rather than costs or consequences for individuals, although this does not exclude the state or individuals from claiming separate damages.

At the time of writing this report, Corrections Victoria had proposed an alternative approach to future contractual arrangements, which is currently in draft form. Rather than awarding a small performance-linked payment if the event does not occur, Corrections Victoria proposes penalising the contractor a larger amount each time the event occurs. VAGO views this as an improvement to the performance regime.

The current performance regime is inconsistent in its treatment of causal risks. For example, it requires a minimum percentage of vehicle availability as part of 'vehicle maintenance/safety failure' but does not require minimum staff availability, yet both of these are causes of untimely prisoner movements. The regime should only measure untimely movements and defer to the contractor to manage its vehicles and staff adequately, or should include both vehicle availability and staff availability as measures.

Lack of incentives

The performance regime rewards the contractor for achieving minimum standards, rather than providing an incentive for it to deliver above-minimum performance. The model does not offer ongoing incentives to the contractor once the threshold for each indicator is reached. For example, once the service provider reports any 'failure to segregate' incident it loses the potential \$20 000 performance-linked payment, but will not be further penalised for any additional failure to segregate prisoners.

During 2012–13, a 'failure to segregate' incident occurred in November 2012 and February, May, July and August 2013. As November 2012 was the first failure against this performance measure, two months into the 2012–13 contract year, the contractor did not have any incentive under the performance regime to continue to segregate prisoners as required for the remaining 10 months of the year. No other contract conditions or penalties were imposed for these ongoing breaches.

Under-reporting of incidents

OCSR and Corrections Victoria's review of contractor performance monitoring found under-reporting of incidents by the contractor. OCSR validates three months of contract performance data each year, prior to the payment of the contractor's performance-linked payment. Where non-reported events are found, these are considered against the contract's performance regime. However, additional sampling using the same methodology is not undertaken to determine whether these findings represent system failures.

For the 2012–13 performance year, the OCSR found two instances of 'failure to report' in its annual performance payment validation. The performance threshold for achieving a performance-linked payment for this event is a maximum of two incidents per year. Given that two incidents were found in three months, there is a risk that a review of the full year's data may have found an additional incident. This would have resulted in a loss of the \$20 000 performance-linked payment that the contractor was awarded against this measure.

2.5.4 Enforcing contractual arrangements

Under the current performance regime, the contractor should lose its potential incentive payment when the proportion of late deliveries—defined as more than one minute late—exceeds 1 per cent. However, Corrections Victoria considers it unreasonable and costly to determine cause for deliveries less than 15 minutes late, and has developed an operating instruction for deliveries up to 15 minutes late. Although these late deliveries are still recorded, they are not attributed to either the state or the contractor.

While this would have had no bearing on the contractor receiving its performance-linked payment, as even under the 'adjusted' level the contractor still failed to achieve less than 1 per cent late deliveries, it has led to the proportion of late deliveries attributed to the contractor being under-reported by Corrections Victoria in monthly management reports.

2.6 Future arrangements

2.6.1 Justice Prisoner Transport Project

The Justice Prisoner Transport Project was formed in October 2012, on behalf of Corrections Victoria, within the Department of Justice Major Procurement Program Office. The project's purpose was to support the procurement of prisoner transport services to commence at the conclusion of the current contract on 30 September 2014.

In November 2012, Corrections Victoria approved a concept brief which considered three approaches to the delivery of prisoner transport services:

- Corrections Victoria, Victoria Police and the Department of Human Services each delivering their own prisoner transport services
- a single transport service being established in-house by the state to cover the three agencies
- a single transport service being procured by the state for the three agencies.

Corrections Victoria proposed the third approach—i.e. to retain the status quo—after consultation with stakeholders within Corrections Victoria and the Department of Justice. Neither Victoria Police nor the Department of Human Services was consulted during the development of the concept brief, although both had the opportunity not to support the brief at the first steering committee meeting.

The steering committee formed to support the work of the Justice Prisoner Transport Project first met in February 2013. It includes five members from Corrections Victoria/Department of Justice and one representative each from Victoria Police and the Department of Human Services.

Victoria Police have been represented at meetings by four different superintendents, whose seniority is not commensurate with the seniority of representatives from Corrections Victoria/Department of Justice. In addition, representatives from Victoria Police did not attend three of the eight meetings. The Department of Human Services representatives were also absent from three of the eight meetings. Given that the Chief Commissioner of Police is a joint signatory to the prisoner transport contract, and the contract covers Department of Human Services youth detainees, both these agencies have been under-represented in contract development processes. This has been caused by both their level of representation within the steering committee, and their non-attendance at meetings.

2.6.2 Contract extension

Corrections Victoria originally intended to go to tender in 2013 to allow for the commencement of a new contract in 2014. However, in May 2013, the Justice Prisoner Transport Project Steering Committee agreed to activate an extension for the current contract until 30 September 2015 and approved a negotiation strategy for an operational variation during the extension. Under the strategy, negotiations for the variation were due to be finalised in August 2013 and the extension activated in October 2013. Although these negotiations were still underway in May 2014, at the time of finalising this report Corrections Victoria advised that it had activated the extension.

2.6.3 Adequacy of financial arrangements

A range of activities has been completed to support the design and development of the future contract, including review of other prisoner transport arrangements, cost modelling and fleet modelling.

