

CHAPTER 4: COMMISSION MANAGEMENT

QCSC PROFILE

The Kennedy Report

At the time of the Kennedy review, the nine prisons in Queensland were managed by a Department of Prisons, headed by the Comptroller-General of Prisons. Services for offenders subject to supervised orders in the community were provided by the Probation and Parole Office, headed by a Chief Probation and Parole Officer. The target group of this office included offenders sentenced to orders as an alternative to imprisonment, and those who had been released from prison subject to orders such as parole. Both services were part of the Corrective Services and Administrative Services portfolio.

The Kennedy review also stressed the need to enhance the range and extent of community correction orders, considering them to be a preferred response to imprisonment for most offending behaviour. Imprisonment was seen as a last resort. When a person was imprisoned, it was considered that programs and services should provide opportunities for offenders to correct their offending behaviour, and to be reintegrated into community life. In this way, Kennedy reasoned, corrective services would 'no longer be just a euphemism for prisons'. This philosophy has been reflected to a significant extent in the *Penalties and Sentences Act 1992*, which was introduced by the present Government following Kennedy's recommendation for such legislation.

The Kennedy report made eighty recommendations on matters including organisational structure, staffing, security, accountability, facilities, sentencing options, parole mechanisms, prisoner programs and services and prisoner entitlements. For many, the report heralded a new era in correctional service delivery in Queensland.

OVERVIEW OF CURRENT OPERATIONS

Organisational Structure

The establishment of the Commission in 1988 commenced a prolonged period of change in the organisation which has been reflected in a large number of changes in the organisational structure. Although the major focus of the Kennedy reports was the prison system, Kennedy

also examined community corrections services and their links with the prison system. He commented on the 'fragmentation' of community corrections and proposed that a single organisation with two operational 'arms', custodial corrections and community corrections, be established.

The activities of the Commission are now divided between community corrections, custodial corrections and support staff (primarily central office). Community corrections supervises all persons on some form of community based order such as probation, parole, home detention, community service and fine option orders. Custodial corrections provides secure prison facilities for those persons who receive custodial sentences and also provide programs to assist reintegration into community life. Central office provides administrative and policy support to the operational arms of the Commission.

Staff numbers (quoted as at 30 June each year) for each arm of the organisation are shown in Table 1. Figures quoted include associated administrative staff. Staff numbers in custodial corrections appear to have reduced. This reduction is caused, for the most part, by work practice efficiencies and contract management at the Arthur Gorrie and Borallon centres. The private sector providers employ their own staff.

Table 1: QCSC Staff Numbers 1988-93

Year	Community	Custodial*	Support	TOTAL
1988	149	1 228	65	1 442
1989	192	1 555	121	1 868
1990	237	1 552	214	2 003
1991	273	1 650	159	2 082
1992	269	1 479	125	1 873
1993	294	1 149	150	1 599

* Includes Transport and Escort group

Custodial staff numbers fluctuate following the opening and closure of correctional centres. The following openings (O) and closures (C) have occurred:

Centre	Date
Sir David Longland (O)	February 1989
Lotus Glen (O)	May 1989
Borallon (O)	January 1990
WORC scheme started	April 1991
Woodford (C)	July 1991
Arthur Gorrie (O)	June 1992
Brisbane (C)	October 1992

Funding

Funding for the QCSC is predominantly provided by the Queensland Government through the Queensland Treasury. Other funds are generated through industry and through Commonwealth sources, such as the Royal Commission into Aboriginal Deaths in Custody, the National Campaign against Drug Abuse and via employment-related initiatives. Funds provided over the past 5 years are shown below in Table 2. Funds are provided specifically for both operating expenses e.g. salaries and for capital development of buildings.

The significant expenditure on capital works during the 1989-90 and 1990-91 years related to the building of the Lotus Glen correctional centre and Arthur Gorrie Remand and Reception Centre, and the redevelopment of Wacol correctional centre.

Table 2: Recurrent and Capital Budgets

Year	Recurrent Budget \$m	Capital Budget \$m	Total Budget \$m
1989-90	106.4	43.9	150.3
1990-91	123.9	45.0	168.9
1991-92	123.9	21.6	145.5
1992-93	122.3	17.7	140.0
1993-94	124.3	15.9	140.2

Custodial Corrections - Prisoner Numbers

Of major importance in the management of custodial centres is the number of prisoners housed and the likely future trends in prisoner numbers, see Table 3.

Table 3: Average Number of Prisoners in Custody in Queensland

Year	Number
1983-84	1 697
1984-85	1 824
1985-86	1 982
1986-87	2 122
1987-88	2 142
1988-89	2 433
1989-90	2 269
1990-91	2 218
1991-92	2 318
1992-93	2 310

These data show an upward trend in the prisoner population from the early 1980s to a peak in 1988-89 after which numbers declined to stabilise at around 2 300. The most recent data again show an upward trend with occupancy rates near 100 per cent when watchhouse numbers are included.

Custodial centres in Rockhampton, Townsville and Mareeba (Lotus Glen) have accommodation for all security classifications. In the south east corner, custodial centres offer a specialised range of security classifications. Borallon caters for medium, low and open classification inmates with domination by inmates with medium classification. Sir David Longland correctional centre accommodates inmates with high and medium classifications, while Wacol provides for medium, low and open classifications. Moreton is focussed on providing correctional programs, particularly for sex offenders of all classifications. It also provides protection to other groups with special needs, such as the intellectually disabled. Brisbane and Townsville Women's correctional centres accommodate offenders of all security classifications. The Arthur Gorrie Remand and Reception Centre

at Wacol houses people remanded in custody awaiting trial or sentencing as well as acting as the reception centre for all sentenced prisoners in south east Queensland. The other south east corner facilities are the prison farms at Numinbah and Palen Creek accommodating low and open classified offenders, see Table 4.

Table 4: Location and Capacity of Queensland Custodial Corrections Centres

Centre	Location	Capacity
Arthur Gorrie	Wacol	380
Borallon	Esk	240
Brisbane Womens'	Annerley	83
Etna Creek	Rockhampton	240
Lotus Glen	Mareeba	224
Moreton	Wacol	147
Numinbah	Numinbah Valley	84
Palen Creek	Beaudesert	81
Sir David Longland	Wacol	228
Townsville Womens'	Townsville	18
Stuart Creek	Townsville	278
Wacol	Wacol	238
WORC	Various centres	240
TOTAL		2 481

Community Corrections

The implementation of the *Penalties and Sentences Act 1992* provides a statutory basis for the emphasis, where appropriate, on community-based orders such as probation and community service rather than imprisonment. This strategy, which recognises community corrections as the 'front line' in corrections, has exacerbated the trend towards continuing increases in the number of clients and court orders supervised.

The clients of community corrections may often have more than one court order to be supervised. The number of cases, of itself, is an insufficient indicator of workload although each order involves a certain amount of processing. Therefore a combination of factors including risk assessment of cases, case numbers, and numbers of offenders need to be considered when assessing workload.

Table 5: Community Corrections Work Load

	1988/89	1989/90	1990/91	1991/92	1992/93
Cases	9 530	11 298	13 592	16 247	18 115
Net Persons	8 636	9 976	11 989	14 265	15 955
Orders Made	10 556	12 039	17 540	22 347	25 301

Locations

The activities of the Commission are spread throughout the State. Of eleven correctional centres, eight are in south-east Queensland. Community corrections operates through five regions which cover the state, with services delivered from 31 area offices.

Community Corrections Region

Central
Metropolitan
North Coast & West Moreton
Northern
Southern

Regional Centre

Rockhampton
Brisbane
Caboolture
Townsville
Beenleigh

Interstate Comparisons

The Australian Institute of Criminology collects national data which allow a comparison between the Queensland system and other states and territories. Shown below in Tables 6 and 7 are some comparisons of overall efficiency based on a simple analysis of expenditure and prison rates per 100 000 of the population.

Table 6: Community and Custodial Corrections Expenditure 1991-92

	Cost per offender per day		Annual per capita costs of Corrections		
	Custodial	Community	Custodial	Community	TOTAL
Queensland	\$122.18	\$2.90	\$31.90	\$4.88	\$36.78
NSW	\$106.34	\$4.10	\$39.85	\$4.53	\$44.38
Victoria	\$152.00	\$6.50	\$28.37	\$4.03	\$32.40
National Av.	\$124.76	\$4.28	\$37.36	\$4.90	\$42.26
Highest	\$152.00 (Vic)	\$6.75 (ACT)	\$109.20 (NT)	\$21.28 (NT)	\$130.47 (NT)

Source: Australian Institute of Criminology, National Corrections Management Information 1991-92

**Table 7: Interstate Comparison of Rates of Imprisonment
(per 100 000 population)**

State	June 1993
Queensland	89.1
New South Wales	138.7
Victoria	67.8
Western Australia	162.7
South Australia	102.6
Tasmania	75.8
Northern Territory	346.2
ACT (incl. ACT sentence in NSW prisons)	45.3
Australia	109.8

Source: Australian Prison Trends No. 206 July 1993

ORGANISATIONAL STRUCTURE

Structure recommended by Kennedy

In his interim report, Kennedy stated that 'the present administrative and organisational arrangements for Corrective Services are unsatisfactory'. It was his view that correctional and administrative functions should be separated, and that the community and custodial 'arms' of the organisation should be more integrated. Kennedy's final report proposed an organisational structure which had, reporting to the Director-General, two Deputy Directors-General (one 'Corrections' and the other 'Corporate'). Two divisions reported to the Deputy Director-General (Corrections), community corrections and custodial corrections.

