



Parliament of Tasmania

LEGISLATIVE COUNCIL

GOVERNMENT ADMINISTRATION COMMITTEE "B"

FINAL REPORT

ON

The Overtime Costs of the Tasmanian Prison Service

Members of the Committee Inquiry

Mr Ivan Dean MLC (Inquiry Chair)

Mr Kerry Finch MLC

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Mr Tony Mulder MLC

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Introduction

At the meeting of the Legislative Council Government Administration Committee "B" on Thursday, 29 March 2012, it was resolved that an inquiry be established with the following Terms of Reference:

- To inquire into and report upon the overtime costs of the Tasmanian Prison Service

Public hearings were held in Hobart on 16 April, 8 May, 10 July, 16 October and 29 October 2012. A total of nine witnesses gave verbal evidence to the Committee at these hearings.

On 22 May 2013 an Interim Report was Tabled in the Legislative Council.

Following the presentation of the Interim Report, two further public hearings were held in Hobart on 2 August 2013 and 20 September 2013. Three witnesses gave verbal evidence to the Committee at those hearings. The Committee also met on three further occasions.

The Hansard transcripts of all the hearings, which form part of this report, are publicly available online on the Committee's inquiry webpage at: http://www.parliament.tas.gov.au/ctee/Council/GovAdminB_Prison.htm

These transcripts should be read in conjunction with both the Interim Report and the Final Report, which contain extracts of the verbal evidence received by the Committee.

In all, the Committee has met on sixteen occasions in relation to this inquiry, including a meeting, tour of inspection and hearing of evidence at Risdon Prison Complex on 29 October 2012.

Following consultation with the Committee, the Inquiry Chair also met with Corrective Services personnel in New South Wales during a private trip to Sydney. As a result of this meeting, the New South Wales officials gave evidence to the Committee by teleconference on 16 October 2012.

Background

As mentioned, this Report is the second to be issued by Government Administration Committee B in relation to the overtime costs of the Tasmanian Prison Service. The Interim Report outlined the history of the issue, dating back to the 1980s when two Legislative Council Committee Reports made recommendations on reducing the prison overtime costs.

The Interim Report also presented evidence showing that in recent years little was achieved to address the problem despite overtime costs being a major issue raised at Legislative Council Estimates Committees on an annual basis. It was as a result of the failure to achieve any reduction in the overtime costs that this Legislative Council inquiry was established.

This Final Report does not cover any of the prior evidence contained in the Interim Report. The Committee strongly recommends that the two Reports be read by those who have an interest in this matter.

It is also important to realise that the Hansard Transcripts of the public hearings held by the Committee form part of both Reports. While the Reports canvas the issues raised in evidence at the hearings, the Transcripts contain all of the verbal information presented to the Committee and are essential reading for those wishing to fully appreciate the seriousness of the problem and the steps now being taken to deal with it.

Since the presentation of the Interim Report in May 2013, the Committee has had the benefit of information provided to the Legislative Council Estimates Committee examining the Department of Justice budget in June 2013, as well as two public hearings held on Friday 2 August 2013 and Friday 20 September 2013. Detailed evidence was provided at these hearings by the Deputy Secretary of the Department of Justice, Mr Robert Williams, the newly-appointed Director of Prisons, Mr Brian Edwards and the Director of Finance with the Department of Justice, Mr Stephen Morrison.

The Committee wishes to make brief mention of the appointment and subsequent resignation of the previous Director of Prisons, Mr Barry Greenberry.

While an examination of that issue is outside the Terms of Reference of this Committee, it impacted on the efforts by the prison service to reduce overtime costs. The Committee did take verbal evidence from Mr Greenberry and was, as mentioned in the Interim Report, favourably impressed by what he had to say. However, the appointment and resignation of such a senior officer within a matter of months does not reflect well on any organisation and this is the case for the Department of Justice and the Tasmanian Prison Service (TPS).

It is, nevertheless, to the credit of both organisations that this failure has been acknowledged publicly and strategies have been introduced to implement the changes necessary to reduce the prison's overtime costs.¹

Mr Williams also noted in his evidence at the September hearing that the public and media focus on events involving the prison service, including the circumstances around Mr Greenberry's resignation, did impact on staff, but they had responded professionally.