Work on the tender documents commenced in early 2013 to support their original planned release in mid-2013. However, following the decision to activate the contract extension, the planned finalisation of the tender was deferred until October 2013 for release to the market in February 2014. As at May 2014, the tender documentation had not been finalised and the tender had not been released.

Much of the financial and demand modelling work undertaken for the new contract was undertaken in early 2013 and pre-dated the significant increases in prisoner numbers and capacity issues that occurred in the latter half of 2013. Corrections Victoria has advised that additional modelling work has been provided to the Justice Prisoner Transport Project Steering Committee to reduce the risk of inaccurate cost projections associated with future contractual arrangements.

2.6.4 Adequacy of performance regime

The proposed performance regime within the draft contract offers a number of improvements over the current model. In particular, it proposes a quarterly re-setting of the performance thresholds, which should provide further incentive each quarter for the contractor to perform at an appropriate standard.

The proposed regime, however, will not fully address weaknesses with the current regime. Similar to the current regime, the proposed model will not drive efficiency or high performance. Instead it focuses on the achievement of minimum performance standards.

In addition, liquidated damages—penalties—within the proposed contract do not appear commensurate with the potential consequences of each event. For example, the penalties associated with the contractor not commencing services on the scheduled date are \$10 000 per day. The consequence of such an event for the state, however, would be significant and could exceed this amount in court costs alone. Nonetheless, Corrections Victoria has advised that the Justice Prisoner Transport Project Steering Committee has reviewed the rationale for these levels and agreed to them, as well as the broader performance assessment regime, at an extraordinary committee meeting in April 2014.

Recommendations

That Corrections Victoria and Victoria Police:

1. develop information and communications technology systems to support greater coordination and capacity utilisation of prisoner transport undertaken by different stakeholders
2. examine the use of different types of prisoner transportation, and the costs and risks across the full spectrum of the prisoner transportation system, to determine the value for money of current contractual arrangements.

That Corrections Victoria:

3. identifies performance incentives that are likely to drive more efficient and effective service delivery.
-

3 Movement of prisoners

At a glance

Background

The complexity of the justice system directly influences the transportation of prisoners. External and internal changes can have an impact on policing, court and corrections operations, and can subsequently affect the movement of prisoners.

Conclusion

Prisoner transport is not always provided when and where required. Prisoners are not consistently transported to court because of inadequate capacity in court-located holding cells due to these being used for holding sentenced and remand prisoners.

The efficiency of prisoner transportation is compromised by the ongoing late delivery of prisoners. The effectiveness of prisoner transportation is compromised by failure to segregate prisoners, a serious matter that can lead to prisoner injury or even death.

Findings

- Between September and December 2013, 824 movements to court were cancelled because of a lack of available court-located police cells.
- Between October 2009 and September 2013, the first four years of the current contract, 25.8 per cent of prisoners were delivered late—measured under the contract as more than one minute outside of prescribed times—to court locations. These 'to court' moves represent 30 per cent of all contractor moves.
- The contractor failed to adequately separate prisoners 21 times since 2009, despite there being zero tolerance for this event under the contract.
- Around 50 per cent of prisoner movements are scheduled manually, increasing the risk of inefficient movements and inappropriate separation of prisoners.

Recommendations

That Corrections Victoria:

- works with the contractor to ensure that controls supporting the separation and timely delivery of prisoners are adequate and working effectively
- investigates options for improving efficiency by fully automating the scheduling of prisoner transport in new contractual arrangements.

3.1 Introduction

Prisoners in Victoria are moved by different parties, although the majority of moves are undertaken by Victoria Police and a prisoner transport contractor. Prisoners are by nature a challenging cohort, and key considerations in moving them are the maintenance of prisoner health and welfare, and public safety.

3.2 Conclusion

Even in a well-controlled environment, the movement of prisoners is logistically challenging.

Increasing prisoner numbers within the justice system means that prisoners are now not always transported when and where required. In particular, prisoners are not consistently transported to court because of inadequate capacity within court-located holding cells due to their use for sentenced and remand prisoners.

Late delivery of prisoners has been an ongoing issue under current contractual arrangements. While timely delivery improved after the first two years of the current five-year contract, this performance has deteriorated since mid-2013.

Prisoner health and welfare is supported during transport by a range of controls overseen by the prisoner transport contractor, Corrections Victoria and Victoria Police. Given its potential for prisoner death or serious injury, the appropriate separation of prisoners during transport is a key tenet supporting health and welfare. Despite the focus on this issue, failure to separate prisoners has occurred 21 times over the course of the current contract.

Around 50 per cent of prisoner movements are scheduled manually, increasing the risk of inefficient movements and inappropriate separation of prisoners.

3.3 Transporting prisoners to court

A key aspect of the prisoner transport contract is the movement of prisoners to court. These movements constitute approximately 30 per cent of all contractor transports and are a non-discretionary form of movement as they are requested by the courts.

3.3.1 Ability of Victoria Police to accept prisoners for court appearance

The increasing use of police cells to detain prisoners reduces Victoria Police's ability to accept prisoners for court appearances. The same cells used for longer-term detention of remand and sentenced prisoners are required for daily detention of prisoners awaiting court appearances.

Between July 2006 and January 2012, numbers of prisoners in police cells generally averaged below 100. However, on 18 November 2013, numbers peaked at 372. When capacity reaches these levels, it becomes very difficult for police to accept additional prisoners required to attend a co-located court.