Figure 1: Commission of Corrective Services Proposed by Kennedy - 1988

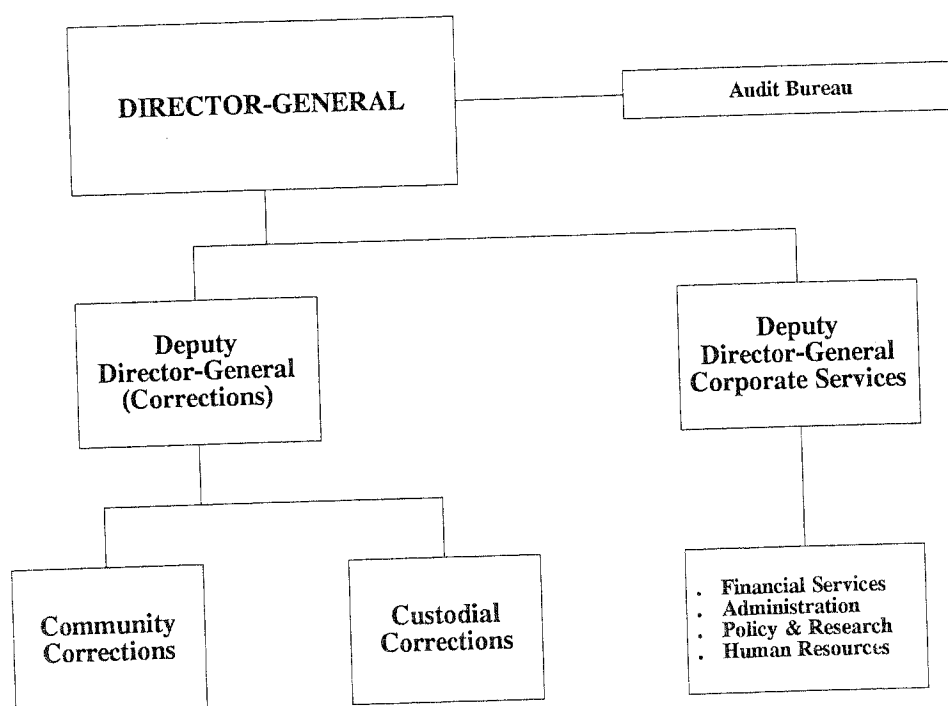
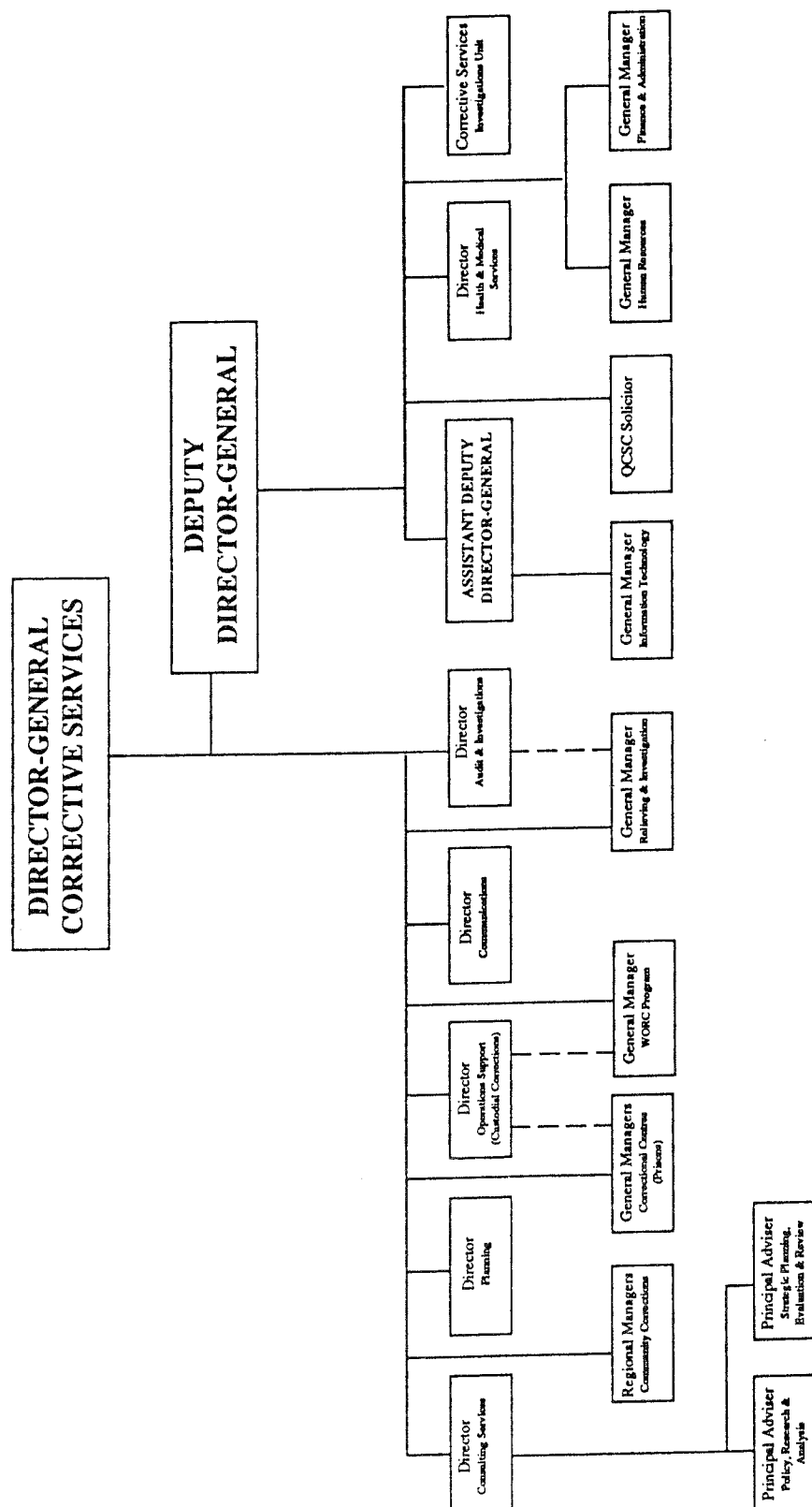


Figure 2: Organisational Structure QCSC - June 1993

THE QUEENSLAND CORRECTIVE SERVICES COMMISSION

EXISTING ORGANISATIONAL STRUCTURE

AS AT 29 JUNE 1993



Current structure

The 1990 PSMC and Treasury analysis noted that the organisational structure at the time was such that 'confusion exists among staff regarding the role and "seniority" of executives'. The 1990 report also referred to the destabilising effect of frequent organisational change. Despite the emphasis on the need for a period of consolidation, frequent organisational change has continued.

Line authority

The current structure has 25 people reporting directly to the Director-General, including regional and general managers. This structure has been criticised as creating too great a span of control for the Director-General, and causing significant delays in operational decision-making. The structure also confuses the roles and responsibilities of members of executive with some position descriptions detailing accountability for matters over which the incumbents have no operational control. There are now eight Directors' positions including the Deputy Director-General and the Assistant Deputy Director-General.

The staff establishment of central office is 142 positions. Because one in every 18 positions in central office is at Director level, some directorates have as few as three or four positions reporting to them. In contrast to the expanded span of control of the Director-General, many Directors have narrow areas of responsibility.

Overlap in planning and consulting functions

The directorates of Planning and Consulting Services have confusingly similar roles and titles. The role of the Director of Planning is to 'research and plan the implementation of integrated correctional services and programs for the QCSC and to oversee the preparation of the business plan and monitor the performance of revenue generating areas of custodial Corrections'. At the same time, the role of the Director, Consulting Services, is 'to provide independent policy and strategic advice and services to the Commission on matters of a developmental, planning and interpretive nature'. The overlap in functions creates considerable uncertainty at operational levels as to which area is responsible for particular functions.

Separation of related functions

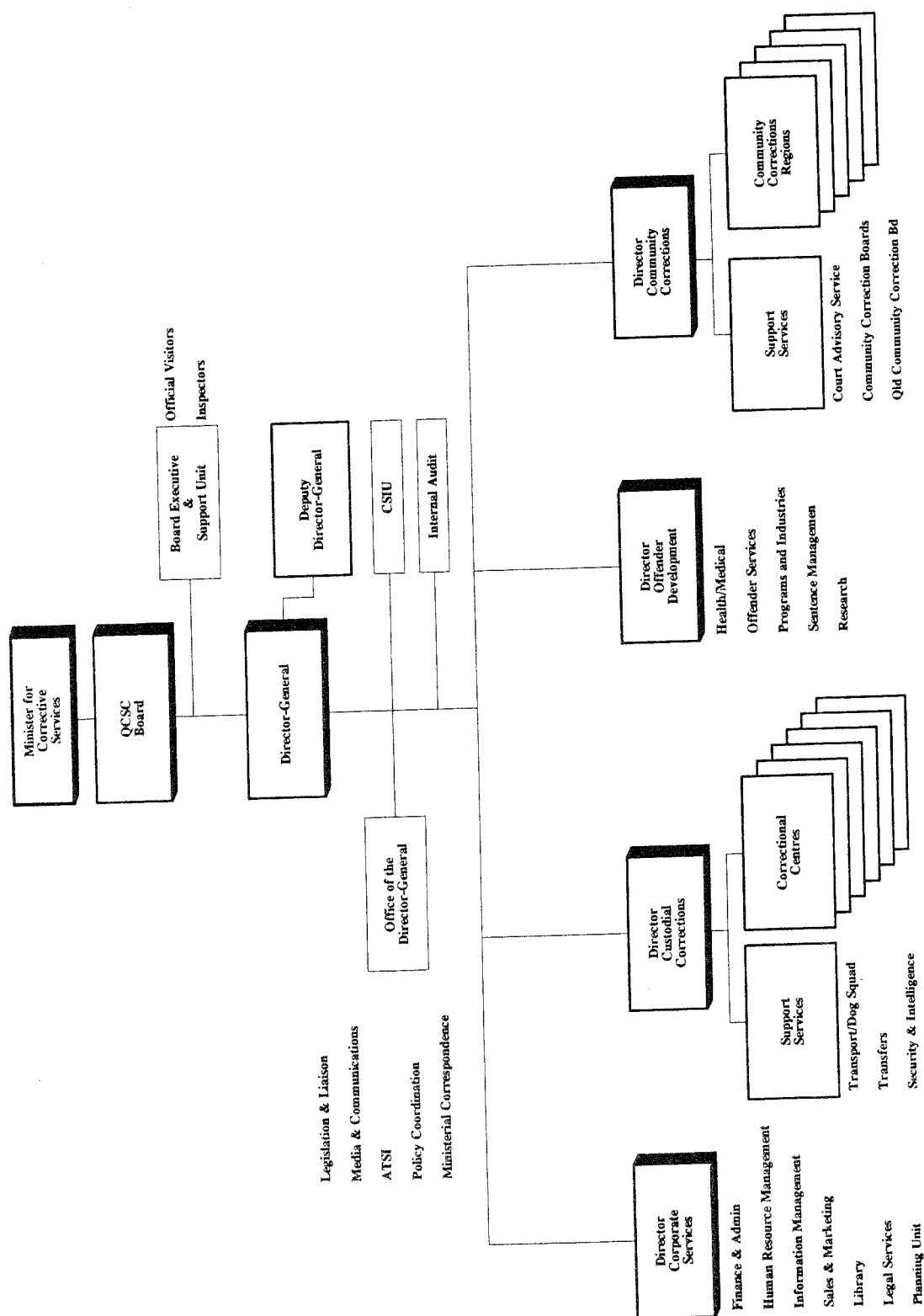
There are a number of functions related to programs and offender management which are separated from each other structurally. This is best illustrated with reference to sentence management which incorporates program components such as industry, a substance abuse response and education services. Currently, the single position overseeing sentence management is in the Custodial Corrections (Operations Support) directorate. Responsibility for educational services is not assigned generally, but the Assistant Deputy Director-General has responsibility for implementation of the Byrne Report (Eileen M Byrne, 1990. Unlocking Minds: From Retribution to Rehabilitation. A Review of Prisoner Education in Queensland) and TAFE liaison. The Planning directorate has responsibility for industry matters. The sole position coordinating substance abuse programs reports to the Director, Health and Medical.

The consequence of this separation of functions is a lack of co-ordination and integration of services to offenders within the sentence management framework.

Abolition of Community Corrections directorate

One of the reasons for creating the Commission was to bring together the functions of the former Prisons Department and the Probation and Parole Service. In July 1992, the position of Director, Operations Support (Community Corrections) was abolished in an organisational restructure. This has left the structure without an identifiable executive position with responsibility for community corrections or operational knowledge of the area. It has been argued to the Review that, in the absence of an organisational structure which equally acknowledges the respective roles of custodial and community corrections, custodial services have a tendency to dominate the focus of policy and operational decision-making.

Figure 3: Proposed Structure for QCSC



Proposed structure

Three factors compel the Review to recommend an internal reorganisation of the QCSC. These are: the excessive number of positions reporting to the Director-General; the absence of clear responsibility for community corrections; and the confusion over some management roles within the organisation. The proposed structure will enable closer alignment of program and organisational structure. The current program structure has been criticised for failing to identify clearly enough the officers responsible for securing program outcomes.

The proposed structure (shown in Figure 3) has eight positions reporting to the Director-General, comprising a Deputy Director-General, four Directors, and the heads of the Office of the Director-General, Internal Audit Unit and the Corrective Services Investigation Unit. The Director-General, his Deputy, and the four Directors (Corporate Services, Custodial Corrections, Offender Development and Community Corrections) will form the senior executive group (or board of management).

Deputy Director-General

It is proposed to retain a position of Deputy Director-General to support the Director-General. Kennedy commented that the Director-General's role was primarily to 'manage upwards'. The QCSC has argued that, for this to be done successfully, the Director-General must be supported by a Deputy, particularly while the reform agenda is still being implemented. This argument is accepted to the extent that there may be a need to continue a Deputy Director-General role for three more years. Maintenance of the position beyond that time will need to be evaluated.

Office of the Director-General

The Director-General requires the support of a unit comprising a manager, a Cabinet Legislation and Liaison Officer with some responsibility for policy coordination, a Media Communications Unit, an Aboriginal and Torres Strait Islander Policy Unit and an officer to coordinate ministerial and other executive correspondence.

Media Communications

The intense media interest in corrective services requires a unit with expertise in dealing with media inquiries and handling public relations for the Commission. The unit needs to be closely linked to the Director-General's office and to ministerial media staff within the new Police and Corrective Services portfolio. Resources allocated at the ministerial level are such that the Commission's media communications role could be carried out by two journalists.

Aboriginal and Torres Strait Islander Policy Unit

The Review acknowledges the efforts to date of the Commission to maintain the momentum of change necessary to respond to the recommendations of the Royal Commission into Aboriginal Deaths in Custody (RCADC). However, the existence of a small high level policy unit, close to the Director-General, is required to ensure that the implementation of the RCADC recommendations remains high on the policy agenda. This unit would provide advice on the potential and actual impact of QCSC policies on Aboriginal and Torres Strait offenders and their families.

Cabinet legislation and liaison, and policy coordination

The significant legislative reform program proposed by this Review requires the establishment of a Cabinet Legislation and Liaison position, to ensure effective interdepartmental and central agency consultation. This position could also incorporate a policy coordination role within the QCSC.