*'Mick Palmer said that the people in the service are good people who just need the right direction to get the best out of their jobs. They want to be proud of what they do and the publicity that they have had over the last few years has been incredibly disheartening. They are conscious of that and through all the public and media coverage of events, say, around Mr Greenberry, not a word has come from the prison staff. They have been entirely professional in the way they have dealt with it. Some years ago that probably would not have been the case that there would not have been leaks. I am incredibly proud, and it is a sign of cultural change, that the staff have kept quiet and behaved entirely professionally. It is a very difficult thing because they wanted to come out and defend themselves and say that we are not like this publicity says. We are hard-working, in the middle of a change program and we have achieved a huge amount. That has been difficult for them in terms of the media coverage.'*²

He also acknowledged that the Committee's inquiry into the overtime costs issue had been a beneficial process for the prison service.

*'There is only one answer and that is yes. This committee's scrutiny and the questions and the focus it brings on the issue raise its importance to all who listen and are concerned with this. This committee's interest and Mr Mick Palmer's Workplace Standards report create the drive for change. No-one ever loves being scrutinised but in the end it is the right thing and there should be no dark corners where lights aren't shone. There has never been the sense from myself or the people I have worked with that there has been anything but an honest and integrity-based approach to looking at what is a problem that has not been solved for many years.'*³

In this regard the Committee recognises that the Department and the TPS had responded to its suggestion in the Interim Report that they should liaise with their counterparts in New South Wales. The New South Wales Prison Service

¹ See p. 18 of the *Transcript of Evidence*, 2 August 2013, where Mr Williams agreed that Mr Greenberry's appointment was a 'mistake'.

² R. Williams, *Transcript of Evidence*, 20 September 2013, p. 23.

³ *Ibid.*, p. 24.

had already commenced a similar change process to that now being undertaken in Tasmania.

Mr Williams told the Committee that Mr Edwards had regular contact with his New South Wales counterparts.

'We had a lengthy conversation with them and talked through how we were going. Their sense was we [were] about where they have got to after several years, which is about a 50 per cent reduction, but we think we have quite a long way to go. They thought that we were tracking pretty well and doing the sorts of things that they had done. In fact Mr Edwards has been to their Brush Farm Academy and lectured them about some of the things we are doing. That was a pretty useful exchange of information.'

He also said the TPS had undertaken a number of initiatives in co-operation with New South Wales, for example:

'I have now signed off on the tender process to purchase an electronic rostering system, which is what they have done in New South Wales and in a number of other areas. That is just a tool. Part of the reason we have been able to manage our overtime more effectively is that we have had a centralised rostering process in place for some time now. The electronic rostering system just gives us the tool to do that more capably, but the business process is already in, in terms of centralised rostering. Some of those things were key in New South Wales and other places; every prison system tackles this problem week on week.'

The Current Situation

At the Committee's most recent hearing in September the Director of Prisons, Mr Brian Edwards, said that significant progress is being made in reducing the costs of prison overtime and in the associated process of facilitating cultural change.

Mr Edwards outlined the steps being taken, but emphasised that the task involved much more than just addressing the overtime question.

*'I think we are on a very solid path, but I am not only focusing on overtime. As a service we should be looking at operating costs for the Tasmanian Prison Service, which would include an aspect of overtime. My view is we should consider whether we have the right amount of budget, the right amount of staff, the right amount of material, are we buying the right amount of mattresses - all of that funding needs to be taken into account - not just overtime.'*⁴

Mr Williams elaborated on the need to improve the management of the overall budget for the prison service.

*'Things like our workers compensation costs over the past years have gone up so dramatically but the way the budget had been put together for many years was that everything was paid for no matter what it cost and everything on top of what we had was just classed as the excess which was overtime when in fact things like the power costs, the food costs, the workers compensation costs had spiralled out as well but they never appeared as such. While the overtime was always too high, it was not a fair reflection of what was working inside the prison budget to create excess costs because there were other things going up which were being masked by always calling the excess overtime. What we are trying to do now is to make sure we have a handle on all of the aspects of the budgeting. Wages have gone up year in, year out, electricity has gone up dramatically, water charges have been introduced and have risen and all of those things are contributing to the sort of the pressure we are under to reduce costs. If we just looked at overtime, which has been a good thing to work on, we will not make it sustainable for the future because we also have to look at how we, for example, reduce our power costs. We are trying to make sure we focus on proper budgeting across the board, not just overtime.'*⁵

⁴ B. Edwards, *Transcript of Evidence*, 20 September 2013, p. 3.

⁵ R. Williams, *op. cit.*, p. 3.

