

Estimates B – July 1, 2008

Prisons - Mobilong

Mr PEDERICK: I refer to Budget Paper 5, page 22 under 'Correctional services: works in progress' and the item 'New prisons and secure facilities.' What is the projected capacity of South Australian prisons (including the new prisons) when the new prisons open?

The Hon. CARMEL ZOLLO: South Australia's new correctional infrastructure project is the largest of its kind in the state's history. We know that the public-private partnership (PPP) involves the Department for Correctional Services, the Department for Families and Communities and SA Health. The successful private sector partner or partners will design, finance, build and maintain the facilities, and core services for each agency will be delivered by the public sector.

The five new facilities will include a 760-cell men's prison, which is expandable to 940 cells at Mobilong to replace Yatala Labour Prison, and a 150-cell women's prison, expandable to 200 cells at Mobilong to replace the Adelaide Women's Prison. Cabinet has approved that the men's and women's prisons will be constructed within a single secure perimeter and share common facilities—for example, a single gatehouse—whilst keeping men and women strictly separate from each other.

An 80-bed pre-release centre at Cavan, expandable to a hundred beds, will replace the existing pre-release facility adjacent to Yatala Labour Prison. Also, whilst not technically in my area, a 90-bed secure youth training centre at Cavan will replace existing facilities at Magill and Cavan and a 40-bed forensic mental health centre at Mobilong will replace James Nash House at Oakden.

It is expected that all facilities will become fully operational in the 2011-12 financial year. Expression of interests were called for in December 2007 with three strong consortia submitting comprehensive proposals, as previously mentioned in my opening statement. In May, the Treasurer announced that the three consortia had been carefully evaluated on their capabilities to finance, design, build and maintain these facilities, and all three have been approved to move forward to prepare proposals for the state to evaluate. Costs associated with standard and expanded cell options will be sought from the consortia for cabinet's consideration. My advice is that a request for proposals will be issued this month, with the period proposed to close in December 2008. Evaluations are proposed to occur through the period January to March 2009, with a recommendation for a preferred bidder to be forwarded to cabinet in April 2009.

Contract negotiations are proposed to be undertaken with the preferred bidder through the period May to July 2009, with contract close scheduled for August 2009. All future dates are indicative and, of course, may be subject to minor change due to many circumstances beyond the control of this department. I understand that the chief executive, Mr Peter Severin, is happy to add some further information to that.

Mr SEVERIN: In relation to the total capacity of the system once the new prisons become operational, on current configurations, given that we are currently introducing additional double-up capacity as well as some temporary and demountable accommodation, there will be about 2,500 beds available. However, it is very much dependent upon actual prisoner numbers as to how many of the existing double-ups will no longer be required once the new prisons become operational. It would obviously be our preferred option to reduce the level of the double-up accommodation system as much as is practicable when the new prisons come on line.

Mr PEDERICK: Would it be right to assume that it will not be essential to double-up or triple-up once the new prisons are built, or will it need to be introduced at some stage in the new prisons?

The Hon. CARMEL ZOLLO: As I have previously placed on the record, we do not have a policy of tripling-up in our prisons. There are some sections, and I have placed this on the record before—I think it was the old forensic health facility in Yatala—which do have the capacity to take more than two prisoners, and we have some dormitories as well, which are

preferred by Aboriginal prisoners in some of our gaols, but other than that we certainly do not have a policy of three in a cell. So, again, I place that on the record.

If the honourable member were to go to the website in relation to the PPP project he would see that one of the options that we would consider would be in terms of doubling up a certain percentage of cells. That is public knowledge; I remember talking about that probably seven or eight months ago. I think we are looking at a 20 per cent possibility of doubling up, of taking up that option should we need to.

Mr Goldsworthy interjecting:

The Hon. CARMEL ZOLLO: I understand the comment was that he was a changed man.

Mr PEDERICK: I refer to the same budget line. Will the minister provide a breakdown of how the \$4.198 million allocated for 2008-09 is to be spent?