Ministerial and executive correspondence

The Review heard complaints that executive correspondence was frequently unanswered. The establishment of a position is proposed to coordinate the management of ministerial and executive correspondence is necessary to ensure a prompt and efficient service.

Internal Audit

The Audit and Investigations Directorate has seven staff and reports to the Director-General. To avoid confusion with the Corrective Services Investigation Unit of the Queensland Police Service (CSIU), it is proposed that the Audit and Investigations Directorate be renamed as

the Internal Audit Unit, headed by a general manager, and reporting to the Director-General. The unit should have reserve powers to report directly to the Board or the Minister.

At the same time, the Board Executive and Support Unit will also require some audit expertise to coordinate the appointment of official visitors and inspectors, and to deal with their reports on behalf of the Board. For this reason, one position should be relocated to the Board Executive and Support Unit. Consideration may need to be given to creating an additional audit position within QCSC to replace the transferred position.

Corrective Service Investigation Unit

This unit has to remain independent of the QCSC. Its role is discussed later in this report, in the section dealing with Accountability and Monitoring.

Directorates

The proposed structure includes four Director positions: Corporate Services, Community Corrections, Custodial Corrections and Offender Development.

The new directorates will incorporate functions performed by the Assistant Deputy Director-General and the current directorates of Health and Medical Services; Planning, Consulting, Operations Support (Custodial Corrections) and Communications. It is essential that the Directors managing the operational directorates have relevant operational experience in corrections at a senior level.

The six member executive, including the Deputy Director-General, replaces the current nine member group. Directors' line authority will also reduce the number of positions reporting to the Director-General.

. Custodial Corrections

The custodial corrections directorate will be responsible for the operational practices and systems concerned with the placement, security and management of offenders in secure custody. This directorate will also have a security and intelligence function, oversee all prisoner transfers and manage the operations of the Transport Escort Group.

Community Corrections

The community corrections directorate will be responsible for the operational practices and systems concerned with the administration of orders for offenders given community-based sentences, and the security and management of offenders placed from prison into the community under supervision.

Responsibilities of both positions (custodial and community corrections) will include implementation of sentence management policies developed by the Offender Development directorate, resource need identification and allocation, legislation, and operational policies and procedures.

The establishment numbers of the custodial and community corrections directorates need not be large. Staff with policy and operational experience, and adequate administrative support will be required. The central office staff establishment of each directorate should not exceed ten positions.

Offender Development

A number of areas have been identified in this Review as requiring statewide coordination and standardisation where appropriate. These areas include: policy on access of offenders to programs; the development and monitoring of program quality and content; the relationships of programs to industry and the role of industry within correctional centres; health and medical policies and services; and sentence management. The coordination of activities between custodial and community corrections also requires enhancement and the development of a correctional, as distinct from a custodial, focus is essential.

Responsibilities of the current Assistant Deputy Director-General and the Director, Health and Medical, will be relocated in the Offender Development directorate. This will obviate the need for continuation of positions at the current levels. The existing position of Manager (Welfare) has been redefined in the organisational structure to a position of Senior Advisor, Offender Services. This will more accurately reflect the role and responsibilities of the position.

The need for research and the standardisation of policy were both identified by Kennedy as key areas requiring improvement. There is an ongoing need to coordinate the development and implementation of policy and operating procedures for both custodial and community

corrections, as significant gaps still exist. Existing policies and procedures also require regular review. The establishment of this unit provides an opportunity to ensure clear and consistent policies, developed with appropriate operational expertise and consultation.

Two positions responsible for industries development will be relocated in the Offender Development directorate. In addition, two positions will be responsible for programs development and monitoring of quality of delivery. The purpose is to facilitate closer integration of programs and industries across the Commission. It is expected that, in combination, these four positions will reflect expertise and research and evaluation, as well as operational experience.

Corporate Services directorate

The Corporate Services directorate will include: human resource management; finance and administration; information management (including information technology and library services); legal services; planning; and sales and marketing.

Human Resource Management

The Human Resources section is currently headed by a general manager responsible for 29 establishment positions, including 14 at the Training Development centre. The Review identifies significant human resource management problems to be resolved in the Commission and a reduction of the size of the branch is not considered prudent.

Finance and Administration

The Finance and Administration section is currently headed by a general manager who is responsible for 21 establishment positions. Functions of the section include financial management for the QCSC, payment of salaries for QCSC officers other than custodial and support staff at correctional centres and in regions, processing of accounts for all QCSC operated centres and regions, accommodation and leasing arrangements for central and regional offices, purchasing, assets management, motor vehicle fleet maintenance and records management. The Review acknowledges that this establishment is appropriate for the functions to be performed and that no change in size is warranted.

Information Management

The performance of information technology in meeting information management is discussed later. Kennedy recommended that development of information management capacity be a priority of the Commission and much has been achieved in this area. However, there are still concerns over the effectiveness of the Correctional Information System (CIS) and the reliability of data. There has also been limited extension of information management systems to community corrections. The current budget allocation for the branch provides for a reduced rate of information systems development. This should be reassessed by management.

Library Services has an establishment of three positions headed by a manager, Library Services. The unit provides a service to all officers of the QCSC, offenders and members of organisations and institutions with significant interest in corrective services. Material held concentrates on the specialist needs of a correctional system and other material is brought in from outside sources on a needs basis. The service is effective and efficient and, while a need for some librarian support in the centres was identified by the Review, resourcing of this need cannot be provided by this centrally-located unit. The existing establishment of three positions is appropriate.

Legal Services

The QCSC Solicitor and five associated positions now report to the Deputy Director-General. During the course of the Review it has become evident this section is seen as resourcing the Executive rather than the organisation as a whole. By relocating it within the Corporate Services directorate it is considered that it will be more widely identified as servicing the needs of the QCSC.

Planning

The Planning Unit is to be located within Corporate Services, combining the currently dispersed planning functions of the Commission. Currently, 18 positions are involved in operational and strategic planning as well as research and evaluation, and there are confused roles and competition between sections. The current mission of the Planning Directorate emphasises industry planning within QCSC rather than long term environmental scanning for infrastructure needs. Concern at the lack of adequate planning mechanisms is a recurrent theme in the Review. The new Planning Unit will have a primary focus on ensuring that

correctional facilities are adequate to meet the future needs of the State, and will provide advice to the Director (Community Corrections) on the establishment and location of any new community corrections offices.

Sales and marketing

Although the key directions for prison industry will be set within the Offender Development Directorate, there is a need to retain a small number of positions within the Corporate Services Directorate to identify and develop potential markets for QCSC products and services, promote the development of joint ventures and coordinate sales and marketing.

Number of positions in central office

According to Australian Institute of Criminology data, the percentage of QCSC central office staff to all Commission staff is 7.3 per cent, compared with an Australian average of 10.3 per cent. However, there are areas of central office, such as planning and evaluation, where Queensland appears to have proportionally more staff. The structural changes proposed by the Review should, initially, have minimal impact on central office staff numbers.

Regionalisation

The integration of custodial and community corrections under regional Directors was raised as an option during the PSMC review. The recent QCSC Community Corrections Review proposed that three regional Directors would report to the Director-General and eventually, regional and general managers would not be needed. The nature of QCSC operations, including the distribution resources across the State and the autonomy of regional and general managers suggest there is little benefit in this approach. The need for better integration and better interface management, for example, in programs and sentence/case management, can be best accommodated within the existing regional arrangements.

FINDINGS

- . The QCSC organisational structure has undergone frequent change.
- . The current organisational structure is characterised by confused roles and responsibilities within the executive.

. The Director-General's current span of control is too large, while many Directors have narrow areas of responsibility.

. There is overlap between the planning and consulting directorates.

. Structural separation of related program activities has created lack of coordination and integration of offender services.

RECOMMENDATION

6. The organisational structure for the Queensland Corrective Services Commission, as outlined in Figure 3, be adopted and in place by 30 June 1994.

INFRASTRUCTURE MANAGEMENT

Introduction

The QCSC is required to accommodate people charged and placed on remand awaiting trial and persons sentenced to a term of imprisonment. A fundamental responsibility of management is ensuring that the correctional system has the capacity to implement the orders of the courts.

In the past five years Arthur Gorrie, Borallon, Sir David Longland and Lotus Glen correctional centres have been opened. As a result of this capital expenditure, Queensland has a modern infrastructure compared with other States. These centres have added more than 1 000 new beds. During the same period two centres have been decommissioned - Brisbane custodial centre (October 1992) and Woodford custodial centre (July 1991). The net increase in the number of prison beds has taken the total from approximately 2 100 in 1988 to a current figure of 2 241. Implementation of the WORC Scheme has added to the total bed space by some 240 places but this figure fluctuates with the opening and closing of camps as work projects and opportunities for the program develop or wane.

Facilities at Wacol and Rockhampton are reaching the end of their useful life and require either substantial upgrades or replacement before the year 2000.

The following table provides a snapshot of the approximate prisoner security classification breakdown by centre.

Table 8: Prison Accommodation According to Security Classification

Centre	Total	High	Medium	Low	Open	Unclass.
Arthur Gorrie	362	220	48	12	12	70
Borallon	271	1	230	35	5	
Brisbane Womens'	71	26	20	12	7	6
ICWC Wacol	44			20	24	
Lotus Glen	259	51	88	67	30	23
Moreton	150	37	56	28	29	
Numinbah	80			54	26	
Palen Creek	74			45	29	
Rockhampton	220	47	50	53	36	4
D. Longland	225	134	72	17	2	
Townsville Womens'	18	2	5	3	5	3
Townsville	281	36	88	82	50	25
Wacol	233	2	95	103	33	
WORC	152			87	65	
TOTAL	2 440	554	783	619	353	131

Woodford correctional centre closure

The Woodford correctional centre, located approximately 50 km north of Brisbane, was closed in July 1991. The centre had a capacity of 240 beds in secure accommodation but housed a population of approximately 280 prisoners at the time of closure due to the utilisation of some non-secure hut accommodation located on the compound within the secure perimeter.

The QCSC budget submission for 1991-92 financial year described the closure as 'part of the Commission's policy of reducing prisoner population numbers and maximising the use of alternatives to imprisonment for low risk offenders.' The proposal also assumed that '250 low risk prisoners would be removed from secure custody to other placements'.

The decision to close Woodford was apparently made against the advice of some QCSC executives and was strongly opposed by some board members. However, a number of factors made the closure of Woodford appear an attractive cost-saving option and in line with Commission philosophy:

- . at the time the QCSC apparently had an excess of vacant cells - so much so that the same budget submission proposed offering a number of vacant cells to hold illegal immigrants on behalf of the Commonwealth government at a fee which generated revenue for the QCSC;
- . prisoner numbers were also dropping at this time. Reasons for this fall have not been established. Unfortunately this downward trend abated almost immediately following the closure of Woodford and has continued steadily upward since;
- . it was hoped at the time that the then fledgling WORC Scheme, which had been formalised some weeks earlier, would accommodate 150 prisoners displaced by the Woodford closure. A further 100 inmates were intended to be accommodated by community-based centres and hostels; and
- . the social impact of the Woodford closure was also carefully considered and discussed with senior government officials.

Net savings by closing the centre for two and a half years are estimated at approximately \$15 million.

The closure caused the QCSC to relocate prisoners from the Woodford centre to vacant cells at other correctional centres across the state. The closure has reduced the number of placement options available to the QCSC in South East Queensland and the upward trend in prisoner numbers has resulted in further involuntary transfers of prisoners in a flow-on effect.

ISSUES

- . Occupancy rates
- . Capital Cost Implications
- . Planning Options and Diversion Schemes

Occupancy rates

The upward trend in prisoner numbers is having a continuing effect on the management of all correctional centres in the State. Custodial centres in Queensland are now effectively fully occupied at all times. Recently the QCSC started accommodating two prisoners per cell in some accommodation units at Borallon. Associated with high occupancy rates are: the need for more frequent transfers of prisoners between centres; overcrowding of watchhouses; and increased stress within correctional centres. On the other hand, excessive spare capacity is costly for the taxpayer.

The *Corrective Services Act* requires separate accommodation for prisoners where practicable. While this is a worthy goal, it is not common practice in correctional systems, and occupancy rates in excess of 100 per cent are common in other jurisdictions.