The lack of a properly constructed and managed budget for the TPS has clearly hampered any previous efforts to reign in overtime costs and the Committee is satisfied that this long-standing weakness is being addressed as Mr Williams explained:

'This is the whole genesis of the culture change program and the focus on the finances to try to get it to a stage where we can. I have been asked here before, should I ask the government for more money in the budget process? The answer has been until we have a sensible handle on what we really need I can't tell the government in all honesty that I need more money unless we're managing what we have in an effective and efficient manner. That is what we are trying to do now in dealing with the things that drive costs - not just overtime, but power and things like that. Brian is going through a process, which is not complete yet, of what is called 'zero-based funding', where you try to build the budget up from the bottom and ask, 'What do we really need?' I can't tell you until that process is finished where the zero-based budget is going to say, 'We needed more to operate the system'.⁶

Mr Edwards also addressed this previous failure to budget properly for the prison service..

'I have never seen a zero-based budget on the Tasmanian Prison Service being done before so we are starting from zero and I will build every bit of budget up. We are on solid ground, we are going forward, there will be peaks as there are in any change. There will be peaks and there will troughs but all our trends should be concentrating on public funds being spent efficiently. Every member of staff has honoured that and every member of staff has signed up to that.'⁷

The Committee is encouraged that the TPS is adopting a professional and disciplined approach to its financial management. This approach is also being extended to other aspects of the prison service operations as outlined throughout this report.

For example, Mr Williams told the Committee that staff training was now being undertaken in a structured way after many years of neglect.

'When Mick Palmer gave his report he identified what was obvious to everyone, that there had been almost no training in the prison service for as long as anyone could remember. When you started you got some but that was about it. The amount of training that is required to catch up is enormous and it will take years and years and years but we have made a really

⁶ Ibid., p. 19.

⁷ B. Edwards, op. cit., p.3.

*strong start and we have started to do a whole range of things. We have the performance management framework document and that sets out the sorts of things like what is expected.*⁸

He then provided details of how this new training regime (professional development) for staff was being implemented and how it is impacting on overtime costs.

*'We used to shut the prison down on Tuesday afternoons for training and that meant the prisoners were locked away at lunch time and they didn't come out until the next morning. It was hardly an ideal thing in a place that was already not running that well. That has gone because it wasn't a very effective system and we didn't get as much training done as we would like. Brian, since he has been here, has tacked on three days at the end of each person's annual leave for training. Instead of paying overtime, as we did for a lot of training, there is now three days scheduled on single time, rather than paying double time. That is a complete structural reform of making sure people get training but it is at single time and not double time. It is simple but it is innovative.'*⁹

Mr Edwards added that professional staff training was a major goal of the cultural change process underway at the TPS.

*'The target I have set the professional training department is to become a centre of excellence before the end of the year. You have heard from Robert about the amount of training that we are doing with the staff on personal development and we are also changing the way that we promote people, which is a learning process in itself. We now provide them with an internal job simulation assessment centre approach. If you want to become a supervisor you will do a three-and-a-half hour written examination on the work of the TPS and the prison service, which is going back to getting that involvement in the business and becoming a part of it. If they don't pass that they can't move to the next stage and all of that is a great learning process.'*¹⁰

Associated with this approach to training is a new performance appraisal system that, again, the Committee welcomes as another sign of cultural change within the TPS.

As Mr Williams explained:

'What we've done ... is develop a comprehensive package around performance management. We've worked with Skills

⁸ R. Williams, op. cit., 20 September 2013. P. 21.

⁹ Ibid., p. 22.

¹⁰ B, Edwards, op. cit., p. 22.

*Tasmania to come up with a skills package that says what competencies a person needs to have at each level through the system, and that has formed the basis of a performance package we now have and a predetermined pro forma and we're now rolling it out. These are happening and ... we hope we'll be 80-90 per cent complete in this financial year which will be a huge push forward. It is part of the leadership devolvement we've undertaken.'*¹¹

At the September hearing Mr Edwards said his goal was to have the performance appraisal package fully implemented for all staff.

*'I think you have a copy of our core framework which looks at attitude, how we deliver it. That will take time to get through. We are now at the managers' level, just below the senior managers' level. I am using this year to gradually move through and make sure we have a very good appraisal system in place. At the end of this year everyone should be done as regards to they know where they are and they know how they are going to do it. My expectations are that before the beginning of the financial year not only will this year's be closed off on the practice but next year everyone's will be open at the same time. That was always my aim.'*¹²

Another encouraging sign of cultural change that has potential to reduce overtime costs within the TPS is the process of devolving responsibility for budget management to the work unit level.