For example, there may be insufficient cell capacity at the Melbourne Custody Centre to accommodate all prisoners required to appear at the Melbourne Magistrates' Court, or insufficient capacity at the Broadmeadows Police Station to detain young people required to attend the Broadmeadows Children's Court. Prisoners with high separation needs, such as women, young people and identified separation prisoners are most likely to be affected by this constraint as they will require the use of a whole cell, which could ordinarily accommodate a number of prisoners.

Prior to August 2013 all prisoners were accepted by Victoria Police from Corrections Victoria for daily court appearances. However, between 1 September and 31 December 2013, 824 prisoners requested to attend court were not accepted by Victoria Police into court-located police cells. In these cases there was no spare capacity for prisoners attending court because of police cells being used to detain sentenced and remand prisoners. Eleven per cent of these prisoners were able to be rescheduled for a later delivery on the same day, while 14 per cent had their matters heard by telecourt—video conferencing between the court and prisons. The remaining 75 per cent of prisoners had their matters adjourned to a later date.

In some cases, prisoners experienced multiple cancellations. For example, one prisoner:

- had their bail application cancelled on 11 September, 23 September and 26 September 2013
- was delivered late on 1 October 2013, potentially impacting their ability to meet with their legal representatives
- was not delivered on 14 October 2013, requiring their matter to be rescheduled.

Matters that are cancelled lead to a delay in justice for prisoners because cancellations require matters to be rescheduled by the court for a later date, resulting in prisoners spending increased time in custody while on remand. It can also lead to additional costs in the detention and movement of prisoners, the administration of court appearances and the representation of prisoners in court.

Corrections Victoria has quantified that between September 2013 and 20 February 2014, costs exceeding \$178 000 were awarded against the agency by courts relating to 206 matters where prisoners were not brought before the court. Prior to September 2013, there had been no instance of similar discretionary costs being awarded.

In October 2013, Corrections Victoria established a Courts Flow and Vacancy Management Unit to address some of the issues associated with transporting prisoners to court and to manage the time spent by prisoners in police cells. This initiative is so far proving valuable in addressing some of the current challenges involved in the detention and transport of prisoners. Increased numbers of matters are now heard by telecourt, and communication has been enhanced between Victoria Police and Corrections Victoria regarding police cells where acceptance of prisoners may prove difficult.

3.3.2 Late deliveries

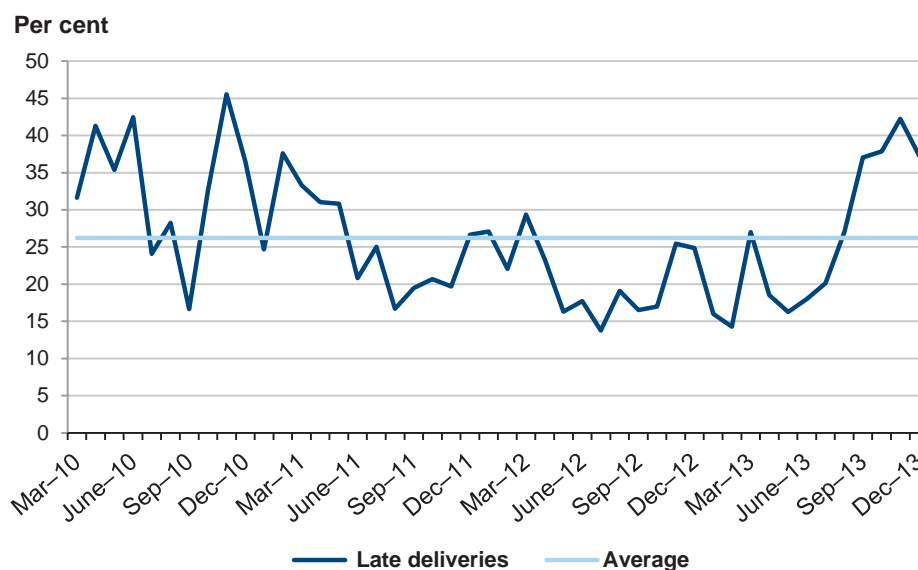
Contract specifications require prisoners to be collected or returned to each location by a particular time—often collections are by 8 am and returns vary between 2 pm and 7 pm. Untimely movements are defined under the contract as any collection or delivery more than one minute outside of these times. Untimely deliveries can be due to delays caused by the contractor, or late or ad hoc requests by Corrections Victoria or Victoria Police. Untimely movements attributed to the contractor can affect its performance-linked payment.

Late delivery to court-located holding cells is an ongoing issue under the current prisoner transport contract. This has the potential to delay scheduled court appearances and can affect the time available for prisoners to meet with their legal representatives. Since the first full calendar year of the contract in 2010, the average proportion of late deliveries to court locations recorded by Corrections Victoria is 25.8 per cent. These are measured under the contract as being any movement more than one minute outside of prescribed times. These 'to court' moves represent 30 per cent of all contractor moves.

While the monthly proportion of late deliveries has trended down since 2010, and in the first half of 2013 was 18.5 per cent, the proportion of late deliveries between July and December 2013 was 33 per cent. This does not include the number of transports for court appearance that were cancelled due to an inability to detain the prisoner at the court.

Figure 3A shows the percentage of late moves to court locations for the period of the contract up until December 2013. This includes all late deliveries, including those below 15 minutes late.