With population growth, there can be an expectation that the prison population will expand at a comparable rate. The challenge for management is to develop long term plans which take account of these factors and minimise both costly unused accommodation and unacceptable overcrowding. The QCSC senior executive believe an appropriate provisioning regime would see occupancy levels fluctuating between 90-100 per cent with additional accommodation provided when the occupancy is around 100 per cent. This strategy is not documented.

An alternative approach would be for the Commission to work on a lower maximum occupancy of, say, 85 per cent. Fifteen per cent of the Commission's existing cell stock would represent approximately 400 vacant cells throughout Queensland which, the QCSC argues, is difficult to justify when Government has other priorities for capital funds.

High occupancy rates have flow-on effects. First, sentenced prisoners often serve short sentences (up to 31 days) in watchhouses. On average, during the Review, Police watchhouses in south east Queensland contained up to 63 prisoners who should have been in custodial centres. Second, and of more significance, this figure includes 36 unconvicted people held on remand under less than adequate conditions. Despite these still unsatisfactory numbers, the QCSC stated that the situation had improved on that existing before the Commission was established.

The lack of flexibility produced by high occupancy levels can alter the profile of a correctional centre. The Wacol correctional centre, for example, was designed to

accommodate longer term prisoners who had achieved medium to low or open classification and were nearing the end of their sentence. This ensured a relatively stable population which was well suited to the design of the centre. Reduced placement options have sent a greater number of short term prisoners to the Wacol centre. At present Wacol processes approximately 240 prisoners every 10 weeks. This rate of turnover reduces the proportion of prisoners with an 'investment' in a stable prison life.

In addition, it is frequently necessary to transfer prisoners from south east Queensland to available beds in Rockhampton or Townsville. Transfers involve significant planning and supervision and occupy several staff, other than actual escort staff, for many days each time a transfer occurs. More than 150 involuntary transfers have occurred since January 1993 at a substantial cost.

QCSC philosophy relies heavily on family involvement in the management of prisoners. Family involvement is virtually impossible when a prisoner is transferred to geographically distant centres. Involuntary transfers disrupt orderly sentence management and frequently spark a decline in prisoner behaviour leading to exaggerated prisoner management problems. While there is an appeal process whereby an inmate may attempt to have the involuntary transfer decision overturned, the criteria for appeal is restrictive and few appeals have been successful.

The shortage of accommodation in correctional centres needs to be addressed as a matter of urgency. The QCSC has made a request for capital funding for additional accommodation, and the matter is likely to be considered in the half-yearly budget review. At a recent meeting, the QCSC Board considered a range of infrastructure development options which included increasing capacity at Borallon and/or Sir David Longland and re-opening the Woodford correctional centre. Other options could also be considered. One that has been floated is that of creating a 'justice precinct' by redeveloping the Boggo Road site.

FINDINGS

Four new correctional centres have opened since 1988, with a combined capacity of 1072 cells. The overall total secure single cell accommodation capacity has increased by 130 cells since 1988.

Correctional centre occupancy rates are approaching 100 per cent. This results in excessive lengths of stay in police watchhouses of remand and sentenced prisoners.

- . The QCSC policy on optimum occupancy rates is not documented.
- . The high occupancy rates, particularly in south east Queensland, have resulted in involuntary transfers to the detriment of the individual and associated family/community support.
- . A proposal for addressing the shortage of accommodations has been considered by the Board.

RECOMMENDATION

7. By 30 June 1994, the QCSC document and promulgate to staff a policy on correctional centre occupancy rates which identifies the optimal rate as a basis for infrastructure planning and prisons management; and that occupancy rates and associated information be included in QCSC Annual Reports to the Parliament.
8. Favourable consideration be given by the Cabinet Budget Review Committee, at its 1993-94 mid-year review, to the Queensland Corrective Services Commission proposal for funding to increase custodial correctional centre bed capacity.

Capital Cost Implications

To achieve a reasonable rate of occupancy closer to accepted norms of effective asset utilisation, the QCSC would need either a number of additional beds or to remove some prisoners from the custodial system (or some combination of the two).

Prisons recently constructed accommodate approximately 230 inmates and cost in the order of \$30m for each centre. The capital cost of providing a prison bed is estimated to be approximately \$125 000 per bed. The recurrent costs associated with the operation of a custodial centre are further estimated to average \$42 000 per prisoner per year. If 500 extra beds are provided over the next six years the cost will total approximately \$65m (today's dollars). This will require a major financial commitment from the Government not only for the capital cost of increased bed spaces but also for operating of the new centres.

These capital requirements need to be viewed in the broader context of the competing Budget priorities of Government. The QCSC has clearly recognised during its life the difficulties

faced by Government in funding public services and, to its great credit, has employed a variety of strategies (for example, establishment of the WORC program, community hostels, out-stations and encouragement of the use of prison as the option of last resort) which have enabled two planned prisons to be taken off the drawing board and allowed the closure of Woodford correctional centre.

It rests with the QCSC to continue to develop strategies to deliver suitable bed capacity at minimum capital and recurrent cost. Such strategies will include a greater focus on community corrections activities which will hopefully reduce the flow to custodial corrections. Additionally, the strategies should make use of several alternate forms of lower cost accommodation (for example, farms, WORC scheme, community corrections centres) which provide a level of associated risk acceptable to the community.

FINDINGS

- . At a minimum, the QCSC will require a further 500 secure beds by the year 2000 which will necessitate a substantial capital investment. The requirement could be significantly more, however, depending on demographic patterns.
- . Alternative strategies to imprisonment in secure custody need to continue to be developed and implemented to minimise the capital and recurrent cost of operating a correctional service.

Planning Options

The Review has not been able to establish that a reliable planning process exists within the Commission. Many construction plans exist to meet a range of scenarios. Decisions of such financial magnitude and of such critical operational importance and political sensitivity must be based on sound planning.

An active planning process must exist to allow the QCSC to best meet predicted demands for bed space. The planning model is complex and must consider many sensitive variables such as state population trends, sentencing patterns, crime rates and expected vacancies occurring due to the timely release of prisoners. Demand for prison beds also seems to be affected by the priorities of the Police Service and community corrections as well as the attitudes of the judiciary and the community.

Moreover, many different styles of prisoner accommodation exist. The range includes:

- . high security prison units inside 'impenetrable' perimeter fences;
- . boarding house style accommodation located in suburbs with 24 hour low-level security; and
- . demountable units or barracks accommodation under little or no supervision for much of the night (eg farm accommodation).

High security accommodation is expensive both to construct and operate while other styles are far less expensive and these must be exploited wherever possible provided inmates with appropriate security classifications are available.

In recent years several strategies have been adopted by the criminal justice system to divert sentenced offenders from custodial sentences. Primarily, the Penalties and Sentences Act requires that the judiciary hand down custodial sentences as a last resort where the offence category permits. There are also several alternate strategies to remove prisoners from the mainstream custodial system. Schemes such as the WORC program, community corrections centres ('half-way houses') and prison farms create spaces inside custodial centres.

Such strategies can only be pursued to the limit allowed by security classifications. An appropriate mix of differing styles of accommodation is needed to suit the current and predicted security profile of the prison population.

Finally, the Review has found that the capital maintenance program at both Wacol and Rockhampton centres is not sufficient for the level of deterioration. These centres are the oldest secure facilities in current operation. If sufficient funds are not available for accelerated maintenance then the remaining useful life of each may be reduced further. This would represent false economy. If extensive refurbishment is not undertaken, both Wacol and Rockhampton will probably require replacement with like centres within the current QCSC infrastructure program based on needs to the year 2000.

Queensland appears to have a low proportion of high security places and may require at least 300 new beds to augment high security beds currently available and to accommodate greater demand in the future if there is any change to the classification criteria.

FINDINGS

- . The QCSC needs to possess sufficient information of an appropriate quality to support a rigorous planning process.
- . Wacol and Rockhampton correctional centres are in need of immediate substantial upgrade to extend their useful life, or be earmarked for replacement.
- . Any change in the prisoner security classification criteria will impact significantly on the type and number of matching bed spaces required within the correctional system.

RECOMMENDATIONS

9. The QCSC, in consultation with the Australian Institute of Criminology, develop by 30 June 1994, a predictive correctional centre population model to assist in prison infrastructure planning.
10. By 30 June 1994, the Queensland Corrective Services Commission, in consultation with Treasury, prepare, for consideration by the Budget Review Committee of Cabinet, a three year rolling capital and operational finance plan (including capital projections for ten years).

FINANCIAL MANAGEMENT

In his 1988 Report, Kennedy was critical of both the extent and management of funding provided for the then Prison Service. Kennedy concluded that Corrective Services had been neglected and under-funded. He stated in his interim report that 'about nine million in addition to what would otherwise be provided, was needed to upgrade correctional Services' and, in his final report, concluded that the estimate may be too little. Kennedy's figure was a broad estimate only and was based on Australian Grants Commission data. The Government accepted the recommendation for extra funding and an extra \$9m was allocated to the recurrent budget in 1988-89. Funding from 1987-88, before the QCSC was established, to 1993-94 appears in Table 9.

Table 9: Corrective Services Funding 1987-88 to 1993-94

	Year	Recurrent Actual \$m	Capital Actual \$m	Total Actual \$m
Pre QCSC	1987-88	57.2	47.6*	105.1*
Part QCSC	1988-89	74.5	58.4	132.9
QCSC	1989-90	106.7	43.9	150.6
	1990-91	109.4	52.4	161.8
	1991-92	113.1	18.5	138.3
	1992-93	123.6	17.7	141.3
	1993-94	124.3	15.9	140.2*

* Budget figures used - Actual figures not available

Sources: Treasury papers 1987-88 to 1988-89, QCSC Annual Reports 1989-90 to 1991-92, QCSC Financial statements 1992-93, QCSC 1993/94 budget figures

QCSC Budget

Between 1987-88 and 1989-90 the QCSC budget for recurrent expenditure almost doubled. Included in the increase was the \$9m recommended by Kennedy as an interim measure to address the un-costed reform process. The Director-General has argued that much of the increase followed from decisions made by the former Prisons Department. In particular, it is argued that the new prisons, designed before QCSC's inception, required unnecessarily high staffing levels and entrenched costly fixed-post work practices.

Following concerns about the pre-commitment of expenditure, and escalating correctional costs, the Budget Review Committee of Cabinet requested a joint PSMC/Treasury analysis of financial management in the QCSC. The joint report (November 1990) indicated that about one-quarter of the increase had funded reforms with the remainder required to operate the three new prisons and fund normal cost/wage increases and some activity increase in community corrections.

A failure to implement a strategic planning process which integrated the planning and program budgeting process was noted during the Kennedy review as well as the 1990 PSMC/Treasury analysis. This failure was said to have led to a lack of focus in the QCSC's decision-making on resource implications and prioritisation of resource requirements and ongoing costs. While the QCSC's budgetary control mechanisms were reported to be

adequate, the investigation found no focus on budget implications of proposals for future years. This resulted in the pre-commitment of funds in successive budgets without prior Government approval. This situation needed to be rectified so that future proposals properly reflected the associated financial commitment in future years.

In its submission to this Review, the QCSC states its achievements in the area of financial management to have been:

- . cost savings generated by abandoning prison building plans;
- . the closure of Brisbane and Woodford prisons;
- . the private sector contract management of prisons;
- . changes in work practices resulting in overtime savings of approximately \$4m in 1992-93 as well as substantial staff reductions in central office, Townsville, Rockhampton, Wacol and Moreton correctional centres; and
- . per capita offender and correctional costs below the Australian average.

Table 10: Comparative Costs of Custodial and Community Correction (1991-92)

	Cost per custodial offender per day	Cost per community corrections offender per day	Annual cost of corrections per head of the community
Queensland	\$122.18	\$2.90	\$36.78
Australia	\$124.76	\$4.28	\$42.26

Source: AIC National Corrections Management Information 1991-92

The QCSC submission refers to the recognition of its prudent financial management being recognised at the Cabinet Budget Review Committee meetings in 1991, 1992 and 1993. The submission also refers to the QCSC's achievements in being able to achieve a five percent reduction in real terms in its recurrent budget in each of the past two financial years. These reductions were in line with QCSC's espoused strategy to progressively reduce expenditure after the initial injection of funds to meet reform implementation costs in the first two years.