As Mr Edwards explained:

*'Our new project finance manager has met with every head of function, every head of function are now holding their functional meetings with their managers and we cascade every bit of information all the way down through. I test that with my constant inspections of place on a monthly basis and talking to staff. What pleases me now is when a member of staff will say, 'I know we cannot afford it but can we move in this way? I know this will cost overtime', so they are talking in that language. I think that is the start of a very big change. To answer your question on where are we going on cascading down, every month the head of that senior management function will report back on where they are within their budget and whether or not they have overspent. When I do bilaterals with my senior team who have been given their performance management plans, now we will sit down and I tell them it looks as if they are getting near the top of their spending in this area and ask what they are doing about it.'*¹³

¹¹ R. Williams, op. cit., 2 August 2013, p. 18.

¹² B. Edwards, op. cit., p. 10.

¹³ Ibid., p. 4.

This is reinforced by a corresponding devolution of responsibility for management of leave entitlements which is identified as a major factor in the high cost of overtime. Associated with this change has been the implementation of a centralised rostering system which includes a local work unit management role in addressing the consequences of short-notice or unplanned leave.

Specific training for supervisors has been provided to assist them to effectively use this authority and responsibility at the local level. Mr Williams outlined how this has been implemented:

*'One of the things we have done for the first time in a long time is given our supervisors some training so they can really take a bit of autonomous control of their units. We have devolved a lot of the authority for the operation of the prison down from higher levels of management back to the local unit managers, and as we start to tackle things like sick leave which was more centrally managed in the past, we have actually now put in an electronic employee self-service system into the prison which the department already had more broadly, which means that the managers on the floor have to deal with the sick leave applications themselves instead of them being sent off. That means they are more aware of absences and how to manage them, how to support staff back into the workplace, and these things have made a big difference. This past Tuesday was the second day ever that we had zero sick leave in the prison system, and the other day was within the last six months as well. The trend line in the overtime costs, the sick leave outcome in taking it back down to a reasonable benchmark and the fact that we are having days when no-one's sick is indicative of a much broader commitment by the staff to the job they are doing and doing well, and that is making the whole place run better, aggression is down with new operating models, especially in the high security units.'*¹⁴

Mr Edwards explained how short-notice sick leave, which has been a major contributor to high overtime costs in the past, is now being managed:

'We make contact within the first 24 hours of staff being sick and help them. We have gone from a family that had 'flu through the children and both parents and we will do everything we can to help that family with shopping, supporting them and taking them through. As soon as a person goes sick we will contact them within 24 hours for support, find out where they are and keep in contact. Because we keep in contact that is actually saying we care. People are now thinking about where they stand and how long they stay off and I have found people

¹⁴ R. Williams, op. cit., 2 August 2013., p. 4.

*are coming back to work a lot quicker. At every senior management team and every group meeting when the managers are meeting the staff they will have a piece of paper which will say we have had 12 off this month, here are the people who are off, how will we help them or have we a bit of delinquency there? If we have, we will have that person in, talk to them and find out where we are going but if they are ill, they are ill and we will care for them. If I find there is delinquency we would deal with that robustly and everyone knows that.'*¹⁵

Mr Williams also noted that a similar management system is now in place for absences related to workers compensation claims, another significant factor in overtime costs:

*'It is not just illness, it is workers compensation. The prison has driven the department to have a completely different way of looking at how it supports people who are off on injury. All the support that Brian has talked about is offered to people who are off on workers compensation but we have also instituted a mechanism with some parameters where cases that are going to be off for a longer period are now going to be examined by the secretary and the two deputy secretaries of the department, quite removed from the day-to-day management, care and support for the person but to look at what is going on so that cases do not get left. These cases can tend to roll on year in, year out, unless someone comes in and says this does not look like it is good for them or us so how do we move it forward.'*¹⁶

Mr Williams explained how unplanned absences are responded to at the local work unit level and how this impacts on reducing overtime costs:

*'What is really the issue for the overtime is what we do about it. So 11.2 days for last year is not a bad figure but it is below a lot of frontline industries. It is a fact that it always resulted in overtime costs every time. What has happened now is it doesn't result in overtime costs every time someone is sick because the staff risk assess. That is the huge difference even though we have to deal with the sick leave stuff and it is a serious issue. We are doing an audit to make sure that everyone has reported what they have taken is the response to the sick leave in flexibility that will decrease our overtime costs.'*¹⁷

Mr Edwards addressed this issue from the perspective of flexible work practices:

¹⁵ Ibid., pp. 4-5.

¹⁶ R. Williams, op. cit., p. 5.

¹⁷ Ibid., p. 16.