Figure 3A
Percentage of late moves to court locations



Source: Victorian Auditor-General's Office based on unpublished Corrections Victoria prisoner transport services contract, late delivery to court data.

The contractor reports all untimely deliveries to the Corrections Victoria contract manager. The data is analysed by Corrections Victoria for systemic issues and attributed either to the state or the contractor, and results are captured for performance-linked payments. Payments are calculated based on timely delivery across all movement types rather than just 'to-court' deliveries. Therefore lower performance in one movement type can be offset against higher performance in a different movement type.

VAGO investigated all movements undertaken by the prisoner transport contractor during November 2013 and found that 698 of 4 221 moves, 16.5 per cent, were late. Typical reasons included inadequate contractor fleet or staff availability to perform timely moves, or the contractor incorporating too many locations into the one trip, which are attributed to the contractor, and ad hoc requests for transports, which are attributed to the state.

Corrections Victoria only captures reasons for lateness when it is in excess of 15 minutes. Around half of the 698 late deliveries were attributed by Corrections Victoria to the contractor, or were not attributed to any party because the deliveries were less than 15 minutes late. The 'lateness' of deliveries ranged from one minute to five hours and 55 minutes—these upper levels would typically be related to a morning delivery that was cancelled and rescheduled for the afternoon.

VAGO also examined a sample of 30 prisoners who were transported on a randomly selected day in November 2013—representing around 20 per cent of the prisoners transported that day—and tracked the movement of these prisoners over three months from 1 October 2013 to 31 December 2013. The sample was selected to provide an overview of prisoner transportation, rather than to be a statistically valid sample. In analysing these movements, we found that 60 per cent of prisoners experienced at least one late delivery to court. We also found that two prisoners were moved by the Victoria Police Transport Unit because of inadequate fleet availability of the contractor.

Despite regular reporting by the contractor and ongoing monitoring by Corrections Victoria, performance has remained below expected levels. Proposed changes to the performance regime in the future contract may help address these issues, although timely delivery will be dependent on the effectiveness of scheduling processes and the availability of adequate contractor vehicles and staff.

3.4 Manual scheduling

'In the unpredictable justice environment, scheduling of prisoner transport is far too complex to be performed manually.'

—prisoner transport stakeholder

The service provider manually schedules over half the prisoner movements and uses proprietary software to automatically schedule the remainder. Scheduling involves determining the prisoners to be transported by each vehicle, the routes that will be used for delivery and the cells in the vehicle in which the prisoner will be placed.

While there is no contractual obligation to use software to automate scheduling, failing to do so creates significant additional workload for the contractor. Victorian Police has advised that it also creates significant work for the Prisoner Management Unit in Victoria Police, which can ultimately reduce the efficiency, accountability and effectiveness of transportation. Manual scheduling, particularly of ad hoc requests, delays the transportation process, increases the risk that routes are not scheduled in the most efficient manner and can increase the risk that prisoners are not appropriately separated.

An automated scheduling system should

- support the ability to record and track the status of orders
- optimise fleet routing and dispatch
- optimise vehicle and prisoner loading
- support workforce planning and scheduling
- optimise delivery forecasting and logistics network planning.

The system should also ensure that costs are minimised and service requirements are adhered to.

The Justice Prisoner Transport Project Steering Committee was established in 2013 to oversee the new prisoner transport contract procurement process. In its documentation regarding the new contract, it recognised that manual scheduling results in accurate information not being provided to delivery locations regarding prospective late deliveries and is likely to lead to increased complaints. It also recognised that improvements in scheduling could significantly improve service outcomes.

3.4.1 Sharing of data between agencies

Victoria Police and Corrections Victoria both use the same prisoner management system, known as E-Justice. All elements of this system are maintained by the Department of Justice. Victoria Police owns specific parts of the system which it uses for the daily management of prisoners in police facilities, but it does not have full access to the elements used by Corrections Victoria to manage prisoners in the corrections system.

VAGO's analysis of the movement of a random sample of 30 prisoners found that one of the prisoners, originally identified through the corrections system, could not be located in the police system. Further, of the total 152 prisoner movements, two identified through the corrections system were recorded as having occurred on different dates in the police system. An effective information and communications technology system that supported automated scheduling and was accessible by each of the signatory agencies to the prisoner transport contract could overcome these data discrepancies. However, this would require an integrated whole-of-service system across all agencies where operational and legislative inputs generate a transportation record.

3.5 Prisoner health and welfare

Prisoner transportation must be provided in a manner that protects the health and welfare of prisoners. Corrections Victoria, Victoria Police and the Department of Human Services all have comprehensive policies and procedures to provide assurance that appropriate standards are maintained.

Prisoner transport vehicles are custom-designed to meet the welfare needs of prisoners, and include separated and externally accessible compartments, automated temperature control, video monitoring and intercom facilities. Contractor staff receive initial and ongoing training. Processes such as welfare checks of prisoners are embedded in this training. In addition, separation rules for prisoner transport prevent prisoners classified as 'separation', 'protection' or 'must travel alone' having contact with mainstream prisoners. Separation rules also prevent prisoner 'types', such as women, children and adult males, from mixing.

Compliance with these documented controls ensures conformance with a range of legislative provisions, including the *Charter of Human Rights and Responsibilities 2006*, the *Corrections Act 1986* and the *Children, Youth and Families Act 2005*.

3.5.1 Separation of prisoners

‘Corrections Victoria and Victoria Police view the failure to correctly separate prisoner as a ‘near miss’.’