Table 11: Queensland Corrective Services Budget 1993-94

	TOTAL \$	Central Office \$	Custodial \$	Community \$
Salaries	69 783 000	12 829 000	45 227 000	11 727 000
Administration	34 215 000	11 005 000	20 365 000	2 845 000
Other	14 033 000	590 000	11 743 000	1 700 000
Sub Total	118 031 000	24 424 000	77 335 000	16 272 000
Capital	22 157 000	20 415 000	1 625 000	117 000
TOTAL	140 188 000	44 839 000	78 961 000	16 390 000

Figure 4: Trends in QCSC Expenditure 1989-90 to 1993-94

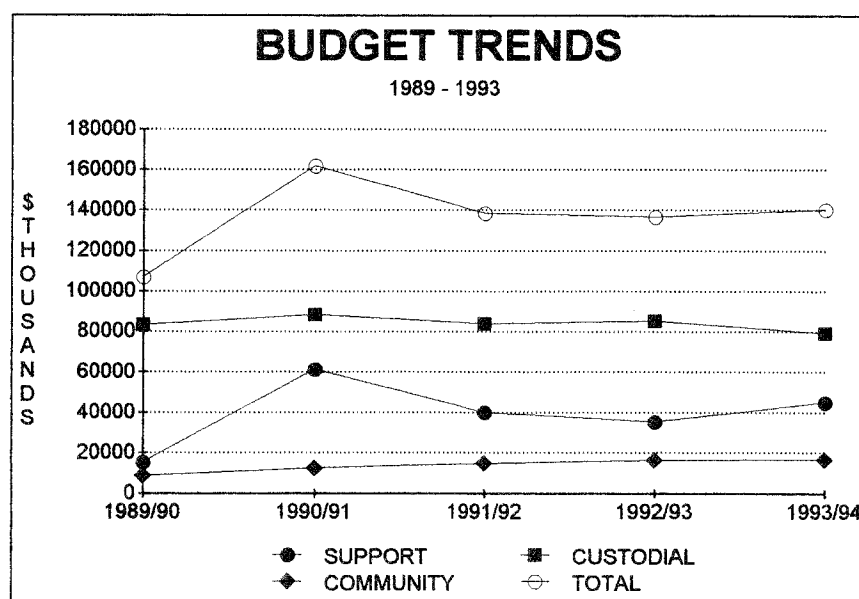


Figure 4 shows that while total expenditure is relatively constant, the portion allocated to custodial services is declining. This reflects the gains achieved through improved work practices. The decreasing cost of maintaining prisoners in secure custody is shown in Table 12.

Table 12: Comparison of Expenditure per Prisoner per Year

Year	Custodial Budget	Average Inmates	\$/inmate/year
1989-90	\$80 369 000	2 327	\$34 537
1993-94 (including contract managed centres)	\$78 961 000	2 380	\$33 177
1993-94 (excluding contract managed centres)	\$57 261 000	1 800	\$31 812
Australian Average 1991-92			\$45 537

Sources: QCSC and AIC National Corrections Management Information 1991-92

Changed work-practices have contributed significantly to a reduction of around eight per cent in the custodial corrections budget. Concern was, however, expressed to the Review that in some centres this reduction had led to increased stress on staff and a reduced commitment to correctional programs. In correctional centres security is of the highest priority and other activities have the potential to suffer if funding is limited.

Expenditure by community corrections has increased in recent years but is steady in 1993-94. Increases have funded several new functions performed by community corrections such as community corrections centres, home detention and leave of absence supervision. Additional resources have been allocated to increased staff numbers, to increases in the salary levels of officers and the establishment of community corrections centres. Resources have been increased in line with the higher priority afforded to community corrections as the 'first line' correctional strategy for the QCSC.

Changes in the central office budget, described in Table 13, largely reflect an increased focus on health and medical services and prisoner welfare.

Table 13: Central Office budgets 1989-90 and 1993-94

Section	1989-90	1993-94	% Change
Executive	\$4 382 000	\$6 650 000	52
Planning	-	\$700 000	-
Health and Medical	\$921 000	\$1 481 000	61
Finance and Administration	\$2 639 000	\$4 029 000	53
Information Technology	\$2 011 000	\$2 610 000	30
Prisoner Welfare	\$1 154 000	\$2 372 000	102
Audit	-	\$600 000	-
Total	\$11 107 000	\$18 442 000	66

Table 13 shows almost all areas of central office have received additional funding while staffing levels have decreased since 1989-90. However, changed accounting conventions explain a substantial proportion of these increases. The 1993-94 budget for the Executive includes \$2.25m for equipment replacement and new initiatives; the Finance budget includes over \$1m for property management charges which were not devolved in 1989-90; redundancy payments are included in the Executive budget; and other substantial increases have occurred in CITEC charges and QCSC grants over the period.

It is clear to the Review that future recurrent budget reductions in real terms should not be pursued in the medium term until other matters identified in this report are addressed. A decision to increase the number of places in custodial correctional centres needs to be taken as a matter of urgency and infrastructure development generally, including significant maintenance upgrades at Wacol and Rockhampton, needs to be addressed. A strong case, particularly in the community corrections area, is arguable for an objective funding agreement to be developed between the Government, Treasury and Corrective Services. An agreement could specify formulae for funding of QCSC and recognise the capital and operational costs of administering the correctional function. Funding for emerging needs, and to address issues raised by Kennedy but not yet attended to, should be raised as new initiatives in the annual budget review process.

FINDINGS

- . The QCSC recurrent budget has declined in real terms over the last two budgets.
- . The allocation of budgets to the various activities of the Commission has altered significantly in recent years.
- . The budget for custodial corrections has declined reflecting changed work-practices.
- . The community corrections budget is approximately keeping pace with increases in workload.
- . Trends in occupancy rates indicate that the QCSC cannot afford to suffer further real cuts in budget.

RECOMMENDATION

11. Funding for emerging needs, and to address any issues raised by Kennedy but not yet attended to, be raised as new initiatives in the annual Queensland Corrective Services budget review process.

HUMAN RESOURCE MANAGEMENT

The establishment of the Commission in 1988 was seen by many as an effective and timely strategy necessary for achieving change. Working within a Commission as opposed to a public service department was perceived to allow greater flexibility in achieving the reform agenda. Kennedy reported that 'the QCSC should be more flexible and provide a far more efficient and dynamic operation. It should also be a better employer, more caring of its staff and provide a better and more fulfilling place to work'.

Progressive HRM policies and procedures have been developed since the QCSC Board's establishment in response to Kennedy's challenge. Some of these include comprehensive Recruitment and Selection Guidelines, Performance Planning and Review Procedures, an EEO Management Plan and procedures for Critical Incident Stress Debriefing.

ISSUES

- . Management Style
- . HRM Policies and Practices
- . Training and Development
- . Contract Employment
- . Industrial Relations and Award Issues
- . The QCSC as a Unit of the Public Sector

Management style

The style of management of the current QCSC executive is an issue that has continually been raised with the Review team by external stakeholders as well as by QCSC staff. Various aspects of management such as leadership, decision-making, accountability, communication skills, and people management skills can be pieced together to form a composite profile of management. While much of this assessment is anecdotal, the fact that similar points have emerged from such a variety of sources strengthens the persuasiveness of the general comments to follow.

At the outset it must be acknowledged that the QCSC executive faced an enormous task in giving effect to the comprehensive reform agenda handed to them by the Kennedy report. In the main, the agenda of change has been addressed with commitment and energy. Few would take issue with the fact that real progress has been made on a number of fronts. However, despite this progress, or perhaps because of this progress, a negative perception of QCSC management has developed.

In terms of leadership, the QCSC executive has a clearly stated vision of where the organisation is heading. It is refreshing to find such a strong sense of vision in a public sector environment. When the Commission came into existence it inherited an organisation that was, as so clearly identified by Kennedy, far behind acceptable standards for corrections. There has been an understandable delay in turning the rhetoric of the vision into reality. This has caused credibility problems for staff. This is not a criticism of the vision itself. It is symptomatic of a lack of a continuing translation process so that staff can be 'taken along'. While the Commission did employ a number of strategies to assist staff over the transition, it is clear that much more needs to be done.

The Commission executive have certainly not been afraid to make key decisions, however unpalatable these may be to affected parties. The Commission's style of decision-making is perceived as not being particularly consultative. In fact it is argued that the approach has been overtly confrontationalist in order to bring about perceived essential reforms. This has included directly attacking entrenched work practices of staff. There is a widely held view that the QCSC executive is very defensive in response to any form of criticism. One should not expect the correctional system to have happy inmate clients. There is also no doubting the other formidable pressures working against the change process. Nevertheless, there is a danger that if management becomes too defensive in its approach, and if criticisms are too readily branded as anti-reform, that the organisation will lose its capacity to respond to criticism and that, within the organisation, constructive debate about the change process will be stifled.

In assessing executive accountability for decision-making, there has been a confused relationship between the responsibilities of the Minister, the QCSC Board and the executive. The Board was established to de-politicise the decision-making process in corrections. However, it has delegated some of its responsibilities to the executive. Because of this spreading of responsibility, accountability for decision-making has become confused.

While board and executive members have shared in the traumas undergone by the organisation, the concept of correctional centre autonomy has resulted in centre managers carrying most of the responsibility for serious incidents. There has been a high turnover in general manager and manager positions at correctional centres over the past five years.

The QCSC submission to this review referred to its formal communication processes. These include: monthly publications such as 'Communique' and 'Board Report'; weekly executive meetings; a tele-conference of managers after each board meeting; and quarterly meetings of the full management team. However, it would seem that these formal processes are not effective means of dealing with staff, particularly those involved in shift work, and all sections of the community. The Review team is conscious of an enormous communication gap between central office, centre management and operational staff.

It is in the area of people management that the most serious allegations against management are made. Corrections is largely about people. It is about people managing damaged and sometimes dangerous people that society is not prepared to accept in its midst. Staff at all levels who have undergone considerable stress through the reform process have a perception that management's only concern is to 'screw them down as far as they can go to keep

Treasury happy'. Staff see themselves as being poorly trained, poorly paid, and poorly supported in relation to the risks they are exposed to daily.

The review recommends that a period of consolidation is required of the Commission over the next few years to ensure that hard earned gains are not lost. Staffing needs should be a primary focus over this period.

FINDINGS

- . The Commission executive have been successful at implementing key aspects of the reform process as laid down in the Kennedy report.
- . The Commission executive has been less successful at ensuring that role of its staff is appreciated and valued in delivering these changes.

RECOMMENDATIONS

12. **The Commission Executive, as a matter of urgency, report to the Minister and the Board on strategies and an implementation schedule for: consultation processes to improve communications with staff; a participatory planning process so that the vision of the organisation can be translated to staff; and communication mechanisms for ensuring that all staff are well informed about Commission operations.**

Human Resource Management Policies and Practices

Because of its status as an independent Commission, QCSC management is not bound currently by PSMC Standards or policies. While the QCSC has developed some exemplary HRM procedures, it would appear that a number are largely based on PSMC Standards, such as the Recruitment and Selection Guidelines. On the other hand, there are significant gaps in HRM standards and policies within the QCSC. For example, there is no policy for the management of diminished performance or a standard for the fair treatment of employees.

. Recruitment and Selection

Despite the high standards established by the QCSC Recruitment and Selection Guidelines, there is evidence to suggest that the application of the guidelines varies across the

Commission. Instances where standards have not been followed include appointments to positions being made without advertising and casual staff being appointed to permanent positions without application or merit selection process.

This variability may be partly due to a lack of training in the standard. Accreditation training of managers in recruitment and selection processes is only occurring now, although all recruitment has been devolved since 1991. Other strategies to improve recruitment and selection practices include a re-examination of the current personnel delegations to reflect the proposed new organisational structure and a periodic audit of adherence to those standards by HRM.

. **Performance Planning and Review**

The development of Performance Planning and Review (PPR) procedures began in 1989, and was to be implemented from February 1992. Within the Commission, PPR is based on two models, with a Management by Objectives (MBO) model for managers (AO4 and above) and a behaviourally based review system for those employees below AO4 level. MBO-based performance plans were to be in place down to AO6 level by October 1993, and down to AO4 level by December 1993. All behaviourally based performance plans were to be in place by the end of June 1993.

Extensive staff training was initially provided in 1989-90. However, ongoing training has not been provided to all staff, performance plans have not been finalised for managers according to the implementation timetable and reviews have not been completed for employees subject to the behaviourally based performance plans. Some concern has been expressed by staff that compliance with requirements for performance plans has been somewhat perfunctory, resulting in a 'tick and flick' process providing little effective feedback or direction.