The Hon. CARMEL ZOLLO: My advice is that the budget for 2008-09 of \$4.198 million for the project is as follows: for the project team allocation, \$885,000; and for the consultants allocation, \$3.313 million.

Mr GOLDSWORTHY: I refer to Budget Paper 5, page 22: Correctional Services, works in progress, new prisons and secure facilities. This question, in some part, relates to the member for Hammond's questions. The chief executive may have answered some parts of this, but what is the actual projected capacity of all of South Australia's prisons when the new prisons open, including the new prisons?

The Hon. CARMEL ZOLLO: Again, I invite the Chief Executive, Peter Severin, to further respond to that question.

Mr SEVERIN: We have to distinguish between the original design and built capacity and the actual capacity, which is the operational capacity. The operational capacity would always include double-ups and temporary accommodation. So, we are aiming to have a total operational capacity in the system in the order of 2,500 beds. We are hoping that we will not need all of those beds at that point in time, but our forecast at the moment indicates that that is the number we should plan for. In roundabout terms, that is the capacity we are aiming for. If, at that point, we can reduce our existing double-up arrangements because the prisoner numbers do not require us to take up the full capacity, that is our preferred option.

Mr GOLDSWORTHY: Minister, following on from the Chief Executive's answer that the number of beds is estimated to be 2,500, is that the projected number of prisoners at the point in time when the new prisons open?

The Hon. CARMEL ZOLLO: I understand that we took that question on notice earlier, and we have undertaken to bring back a response.

Mr PEDERICK: I refer to Budget Paper 4, Volume 1, page 4.13: Workforce Summary. Minister, how many full-time equivalent staff is it estimated will be needed to staff and manage the new prisons?

The Hon. CARMEL ZOLLO: I will ask the Chief Executive, Peter Severin, to respond to that question. However, I place on record that this government is working with the Public Service Association in relation to the smooth transition of staff from the Northfield site to the new site at Mobilong in future years, and we will continue to do that as time progresses.

Mr SEVERIN: I need to refer to the procurement method for the new infrastructure, which is a public-private partnership. In that regard, we have some estimates in relation to a reference project we obviously put together to establish the cost incurred in procuring such a facility if the government did it in the traditional way, and that includes an assumption on the operational arrangements in this reference model. By no means will that be the actual facility that will be delivered. The advantage of a PPP is that we encourage the proponents to come back with effective and efficient design solutions, which we are obviously hoping will allow us to introduce more effective and, hopefully, more efficient work practices.

In addition, a range of services will be put to the market for tendering to see whether value for money can be offered if those services are indeed going to be provided by the

private sector. That includes five bundles of services, most notably medical services, catering, laundry, industries, social work, psychological services and Aboriginal liaison services, etc.

In very roundabout terms (and these are not figures that will really be relevant in the context of the overall staffing of the prison), we are looking at about 350 to 400 staff, and that very much depends on the arrangement that will be finally presented, and we are talking about public servant-type staff. We now have an estimate on what the private sector might present as part of their bids. These are benchmark figures; they are not figures that can be verified until such time as we have a finished design and we have planned for our staffing. Obviously, we then have to negotiate the working arrangements with the industrial union.

Mr PEDERICK: How many of the current staff are expected to leave the department, rather than move their place of employment to Murray Bridge?

The Hon. CARMEL ZOLLO: With all due respect, Chair, that is something of a hypothetical question at this stage.

The CHAIR: I was going to say that, but I thought you may want to talk about staffing.

The Hon. CARMEL ZOLLO: Yes. As I said, we will work with the PSA and the current staff to ensure that there is a smooth transition. We have already put in place some good consultative mechanisms to ensure that it does happen in a smooth way. We have appointed a human resources specialist to assist us with that task. At this time it is far too early for anybody to be making any predictions or even suggesting that it will happen.

Mr PEDERICK: This question refers to the same budget line: the government's program to open 207 beds over four years. It provides that 44 per cent of the operating funds are planned to be expended in the fourth financial year, the year after the new prisons are scheduled to open. Are any of the staff to be funded from the \$35 million for the 207 beds to be located at the new prison?

The Hon. CARMEL ZOLLO: My advice is no.