—*Prisoner Transport Risk Management Plan*

Appropriate separation of prisoners is a key means of safeguarding prisoner safety and welfare during transportation. Corrections Victoria and Victoria Police, as part of the risk management planning for the prisoner transport contract, recognise the potential consequence of inappropriate separation as being the death of a prisoner, and have subsequently identified a zero tolerance for this event under their contractual arrangements.

There were five recorded instances of ‘failure to separate’ during the last contract year, 2012–13. This is significant, given that there is a zero tolerance for this under the contract. While none of these instances resulted in an adverse outcome for prisoners, each one had the potential for this to occur, and, in each case, the control breakdown arose through human error by contractor staff. Although the likelihood of an adverse outcome is low, the potential consequence of this event is the death of a prisoner.

Corrections Victoria has responded to these separation issues, and specifically the reliance placed on individual staff to follow due process, by requiring the contractor to enhance the training provided to staff. However, instances have continued following the conduct of training, indicating this measure may be insufficient to address the issue.

The challenging nature of the prisoner cohort and the reliance on staff conformance to policies and procedures means that ‘failure to separate’ incidents may continue to occur. Current processes require a prisoner transport officer to manually oversee the allocation of a prisoner into an appropriate transport cell to ensure that separation requirements are met—transport officers must follow the requirements listed on transport orders.

Greater sharing of data between Victoria Police and Corrections Victoria, as well as an automated scheduling process that incorporated cell placement and was accessible by all parties, could potentially reduce this risk, and specifically the current reliance on individual decision-making.

3.5.2 Multiple movements

‘Although the majority of prisoners are moved a small number of times; a person sentenced to trial for a serious offence can be moved many, many times.’

—prisoner transport stakeholder

The growing use of police cells to detain remand and sentenced prisoners affects transportation because:

- it increases the number of delivery points for the transport contractor—while this has no direct cost to the state, it has cost implications for the contractor, and can reduce the ability of the contractor to deliver prisoners on time
- it increases the number of transports required, because prisoners in police cells are required to be moved more frequently than prisoners in the corrections system
- it can reduce police cell capacity to an extent that impacts on the ability to transport prisoners to court appearances.

The increasing use of police cells has required the prisoner transport contractor to collect and deliver prisoners to more locations than was required in the first years of the contract. Prisoners are routinely moved from metropolitan police cells to country police cells to address the higher capacity demands in metropolitan areas. Individual moves may also involve a number of different destinations.

The additional movement of prisoners between police cells, and the extended length of individual movements to accommodate multiple destinations potentially affects prisoner health and wellbeing. This is particularly true for prisoners who are being moved for an unknown length of time to a destination away from family or social support.

In VAGO’s analysis of the movement of 30 randomly-selected prisoners between 1 October 2013 and 31 December 2013, we found 20 per cent of movements involved travel to multiple locations during the one trip. While the majority of these movements were to nearby locations, in some cases it increased the duration of transport by over an hour.

Corrections Victoria, in its Justice Prisoner Transport Project Steering Committee papers, recognises that delays in transportation increase health and welfare risks for prisoners, particularly for those who are ‘new receptions’ from court. These prisoners are new to the system, and Corrections Victoria recognises that reducing the stress caused by the change of circumstances and housing them in their prison cell quickly is critical to their welfare.

VAGO tracked the movements of one prisoner in the sample of 30—Prisoner X—from 14 March 2013 to 30 January 2014. During this period, the prisoner was:

- detained in 14 different locations
- moved by the prisoner transport contractor 40 times—as shown in Figure 3B
- escorted by police between police cells and courts 26 times.

Figure 3B
Number and types of contractor moves for Prisoner X

| Type of move | Number of times move undertaken |
|---|---------------------------------|
| Moves to court | 16 |
| Moves from court | 16 |
| Moves between police cells | 2 |
| Moves between prisons | 5 |
| Moves from police cells to corrections facilities | 1 |

Source: Victorian Auditor-General's Office based on Corrections Victoria and Victoria Police unpublished data.

3.5.3 Holding periods

'Keeping Corrections Victoria prisoners in police cells presents increased health and safety risks as police cells are not designed for long-stay detention. Prisoners in police cells do not have access to rehabilitation and education programs available in prison.'

—Victoria Police

The memorandum of understanding between Corrections Victoria and Victoria Police states that where practicable no prisoner should remain continuously in police cells for more than 14 days.

Police cells gazetted as 'gaols' under the *Corrections Act 1986* cannot be used to detain a prisoner for longer than 14 days, except for Mildura, where prisoners can be detained for up to 30 days. However, since June 2013, police cells have been increasingly used to detain remand and sentenced prisoners, and the time spent in police cells has increased. This has direct implications for transport, in that these prisoners will require additional movements to those detained in the corrections system.

Of the 30 prisoners selected for our sample, 13 were already within the corrections system, and another prisoner was a juvenile and held in a youth justice facility. These prisoners were therefore moved between prisons, or to and from prison or a youth justice facility to court. Figure 3C shows the total days spent in police cells between October and December 2013 by the remaining 16 prisoners.