. **Grievance Procedures**

QCSC is not subject to the PSMC Standard for Grievance Procedures, with Commission grievance procedures outlined in the QCSC Professional and Administrative Employees Award - State. These procedures mirror those of the PSMC Standard except that PSMC procedures apply not only to 'industrial matters' within the meaning of the *Industrial Relations Act 1990*, but also to administrative decisions within an agency affecting an individual and behaviour of any employee within an agency towards the aggrieved employee.

Thus, the entitlements of QCSC employees to use grievance procedures is less than other public sector employees to whom the PSMC standards apply. Further, contract staff (some of whom are at AO4 level) have no access to grievance procedures.

It is noted that the QCSC induction booklet *Getting Started* informs employees that officers and employees may submit a grievance on these additional matters. However as revised grievance procedures have not been published since the award took effect in June 1992, QCSC employees are unsure as to the matters which constitute a legitimate grievance.

The QCSC grievance procedures for officers employed under the Queensland Corrective Services Commission Employee's Award - State differ from those above in that:

- . union involvement is required after initial attempts to resolve the matter internally have been unsuccessful;
- . procedures contain an additional step which involves the employee's union delegate and the QCSC industrial officer and a 'cooling off' period after the grievance has been referred by the General Secretary of the union to the Director-General; and
- . there are no options to refer the matter to the Commissioner for Public Sector Equity.

Senior managers have indicated that mediation is the strategy most often used in resolving grievances but that, despite the successful use of this strategy, the number of grievances about management practices and sexual and racial discrimination still need to be reduced.

. Appeals

QCSC maintains its own appeals system in respect of promotional appointments and disciplinary action as provided for in the *Corrective Services (Administration) Act*. This system requires the appointment of an Appeals Tribunal on each occasion an appeal is to be heard. The tribunal's membership comprises the Chairperson of the Board, the chief executive of the Minister's department or the chief executive's nominee, and a person appointed by the Board from a panel of union nominees. The need to make appointments within a particular time has sometimes required an extraordinary meeting of the Board. The QCSC Appeals Tribunal gives determinations but no reasons.

During 1992-93, there were nine appeals against disciplinary action, five of which were upheld on appeal. The sole appeal against a promotional appointment was dismissed.

There would be considerable benefits in extending PSMC appeal entitlements to QCSC employees. Benefits to the organisation include reduced costs, as tribunals would not longer need to be constituted separately, and access to the expertise of persons experienced in appellate functions. Benefits to employees include access to appeals under the Fair Treatment Standard, which is not presently available, and the provision of reasons for determinations.

Equal Employment Opportunity

The QCSC has established an Equal Employment Opportunity (EEO) policy, for which the Deputy Director-General has responsibility. The Commission has also published a 1992-93 EEO Management Plan, set up an EEO Consultative Committee and undertaken a range of initiatives to combat sexual harassment. The Commission has set targets of 10 per cent of the workforce comprising Aboriginal and Torres Strait Islander staff, 15 per cent of custodial staff comprising female officers, and 30 per cent of management teams comprising female staff. Progress towards achieving these targets has been encouraging.

The QCSC as a unit of the Public Sector

The Review recommends that the QCSC become a unit of the public sector for the purpose of the *Public Sector Management Commission Act*. This will ensure that all human resource management standards established by the PSMC are adopted by the QCSC. Adoption of the various procedures will minimise the need for QCSC to 're-invent the wheel' by establishing its own standards, and will provide for equity and consistency of staff conditions with other public sector employees. Use of the public sector grievance and appeal mechanisms will preclude the need to constitute particular panels for these purposes and the associated costs.

Recognition of the QCSC as a unit of the public sector may also assist in improving staff mobility and recruitment. At present, the recruitment of specialist staff and managers from within the public sector poses some difficulties because of the loss of some conditions on movement such as permanent tenure.

FINDINGS

The QCSC's Recruitment and Selection Guidelines are inconsistently applied.

- . Implementation of Recruitment and Selection Guidelines and Performance Planning and Review procedures has been impeded by insufficient training.
- . The ambit of QCSC grievance procedures is unclear.
- . QCSC contract employees do not have access to grievance procedures.
- . Appeal procedures for promotional appointments and disciplinary action are cumbersome and restrictive.
- . The QCSC has established a sound EEO framework.

RECOMMENDATIONS

13. The QCSC be declared a 'unit of the public sector' pursuant to Section 1.3 of the *Public Sector Management Commission Act 1990* and accordingly be subject to all public sector management standards provided, and grievance and appeal mechanisms established, under that Act.

Contract employment

Contract employment is provided for under Section 34 of the *Corrective Services (Administration) Act*, and has been a major feature of HRM practice since the Commission's inception. Contract employment was recommended by Kennedy for senior staff at the equivalent of the former Band 3 level, although he considered that future extension of contracts to managers at the 1-10 (AO6) level would be desirable. Contracts were seen by Kennedy as a way of attracting top applicants for positions and guaranteeing ongoing performance. At the time of the Kennedy Report, most Band 3 positions throughout the public sector were contracted.

Currently, two per cent of the QCSC workforce are on contracts that are equivalent to Senior Executive Service salaries and conditions and a further two per cent are on contracts that range from the equivalents of AO8 down to AO4 classification levels. This may be contrasted with the public service where SES employees account for 1.4 per cent of all employees. Contracts used by the QCSC are based on Senior Executive Service contracts and those used for employees on the former Band 3 levels. Salaries for QCSC officers under

contract are reviewed twice annually and adjusted in accordance with Consumer Price Index movements.

A number of concerns have been raised about contract employment during the Review.

Negotiation and review of terms and conditions

Some contract employees expressed concern that there was little capacity to negotiate the terms of a contract position to which they had been appointed. Delays of up to seven months in the presentation of a contract following appointment were also noted. Further, while salaries are reviewed twice annually, this does not occur in consultation with the employees and has resulted in a salary 'freeze' for the past two years. However, some salary increases have been granted in between formal reviews in line with the rest of the Queensland public sector.

On-call allowances and other salary loadings

Varying on-call allowances for contract employees are determined by the Board's Staff Subcommittee. There is an accepted practice that general managers and all operational staff in custodial centres receive free housing or an on-call allowance. QCSC argues that on-call allowances are justifiable for a range of staff including central office personnel. Furthermore, CED evaluations conducted in 1991 acknowledged that 'compensatable factors' are legitimate over and above work value assessments.

Termination of contracts

Contracts may be terminated summarily or following the outcome of disciplinary proceedings. The latter course has never been adopted by the QCSC. Since March 1990, five general managers have had their contracts involuntarily terminated and two general managers have voluntarily terminated their contracts.

Staff at all levels in the organisation, and some external agencies, expressed some concern that contracts were used to ensure managerial compliance. QCSC contract staff themselves expressed some apprehension that their contracts could be terminated as the direct result of an incident over which they had little control, many giving illustrations of other staff whose contracts were terminated under similar circumstances. Certainly the high media and

political profile given to incidents in the correctional system places additional accountability requirements on officers and managers.

Proposal for future employment of contract staff

With the organisational changes proposed by this Review, virtually all positions which report to the Director-General will change. In the case of general and regional managers, for example, reporting will now be to the relevant director, rather than to the Director-General. Some new positions will be established with significant reporting and program management responsibilities.

Given the recommendation for the QCSC to become a 'unit of the public sector', there is a argument for terms and conditions of employment for staff to mirror those of public service employees. This proposal would impact on staff whose positions are at an equivalent level to those included in the Senior Executive Service, as well as those whose positions are equivalent to the AO4 - AO8 range in the public service.

The management of the transitional period during which the new organisational structure is put in place poses some considerable challenges for the Commission. It is essential that changes be phased in and any large scale spilling of positions avoided. The Public Sector Management Commission is prepared to assist in developing transitional arrangements.

FINDINGS

- . There is frequent use of contract employment in QCSC, and at lower levels than that envisaged by Kennedy.
- . With the proposal for the QCSC to become a unit of the public sector, future staff employment conditions should mirror those of SES and non-SES positions respectively.
- . The involvement of the PSMC is essential in supporting the transition process from large scale contract employment.

RECOMMENDATIONS

14. The Director-General, in consultation with the Public Sector Management Commission, and subject to ratification by the Board, negotiate a process with the Public Sector Management Commission to manage transitional processes for all staff currently subject to contract employment including the creation and filling of the Divisional Director positions.

Training and development

Kennedy was particularly critical of the training budget of the then Prisons Department, noting that the \$85,000 allocated to operate the Staff Training College and provide courses was 'a farce and nothing short of scandalous'. He stated that the training available had no strong theme and it lacked structure and purpose. He recommended the organisation be adequately financed to undertake the necessary professional development and training identified as lacking. Specialist and highly specific skills training was to be provided with security staff receiving intensive, specialist training and regular drills. Professional training courses were to be developed and implemented and a common induction program was to be put in place. Accreditation training for private sector, part-time and casual employees involved in corrective services was also to be developed.

Kennedy also reported that 'staff shortages and lack of resources have inhibited Corrective Services from providing anything other than the barest minimum of on-going training for either custodial or community corrections officers'. This same complaint is being made by officers throughout the QCSC today.

Allocation of training funds

The QCSC has a training budget of \$1.675m for 1993-94. This includes \$1.125m for operation of the Training and Development Centre (TDC). Training needs analyses are conducted and translated into training plans at correctional centres and in community corrections regions. These plans are sent to the Human Resource Development Unit and form the basis for funding allocations for centres and regions as well as providing information on organisation-wide training needs, for training which can be provided more economically at the Training and Development Centre in Brisbane. These plans appear to be the only source of information on organisation-wide training and development needs.

There is no central monitoring of the quality and extent of training delivered in centres and regions.

The TDC operates a 'training bank' which notionally allocates training funds to correctional centres and regions, designed to supplement centre and regional operating budgets. However, the basis on which funding allocations are made is unclear. It would appear that central and northern Queensland centres are comparatively disadvantaged because of the greater travel costs they necessarily incur.

. QCSC training programs

The strategic framework for training and development within the QCSC is developed by the Human Resource Development Unit which also has overall responsibility for ensuring that adequate training is delivered. The Training and Development Centre carries out a range of centrally delivered programs (usually on a full-time basis). These include: leadership; computing skills; custodial correctional officer accreditation; Justice of the Peace qualifying course; and human resource management. General and regional managers have specific responsibility for the implementation of training in their areas.

All officers appointed to a position within the QCSC are provided with some induction training but this training varies with the role of the officer. Programs, administration and community corrections officers are provided with a basic induction program at their place of appointment while custodial correctional officers undergo an eight week pre-service program conducted at the TDC. Anecdotal evidence provided to the review indicated this training did not take place in some instances until many months after the initial appointment and the impact was consequently minimised.

Proposals for training and development of senior and executive managers have not been finalised. The latest proposal for the training and development of executive and senior officers was re-written in February 1993 and tabled for discussion by the Director-General and Deputy Director-General in May 1993. Senior managers, supervisors and line managers commonly report difficulty organising release from other duties to attend training courses and other professional development activities.

Associate Diploma of Business (Justice Administration)

The Associate Diploma of Business (Justice Administration) which commenced in November 1992 typifies the significant improvements in training made by the Commission. Currently 508 employees are enrolled in this course. Regular monitoring of the progress of these employees will be essential. The Review Team was told, on a number of occasions, by custodial staff that they had enrolled because of the possible future links between salary progression and completion of the qualification, but were not pursuing study actively. In other cases, study was not being pursued primarily because of a lack of study skills. The HRD Unit has sought to address the problem of lack of basic study skills with a recommendation that additional workplace tutors be trained to conduct on-the-job training and assessment.

Community Corrections staff and managers are under-represented in the HRD Unit's client group. While 30 per cent of custodial corrections staff are enrolled in the Associate Diploma of Business (Justice Administration), the course has attracted only 16 per cent of community corrections and central office staff. The low level of community corrections involvement reflects the higher qualification levels already held by community corrections workers.

Correctional centre training

Centre-based training includes subjects which are essential for statutory compliance. For example, weapons accreditation is required annually under the Weapons Act. Other training includes: suicide prevention; emergency procedures and procedures following escapes; and skills-based training which enhances officer competence, such as conflict resolution.

The Review found that the extent of 'mandatory' training varied considerably from centre to centre according to the priorities of individual general and regional managers. Although standards for these programs are set by the TDC, there is no mechanism for ensure that they are observed.

Centre-based training is usually conducted during the course of a normal rostered shift by 'locking down' the centre or part of the centre, often towards the end of the shift. This process limits training to about two hours at a session. By rearranging rosters to provide for a double day shift, one custodial centre provides a rostered training day every six weeks at an annual cost of \$87,000. This practice offers superior access to training and a more conducive environment for learning.

The staffing formula for custodial centres allows for five training days a year for custodial corrections officers. A number of centres, however, operate below establishment levels at times and custodial staff have difficulty attending central or local training. Custodial officers reported that extra staff were not rostered to cover vacancies due to staff participation in training courses. Community Corrections staff also complained about a lack of relief to attend training or professional development activities.

Access to training

A key QCSC target for 1992-93 was to provide an average of five days training per staff member. This training was to meet the requirements of the *Training Guarantee Act*. The QCSC Annual Performance Assessment for 1992-93 reported that this target was almost reached with an overall figure of 4.6 days of the relevant training being provided.

On closer examination, variations in the interpretation of what constitutes appropriate training were observed. The QCSC needs to ensure that the training needs of individuals are assessed and that training outcomes are evaluated rather than using the average number of days training provided as a performance indicator.

FINDINGS

- . Training and development opportunities have increased enormously since the establishment of the Commission.
- . Proposals to meet the training and development needs of senior and executive managers have yet to be finalised.
- . An Associate Diploma course has been introduced.
- . Not all staff have access to training opportunities.
- . There is no central monitoring of the quality and extent of training delivered in centres and regions and performance indicators are inadequate.

RECOMMENDATIONS

15. The Human Resource Development Unit:

- be given the function of coordinating and monitoring the quality and extent of all QCSC provided training, and of allocating all staff training and development funding; and
- having regard for strategic priorities and travel costs, develop and report on the implementation of a strategy for equitable access to staff training and development funding by 30 June 1994.

16. By 31 March 1994, the Director (Custodial Corrections) and the Director (Corporate Services) prepare a report for the Director-General on strategies to increase access of Custodial Correctional Officers to training.

Industrial relations and award issues

Kennedy noted that levels of industrial unrest among prison officers was low, but that the situation seemed to be worsening. He was of the view that a number of strikes need not have occurred as 'full avenues for negotiation had not been explored'. During 1988-89, 588 days were lost to industrial stoppages. In the climate of reform that has existed since the establishment of the Commission, industrial relations have continued to be unsettled, particularly with respect to custodial staff. There were 472 days lost to industrial stoppages in 1989-90, 1349 days in 1990-91, and 352 days in 1991-92 and none in 1992-93. Although these disputes have been costly in human and financial terms, they have allowed the QCSC to achieve substantial reform of work practices and shift arrangements.

Media coverage of QCSC industrial disputes presents a picture of an organisation that is constantly in dispute with appearances before the Industrial Commission being the only dispute resolution strategy. Contrary to this perception, many disputes are settled locally by consultation and negotiation. The QCSC represents itself when appearing before the Industrial Commission. The Commission also liaises with and seeks advice from industrial officers within DEVETIR. In the majority of disputes which have gone before the Industrial Commission, the QCSC has achieved positive results for the organisation.

Introduction of new award

It is the stated intention of the QCSC to seek 'a new industrial award which integrated custodial and community corrections career streams into one correctional officer stream in the award'. Effort to achieve this has been considerable, including a one week withdrawal workshop with union delegates, paid union officials, DEVETIR industrial officers and QCSC management with the declared objective of negotiating a QCSC award.

The objective of a common award has not been achieved. As an interim measure, an award has been negotiated for administrative and professional employees, which also includes a separate pay 'stream' for nursing staff who are subject to a Federal award. The Commission considers that 'provisions exist within this award to absorb the custodial workforce of the Commission'. The matter is currently before the Queensland Industrial Relations Commission, which has reserved its decision.

It would appear that there are a number of major issues yet to be resolved, the most significant of which is the capacity of a single award to successfully cater for custodial and community correctional officers, the qualifications and duties of whom are quite disparate.

FINDINGS

- . The industrial relations climate of custodial corrections remains unsettled.
- . Successful award negotiations have been undertaken with administrative and professional employees.
- . Negotiations on an award for custodial staff have not been resolved.

INFORMATION MANAGEMENT

Kennedy was critical of information management systems within the Prisons Department and recommended that:

A computerisation task force should be established to urgently undertake the development and operational establishment of a statewide computer network for the administration of prisoners and adequate funds be immediately allocated for this

purpose. A position of Information Systems Manager be created and filled immediately.

In response, an Information Technology manager position was created and an increased emphasis was placed on the development of information systems. Despite large expenditure, \$4.5m between 1988 and 1990, the PSMC/Treasury analysis found that information systems were neither fully operational nor effective and that appropriate, accurate and timely information was not accessible. Very similar findings are observed in this review. The PSMC/Treasury analysis concluded that the Information Technology Branch was too focussed on applications development and recommended that the establishment of the Branch be reduced by five positions. Savings were to be directed to the use of external services. This has been achieved and further reductions are anticipated.

To address issues of poor performance in information management and strategic planning, it was recommended that the role of the Branch be converted into one of a consulting unit interacting closely with a Decision Support Unit (DSU) providing strategic policy advice to the executive. In line with the establishment of the DSU, the Policy and Planning Unit was recommended to cease involvement in policy, planning, statistical analysis and legislative functions. These were to become responsibilities of the proposed DSU. These recommendations have changed considerably in implementation with the DSU becoming a Consulting Services directorate and the Planning Directorate retaining involvement in policy, planning and statistical analysis. However, the area remains one in which improved performance must occur.

Capacity of information systems to support operations

A priority in information management has been the development of the Corrections Information System (CIS), the base offender information data-base. However, the CIS is available only in some community corrections area offices. The cost of increasing community corrections access to CIS will be in excess of \$1m. The current budget of the Information Technology section is \$2.6m. After recurrent operating expenditure is deducted between \$200 000 and \$400 000 remains for information system development.

Requests from the Review team to middle level managers for information from the CIS database, such as offender numbers and numbers in custody, could not be answered promptly. These officers were unable to respond in any useful way to requests for data on the average time spent in reception centres prior to placement, reasons for offenders

returning to custodial from community corrections, releases from community corrections in the last two years and other information.

The data base contains out-of-date information and there is poor data communications performance at some QCSC sites. An analysis by the Review team of records for inmates released within the last three years found numerous errors, possibly due to inadequate validation at the time of data entry. To make the system 'operationally friendly' data entry is not required for every field and as a consequence many records are incomplete. These examples suggest that considerable improvement is required in QCSC information management.

It is surprising for a system with the strategic and operational importance of the CIS that apart from the CIS working party (which meets every 4-6 weeks), no single group has responsibility for data quality on CIS.

FINDINGS

- . The CIS is still being developed.
- . There are errors in the CIS data base.
- . There is no clear ownership of the CIS system or responsibility for the validity of the data.

RECOMMENDATION

17. The QCSC executive management group (Director-General, Deputy Director-General and the Divisional Directors) accept responsibility for integrity and performance of the Corrections Information System and develop strategies to ensure that timely and accurate management information is available to the organisation.

Capacity to provide strategic management information

Officers in the Australian Institute of Criminology expressed concern about the incapacity of the QCSC to provide data for comparison with other Australian correctional agencies. In

particular, doubt was cast on the validity of estimates of the level of imprisonment in Queensland. While the QCSC undertook, with the Australian Bureau of Statistics, to collect data on admissions and discharges, appropriate computing resources have not been made available to establish the project. In other areas, such as transfers between community and custodial corrections, information sources are inadequate in meeting the requirement for performance assessment of QCSC activities. Inconsistencies in definitions and the categorisation of information by the QCSC is also problematic.

In the course of this review the QCSC was also unable to respond to requests for information considered essential for strategic planning, for example, the impact of changes in sentencing legislation on infrastructure needs. The inability to provide a timely response to the Review indicates suggests there may be shortcomings in providing strategic information required by the QCSC. While the analytical component of data requested by the Review team presented understandable difficulties, much of the problem can be traced to the deficiencies in the data inherited from the Prisons Department. The Review team undertook some preliminary analysis of data supplied by the QCSC and examples of useful analytical indicators are provided at Appendix A.

There is a QCSC Information Steering Committee, chaired by the Director-General. Members are, however, not always able to attend meetings and decision-making and reporting processes are unclear. Effective information management is essential in an organisation as complex as the QCSC. This is a responsibility of management which needs to be recognised in a restructured strategic plan for information management.

Any information systems planning by the QCSC must take account of present efforts by criminal justice agencies to develop a criminal justice information strategy. There is potential, through better information management, for considerable improvement in the efficiency, effectiveness and economy of the criminal justice system. The slow movement of records between agencies can, for example, delay the induction of prisoners and the implementation of sentence management.

FINDINGS

Management information systems require further development to support strategic planning processes.

- . Management information systems do not enable adequate measurement of the performance of the Commission.
- . The QCSC Information Steering Committee has not addressed its role.

RECOMMENDATION

18. By 31 March 1994, following an independent audit of QCSC information management systems, and consultation with the Information Policy Board, the Director (Corporate Services) present to the executive management group an action plan to address the immediate operational and strategic information needs of the Queensland Corrective Services Commission as the first phase of a complete review of the QCSC Information Management Strategic Plan.
19. By 31 March 1994, the role of Information Technology unit be amended to:
 - . provide consultancy and assistance in design and development of information systems;
 - . provide support systems for applications and equipment; and
 - . provide information policy advice to management.

CONTRACT MANAGEMENT

The Kennedy Commission was asked to report on the cost effectiveness and desirability of introducing private sector involvement in the operation of all, or part, of the prison system. Kennedy concluded that the opportunities for introducing private sector involvement was substantial and should lead to an increase in the cost-effectiveness of the service as a whole. Kennedy believed that the private sector could operate more cheaply and better and in some areas, introduce a strong element of competition against which to measure the performance of the public sector, and ensure it was 'dynamic'.

Kennedy recommended that:

- . tenders be called for the private sector to provide the total operation of Borallon correctional centre on a fee per prisoner basis as a medium/low security centre;

the Commission actively involve the private sector and non-profit organisations in the provision of community based correctional centres;

the Commission seek expressions of interest from community and church groups for the operation of community corrections centres as release to work hostels on a fee for offender basis.

Two correctional centres, Borallon and the Arthur Gorrie Remand and Reception Centre, are owned by the Commission but operated, under contract, by private companies. Seven community corrections centres (one of which is in receivership) are owned and operated by non-government, predominantly welfare, organisations.

The Commission entered into a contract for the management of the Borallon correctional centre with the Corrections Corporation of Australia (CCA) in September 1989. The first prisoners entered the centre in January 1990. Borallon was designed and constructed as a high/medium security prison, to be operated by the State. When the centre's operations were contracted to private management, it initially operated as a medium/low/open facility. Prisoner classifications are now predominantly medium with some low/open classified prisoners to perform essential tasks outside the secure perimeter.

The Arthur Gorrie Remand and Reception Centre, managed by Australasian Correctional Management (ACM), opened in June 1992. Contracting the reception function is unique. Privately operated prisons, interstate and overseas, invariably focus on the 'softer' end of the correctional system, dealing with medium to open security prisoners.

Basis for contract management of corrections

It was suggested to the Review that besides being able to operate more economically, private management could demonstrate alternatives to traditional prison management. For example, Borallon has achieved a structured day for inmates and what appears to be a better balance between industry and programs than the Review team observed in state-run centres.

There has been much suspicion and criticism of contracted prisons management. Some members of the community have strong moral and philosophical objections to the State handing responsibility for incarcerating individuals to organisations whose primary motivation is profit. Despite these concerns, privatisation and/or contract management practices are well

established in the United States of America and are being introduced in Victoria, New Zealand and the United Kingdom.

The more recent arrangement with the Arthur Gorrie Centre was not part of a QCSC strategy to enter into contract arrangements. The Government approved the arrangement on the advice of the QCSC after negotiations with the Queensland State Service Union on a site agreement broke down.

Contract management and the legislation

The *Corrective Services (Administration) Act* empowers the QCSC to enter into contract management but remains silent on the detail of any arrangements. By contrast, legislation in Victoria and New South Wales prescribes certain basic conditions.

Elements recommended to the Review as desirable in legislation on correctional contracts include:

- . conditions under which prisoners may be employed and the disbursement of any income derived from their labour;
- . compliance by the contractor with certain conditions applicable to State facilities, for example, freedom of information, judicial review and access by prisoners to the Ombudsman;
- . monitoring and reporting on operations in the QCSC annual report to the Parliament;
- . vesting ownership of medical and other official records in the Commission;
- . providing for unfettered access to the facility by authorised persons; and
- . minimum performance standards to be observed by the contractor.