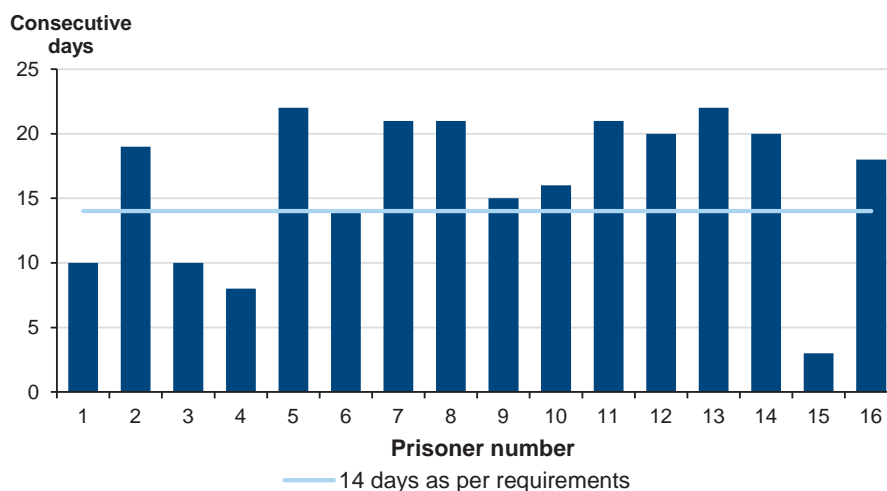
Figure 3C
Total days spent in police cells by individual prisoners
October to December 2013

| Prisoner number | Location of police cells | Total days in police cells |
|-----------------|--------------------------|----------------------------|
| 1 | Dandenong | 23 |
| 2 | Morwell | 30 |
| 3 | Bairnsdale | 27 |
| 4 | Bairnsdale | 26 |
| 5 | Ballarat | 23 |
| 6 | Melbourne Custody Centre | 21 |
| 7 | Ballarat | 20 |
| 8 | Geelong | 21 |
| 9 | Moorabbin | 42 |
| 10 | Heidelberg | 21 |
| 11 | Geelong | 22 |
| 12 | Frankston | 21 |
| 13 | Melbourne Custody Centre | 23 |
| 14 | Dandenong | 10 |
| 15 | Melton | 19 |
| 16 | Ringwood | 6 |

Source: Victorian Auditor-General's Office based on unpublished Corrections Victoria and Victoria Police data.

Figure 3D describes the longest number of consecutive days that the 16 prisoners listed in Figure 3C were held in police cells. In this sample, 69 per cent of prisoners detained in police cells were held for periods exceeding the gazetted 14 days.

Figure 3D
Longest number of consecutive days prisoners held in police cells
October to December 2013

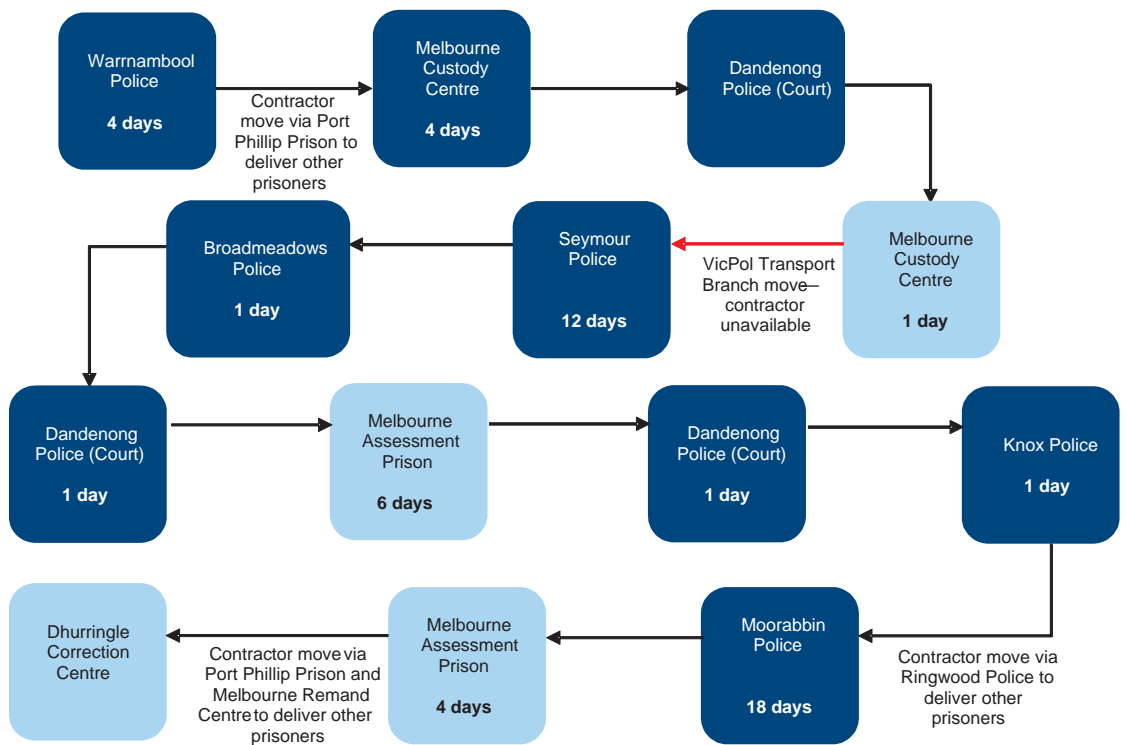


Source: Victorian Auditor-General's Office based on unpublished Corrections Victoria data.

This lengthy time in police custody has the potential to exacerbate existing health and welfare issues and can make these prisoners more challenging to transport.

Figure 3E illustrates the movement of Prisoner Y over a seven week period in late 2013. The dark blue boxes indicate detention in police cells and the light blue boxes indicate detention in corrections facilities. All moves were made by the contractor except for one that was undertaken by the Victoria Police Transport Unit when contractor vehicles were unavailable.

Figure 3E
Movement of Prisoner Y



Source: Victorian Auditor-General's Office based on unpublished Corrections Victoria and Victoria Police data.

During the seven weeks that Prisoner Y was tracked by VAGO, the prisoner:

- was moved 12 times
- spent 43 days in police custody, including 18 consecutive days at Moorabbin
- was brought before the Warrnambool Magistrates' Court once, the Dandenong Magistrates' Court twice and the Broadmeadows Magistrates' Court once
- was incorrectly transferred to the Dandenong Magistrates' Court, rather than the Dandenong police cells—this error was rectified by Victoria Police.

Some other prisoners examined by VAGO experienced similar movements or times in custody. As described in Figure 3D, other prisoners spent more consecutive days in police custody than Prisoner Y. Two other prisoners were also moved more than 10 times, and 20 prisoners were moved more than three times. Nonetheless, Corrections Victoria advises that during this period, only 1 per cent of the prison population was moved more than 10 times, and 28 per cent of the population was moved more than three times.

3.6 Alternative models

Capacity constraints within the Victorian justice system may require Corrections Victoria and Victoria Police to look at systemic solutions to meeting prisoner transport requirements. Many of these potential solutions may be beyond the direct control of those responsible for transport. Nonetheless, the costs and benefits of alternative models should be weighed against the costs and benefits of maintaining the status quo in terms of current contractual arrangements.

3.6.1 Telecourt

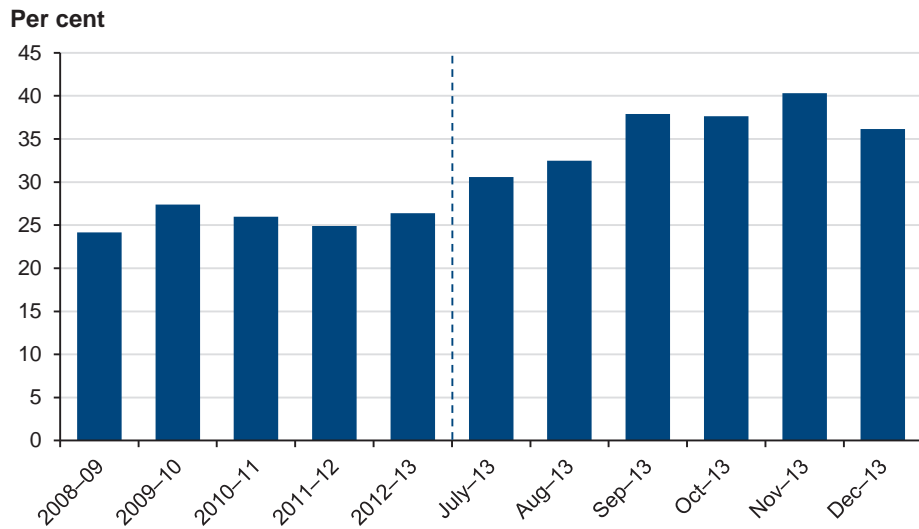
The costs and benefits of increasing the use of telecourt, as well as alternative models for reducing transport requirements, such as enhanced health and treatment facilities in individual prisons, should be considered as part of any systemic approach to addressing movement and capacity issues.

Corrections Victoria has been working collaboratively with the Magistrates' Court to ensure that telecourt facilities are being used wherever possible to reduce unnecessary prisoner movements.

A two-year pilot project is also underway to expand the use of telecourt. The objective of the pilot is to increase system capacity by reducing the number of prisoner movements, which will reduce pressure on police cells and enable prisoner access to court. Additional videoconferencing capabilities will be installed at six metropolitan courts and at Port Phillip Prison, the Metropolitan Remand Centre, the Dame Phyllis Frost Centre and Barwon Prison. A second phase of this pilot will seek to provide videoconferencing capability between prisons and the legal profession, which will further reduce prisoner movements.

Corrections Victoria has made increasing use of telecourt since the middle of 2013 as a means of reducing the movement of prisoners. Between 2008–09 and 2012–13, telecourt was used for approximately 25.8 per cent of matters heard for Corrections Victoria prisoners. However, between July 2013 and December 2013, this proportion increased to 35.7 per cent. This is illustrated in Figure 3F.

Figure 3F
Proportion of prisoners' court appearances conducted through telecourt



Note: The final six bars on the graph show a monthly proportion, not an annual proportion, because that is the most recent data available.

Source: Victorian Auditor-General's Office based on unpublished Corrections Victoria data.

Recommendations

That Corrections Victoria:

4. works with the prisoner transport contractor to ensure that controls supporting the separation and timely delivery of prisoners are adequate and working effectively
5. investigates options for improving efficiency by fully automating the scheduling of prisoner transport in new contractual arrangements.

Appendix A.

Audit Act 1994 section 16— submissions and comments

Introduction

In accordance with section 16(3) of the *Audit Act 1994*, a copy of this report was provided to Corrections Victoria and Victoria Police.