ISSUES

- . Contractual arrangements
- . Comparative costs
- . Contracting the management of remand and reception
- . Correctional systems implications
- . Contract managed community corrections centres

Contractual Arrangements

The existing contracts, which are confidential, are complex and deal primarily with operational issues. The QCSC has, however, established minimum performance standards for each centre. While the contracts are generally silent on warranties against non-compliance, apart from contract termination, the contract for the management of the Arthur Gorrie Centre provides for financial compensation to be imposed by way of cost recovery for additional costs incurred in the event of an escape.

The need to monitor contract-managed centres was raised with the Review as of significant concern to many stakeholders. Monitoring procedures have differed between the contract-managed centres of Borallon and Arthur Gorrie. For Borallon, a monitor was appointed and originally based at the centre. The level of monitoring has now reduced partly because of increasing confidence in the management. The General Manager, while appreciative of the confidence placed in his administration of the centre, indicated to the Review that a higher level of monitoring would be welcomed.

The Arthur Gorrie Centre presently has a liaison officer who maintains contact with the QCSC and has responsibility for monitoring sentence management plans. There is no day-to-day monitoring of the performance as there was for Borallon. The centre is, however, audited by the QCSC Audit and Investigations unit with the most recent audit conducted in June 1993. Performance is measured against minimum standard indicators established in the contract.

FINDINGS

- Kennedy's recommendations to introduce contract management of correctional centres have been implemented.
- The contracting of operations, approved by the former and present Governments, has been on a case by case basis.
- In Victoria and New South Wales legislation on contract management prescribes matters dealt with under contract in Queensland.

RECOMMENDATION

20. Consideration be given to the legislative approach to contract management in other States, including: mandatory conditions; minimum performance standards; monitoring; and reporting, when Queensland's corrective services legislation is amended.

Evaluation of the contract-managed centres

Kennedy's rationale for privatisation included the establishment of a basis for measuring the performance of state run prisons. Evaluating the outcomes of contract management has, however, proved difficult. Most of the focus has been on cost comparisons, and this has generated considerable debate. Little effort has been made to assess the qualitative issues.

The Commission provided the Review with the comparative (1992-93) costs of running the Borallon and Lotus Glen correctional centres. The cost per offender per year for Borallon is shown as \$44 200 (including central office overheads of \$1 300) with Lotus Glen at \$49 900 (including central office overheads of \$10 820). Some central office costs such as audit, prisoner welfare, transport and escort, police and operations support have been recognised. Other corporate overheads such as health and medical costs, legal fees and freedom of information have not been considered. The review considers that more refinement of the cost attribution exercise is required.

The operating costs for Borallon are increased annually in line with the contract (constant in real terms), while the QCSC allocation to Lotus Glen is declining. Prisoner populations for the centres indicate that Borallon has experienced a slight fall in the daily average from 244 in 1990-91 to 235 in 1992-93. The daily average at Lotus Glen has, on the other hand, increased from 209 in 1990-91 to 234 in 1992-93.

There is evidence, therefore, that the cost differential between Borallon and Lotus Glen has narrowed considerably. It is not possible to make clear cost comparisons with Arthur Gorrie because of its unique role in the correctional system.

Qualitative comparisons have not been attempted. Such exercises could include a range of issues such as inmate management (Borallon, for example, has a particularly effective integrated approach to programs and industry) or work practices. The particular indicators to consider in making qualitative assessments have not been subject to close consideration.

It is important that performance at a level above the minimum levels required be taken into consideration. While the margin between Borallon and Lotus Glen may be narrowing, Borallon appears to be providing a service above the minimum standard and is demonstrating an approach to correctional management that other correctional centres might emulate to their advantage. It is important that the quantitative and qualitative bases on which private contract management is assessed are given full consideration and that the criteria used do not focus entirely on minimum standard compliance and budget.

FINDINGS

The bases upon which quantitative and qualitative comparisons are made between contract-managed and State-managed correctional centres need to be refined.

RECOMMENDATIONS

21. By 30 September 1994, the Queensland Corrective Services Commission, in consultation with the Office of the Cabinet and Treasury, develop a methodology for evaluating contract management of custodial and community corrections centres which includes:
 - the basis on which costs should be compared;
 - the basis on which quality of service can be assessed; and
 - the overall financial and other impacts on the State and the State correctional system of contract-managed centres.

Appropriateness of contracting the remand and reception function

Remand and reception management is resource-intensive, requiring staff with skills in the classification, sentence management and placement of prisoners. Its effectiveness is critical to the management of the correctional system as a whole.

The appropriateness of the State handing contracting responsibility for the assessment component of remand and reception has been widely questioned. First, it was suggested that the power to incarcerate is an 'awesome' power held by the State which it is fundamentally inappropriate to contract out to a private manager, however competently that assessment might be undertaken. Second, assessment and placement of prisoners through the reception process has implications for management of corrections throughout the State. For this reason, a number of submissions to the Review argued strongly that it was a state

responsibility. It was suggested to the Review that the assessment function might be undertaken by a QCSC unit operating within Arthur Gorrie while the overall management of the centre was maintained by ACM.

The above concerns were taken into account by the QCSC and the Government at the time the decision was taken to tender operation of the centre. It was decided that operational effectiveness was of paramount importance and that these issues could be addressed by the QCSC through official monitoring.

Protection prisoners

To maximise cost efficiencies in terms of the fee for service arrangement existing between the QCSC and ACM, the parties agreed to the placement of 56 sentenced protection prisoners at the Arthur Gorrie correctional centre. (Protection prisoners are inmates considered to be at risk from other inmates and have to be isolated from the mainstream prison population. For example, certain sex offenders and informers).

The presence of sentenced protection prisoners at the Arthur Gorrie centre has created difficulties for the operator to the extent that a variation of the contract was sought to meet the salary of additional staff employed to meet the specific needs of this group. This request was not approved by the QCSC. There are currently no beds available elsewhere in the system.

FINDINGS

The QCSC has been criticised for relinquishing control of assessment and classification of prisoners to a contract operator.

RECOMMENDATIONS

22. The Director (Offender Development) evaluate the efficiency and effectiveness of the State and Contract-managed reception and assessment processes and report to the Director-General on the appropriateness of the functions being performed on a contract managed basis prior to the expiry of the current contract in 1997.

Contract-managed community corrections centres

Prisoners are placed in community corrections centres, and other approved institutions, by administrative approval or on the approval of a community corrections board for the QCSC to grant leave of absence for participation in the release to work program.

The Commission operates two community corrections centres. Another six are operated by private organisations under contract to the Commission.

Centres:

.	Gwandalan	Brisbane Tribal Council
.	St Vincent's	Society of St Vincent de Paul
.	Maconochie Lodge	Shaftesbury Citizenship Centre

Small-capacity residences for offenders:

.	Warmington Street	Paddington	Association for the Care and Rehabilitation for Offenders
.	Rose Blank House	Cairns	Association of Care and Rehabilitation for Offenders
.	Goodspell Park	Beaudesert	Link-Up (young male offenders)

These centres provide a total of 162 beds. Contracted community corrections centres have not been subject to the same level of public scrutiny as their correctional centre counterparts. This may be because they are smaller and less subject to major incidents. Another factor could be that the operators are for the most part church or community organisations whose motivation is not perceived as profit-based. Whatever the reason, they are generally accepted as legitimate service providers.

Unlike the process for contracting correctional centres, tenders were not called when considering contract management of community correctional centres. The Commission in its submission to the Review indicates contracting of community corrections centres was negotiated with community organisations following approaches to those organisations. It indicated that future contracting will be awarded on the basis of competitive tendering.

The standard of accommodation and management varies significantly between the contracted centres. Program orientation also varies between centres but in certain instances this variation is deliberate, to meet the needs of specific target groups.

ISSUES

- . The contracts
- . Financial viability
- . Cost comparisons

The contracts

Contracts relating to the contract management of community corrections centres and other approved institutions contain provisions which are contrary to the legislation, specifically the *Corrective Services Act* and Regulations. An example of this is the granting, in the contract, of the powers of a community corrections officer to the operators' employees in areas such as searching prisoners and opening their mail. In the legislation these powers are qualified as to the circumstances in which they may be applied. However, in the contracts these qualifications have been omitted. This issue needs to be addressed in any amendments to the corrective services legislation.

Financial viability

At the time of this Review, the Gwandalan community corrections Centre was in receivership and the QCSC may be required to find accommodation for up to 25 prisoners. Contracts for the management of custodial correctional centres have a performance security provision which covers the due and proper performance of the operator's obligations under the contract. A similar provision might be considered in respect to community corrections centres.

Cost comparisons

Operating costs for all centres, with the exception of Goodspell Park (which only operated for part of the year), are comparable. The annual cost of accommodating a prisoner at the QCSC-operated centre, Kennigo, is around \$17,700 whilst the cost of a placement at Maconochie Lodge is \$22,000. The other centres operated within this range. For those centres which did not provide 24-hour supervision (such as Warmington Street, Brisbane and

Rose Blank House in Cairns) the annual costs are \$6,700 and \$6,500 per prisoner per annum respectively.

The range and effectiveness of programs offered at all centres need to be reviewed to ensure the needs of all prisoner placements are being properly met. This variation should be taken into account when considering the relative operating efficiencies and costs.

For no apparent reason, fees are structured on a number of different arrangements. Some are based on an annual fee for service, others on a fee per prisoner and others on a fee per prisoner for a minimum number of prisoners. Some contracts provide for the payment of a management fee even if no prisoners are accommodated. In the negotiation of contracts, control obviously rests with the QCSC, but it would appear this advantage may be surrendered in the process of securing contracts with the preferred service providers. Contracting by tender would restore the balance of power to the Commission as the terms of any intended contract could be clearly laid down before tenders were called.

Whilst a number of contract managed community corrections centres or institutions operated at near capacity none operated at the capacity for which they were funded, with the exception of those which were contracted on a fee per prisoner basis only. The onus to ensure contract centres are kept at capacity to ensure maximum cost efficiency rests with the QCSC. Table 14 indicates that this has not been achieved.

Table 14: Capacity and Occupancy Rates Community Corrections Centres

Centre	Management Fee Arrangement	Centre Capacity	Daily Average
Gwandalan	Annual fee (25 residents)	25	24
St Vincents	Fee per prisoner (27)	27	24
Maconochie Lodge	Annual fee (24)	24	16
Warmington	Fee per prisoner (min 4)	5	4
Rose Blank	Fee per prisoner (min 5)	8	7
Tarragindi	Annual fee (min 6)	6	4
Goodspell Park	Annual fee (min 6)	6	2

The operators of one centre have had a contract which has varied, from a fee per prisoner basis with no minimum payment, to one where a minimum of 15 offenders were paid for, to the current payment of an annual fee. The operator's most recent request for a management fee variation to \$350 000 per annum was approved by the QCSC Board, subject to the prisoner accommodation capacity being lifted by 20 per cent. The daily average occupancy rate for 1992-93 was 66 per cent of the increased capacity. The QCSC has not benefited from these variations as the cost of maintaining a prisoner for a year has risen from around \$12 000 to \$14 600 even if full capacity is achieved. Figures for the centre, provided by the QCSC, indicate the average actual annual cost per offender for that centre in 1991-92 was \$16 000 and in 1992-93 was \$21 938. The apparent reason for this is that the QCSC has failed to ensure the centre was maintained at capacity despite negotiating the contract on the basis of increased bed capacity.

Some centres compete with the WORC program for the same type of prisoner. There seems to be little point in entering into contract arrangements when the facility, subject to the contract, is not utilised to maximum capacity. The cost of maintaining a prisoner on the WORC program is in the vicinity of \$17 600 per annum, therefore the most efficient cost option, subject to full occupancy, is not being fully utilised.

FINDINGS

- . The process for engaging contract operators differs between custodial and community corrections centres.
- . Funding to, and utilisation of, contract-managed community corrections centres is fragmented and lacks coordination.
- . There has not been thorough assessment of the financial viability of organisations contracted to operate community corrections centres.

RECOMMENDATIONS

23. The Director (Community Corrections) evaluate the effectiveness and viability of existing contract managed community corrections centres and the WORC

scheme, with a view to ensuring optimal use of these lower cost options to secure custody, and report to the Director-General by 30 September 1994.