The submissions and comments provided are not subject to audit nor the evidentiary standards required to reach an audit conclusion. Responsibility for the accuracy, fairness and balance of those comments rests solely with the agency head.

Responses were received as follows:

| | |
|---|----|
| Department of Justice, including joint Corrections Victoria and Victoria Police response to Recommendations | 42 |
| Victoria Police..... | 45 |

RESPONSE provided by the Secretary, Department of Justice



Department of Justice

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30 MAY 2014

Mr John Doyle
Auditor-General
Victorian Auditor-General's Office
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Our ref: CD/14/188789

Dear Mr Doyle

Audit of Prisoner Transportation

Thank you for your letter of 16 May 2014 enclosing the audit report *Prisoner Transportation* and the invitation to provide a formal response.

The Department of Justice (DOJ) recognises the importance of an efficient and effective prisoner transport system, and continues to work collaboratively with Victoria Police and the transport contractor to minimise ongoing pressures and to ensure that value for money is achieved.

Since the execution of the current contract, DOJ has made significant improvements to the way it manages prisoner transport, which has included, but is not limited to:

- a highly effective prisoner welfare regime, which includes innovative vehicle design, that ensures the safe and secure transportation of prisoners throughout communities across Victoria, with no escapes or deaths
- an ongoing maturation of responsive transportation which includes, for example, an additional daily service to Victoria Police, which minimises the need for Victoria Police to transfer prisoners between police locations
- the introduction of electronic recording of all transport orders, which allows Corrections Victoria to track and monitor service delivery.

In addition, as advised to your office, a contract variation and extension to the existing contract for a further 12 months has been finalised. The variation provides assurance regarding ongoing service delivery whilst a new contract is negotiated. The contract variation and extension has been agreed with no additional costs to the State.



RESPONSE provided by the Secretary, Department of Justice – continued

DOJ welcomes the findings articulated in the report and accepts all recommendations. A proposed action plan for the implementation of the recommendations is provided at Attachment 1.

Completion of actions addressing the recommendations will be monitored via DOJ's Audit Tracking Registers, which are updated and attested to by DOJ Deputy Secretaries, and reviewed by DOJ's Audit and Risk Management Committee, on a quarterly basis.

Thank you for the opportunity to comment on the report.

Yours sincerely



Greg Wilson
Secretary

Encl. Proposed Action Plan – *Prisoner Transportation*

TRIM ID: CD/14/188789*

RESPONSE provided by the Secretary, Department of Justice – continued

Attachment 1: Proposed Action Plan – Prisoner Transportation

Victoria Police / Corrections Victoria joint response to VAGO recommendations

| Recommendation | Proposed Action | Completion Date |
|---|---|------------------------|
| <p><u>Recommendation 1</u></p> <p>That Corrections Victoria and Victoria Police develop information and communications technology systems to support greater coordination and capacity utilisation of prisoner transport undertaken by different stakeholders</p> | <p>Corrections Victoria and Victoria Police will examine opportunities to develop information and communications technology systems to support greater coordination for prisoner transport services, including reviewing current systems.</p> | <p>May 2015</p> |
| <p><u>Recommendation 2</u></p> <p>That Corrections Victoria and Victoria Police examine the use of different types of prisoner transportation and the costs and risks across the full spectrum of the prisoner transportation system to determine the value for money of current contractual arrangements.</p> | <p>Corrections Victoria and Victoria Police will examine the use and costs of prisoner transportation to determine value for money of current contract arrangements.</p> | <p>May 2015</p> |
| <p><u>Recommendation 3</u></p> <p>That Corrections Victoria identifies performance incentives that are likely to drive more efficient and effective service delivery.</p> | <p>Corrections Victoria, in consultation with Victoria Police, has developed and agreed a performance incentive regime, which has been incorporated into the next Prisoner Transport Contract.</p> | <p>July 2014</p> |
| <p><u>Recommendation 4</u></p> <p>That Corrections Victoria works with the prisoner transport contractor to ensure that controls supporting the separation and timely delivery of prisoners are adequate and working effectively.</p> | <p>Corrections Victoria will undertake a review process with the prisoner transport contractor to assess the appropriateness of the existing controls supporting the separation and timely delivery of prisoners.</p> | <p>September 2014</p> |

| Recommendation | Proposed Action | Completion Date |
|---|---|------------------------|
| <p><u>Recommendation 5</u></p> <p>Investigate options for improving efficiency by fully automating the scheduling of prisoner transport in new contractual arrangements.</p> | <p>Corrections Victoria, in consultation with Victoria Police, has incorporated a requirement for an automated scheduling system for prisoner transportation in the next prisoner transport contract.</p> | <p>July 2014</p> |

RESPONSE provided by the Chief Commissioner, Victoria Police



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| Managing Telecommunications Usage and Expenditure (2013–14:4) | September 2013 |
| Performance Reporting Systems in Education (2013–14:5) | September 2013 |
| Prevention and Management of Drugs in Prisons (2013–14:6) | October 2013 |
| Implementation of the Strengthening Community Organisations Action Plan (2013–14:7) | October 2013 |
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| Managing Emergency Services Volunteers (2013–14:21) | February 2014 |

| Report title | Date tabled |
|---|---------------|
| Asset Management and Maintenance by Councils (2013–14:22) | February 2014 |
| Apprenticeship and Traineeship Completion (2013–14:23) | March 2014 |
| Residential Care Services for Children (2013–14:24) | March 2014 |
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