*'What we do is I now look at personnel covered in a different aspect. I look at that on showing how flexible our staff have become through this social change. Where we would normally straightaway call in overtime to cover a post, now we have staff flexibly moving from department to department in order to cover posts and where they are left blank it is because we had a risk assessment on that area and we did not cover it.'*¹⁸

The flexibility of staffing across a range of prison activities is also being expanded:

*'We are trying to use staff more flexibly. We have found where the Hobart Remand Centre does a lot of escorts across to RHH we have the formula - one of the reasons why it might have happened year in year out beforehand is because when I arrived and rechecked the formula for rosters - there were two aspects: The effective hours are worked when you are in - and that's not to do with how effective you are as a person, it is effective hours to the business, and non-affective hours. The non-effective hours were far too low. So, as a consequence, year on year on year you overspend, because you do not have the staff to cover it, would have been blown out of the water, as has been explained by your committee. We have now increased that formula to the correct level. As a consequence, we are now able to do more escorts with staff who are there and we don't have to shut down or do anything else. The expense of the escorts has gone down, even though it's still up from me running a change program and now taking on this job, I don't accept \$1 over. I am now saying our escort has come down, we have a handle on the escorts but it still is not good enough. We have increased the non-effective hour cover. The increase of the non-effective hour cover in the roster will start getting a handle on the short-term sick, the escorts and everything else that is going around, alongside a zero-based budget where I am hoping we can come back and say, 'This is where we are and this is the funding we need'.'*¹⁹

The centralised roster system is an integral part of this new management approach as Mr Williams explained to the Committee:

'... one of the things we have done is to purchase a centralised electronic rostering system. That will be in the implementation phase over the next couple of months and will give the prison service the ability - and this is a New South Wales system - to know where people should be, to choose how the roster is structured. If people aren't attending, it will be very clear because this system is going to link into the department's HR

¹⁸ B Edwards, op. cit., p. 2.

¹⁹ Ibid., p. 21.

*system. One of the things we are doing at the moment is an audit of sick leave between what the rosters say when people are at work and what their HR record is, and there are some disparities. We are cleaning up that, which is increasing our sick leave level in records because we are getting a better and more accurate picture. We are going through that process at the moment to make sure the records are clean when we start with the electronic rostering. The electronic rostering system will be critical for us being able to control where people are back-filled into. It won't be a local arrangement but at the same time we have given the local teams the ability to manage their own decisions about when they do want to recall someone based on the risk they perceive, but that will be a centralised function rather than a local function.'*²⁰

Mr Edwards provided further detail on how the new electronic system will operate in practice:

*'The central rostering system is coming in, but we are running a central rostering system now. The handle is the fact that we put out the rostering system to each group. Each group is responsible for then reporting back where there are any differences on that central rostering. If we are sending a central rostering system out to them, I know there is 200 hours that has to be covered, except for the unscheduled leave. When that goes down to the manager, if that has risen to 300 when we get it back, we question the manager on where that 100 is. The handle is we now have managers who are accountable for each of their areas. We have managers in the OD and I say to him and the rest of the managers, 'I am not satisfied with having this amount of hours shown when there were no hours on the original central rostering. What are you doing about it? Why is it there? I want to know why every member of staff was absent, what were they absent with'. Their job is to say to me, 'This one had flu, this one had this, this one was here, this one we are inquiring into'. So we do have a handle on it and we are driving it forward. It doesn't matter how you put it, whatever system you are running and whatever organisation you are running, you have to get the responsibility down to the individual, and that's the next thing we are doing.'*²¹

In addition to these changes the TPS has increased staff numbers and is now using a more rigorous recruitment process. Mr Williams gave evidence to the Committee about the rationale for the recruitment of extra staff and its part in reducing overtime costs:

²⁰ R. Williams, op. cit., 20 September 2013, p. 11.

²¹ B. Edwards, op. cit., p. 12.

*'Some of the things specifically we have done are to get behind the reasons for the overtime. The first thing we did was to look at our staffing model - to find that we did not have an effective staffing model. We had not in the model included provision for leave, for example, so structurally built into the staffing model for the prison system was a failure. We had to pay overtime every time someone went on leave. It was not until we pulled that apart and rebuilt the model last year that we realised we needed more staff on because everyone takes annual leave. There are a couple of days' sick leave every day or so and we had to build those into a staffing model. There are always people on board at single time which meant we didn't have to pay overtime. That was an important thing. We have recruited 43 new correctional staff over the 2012-13 financial year. That is against a loss by natural attrition of 16 staff and means we've had a net gain of 27 staff. We will also be recruiting again in the near future for about 16 staff to take into account departures, resignations - those sorts of things - to make sure we have a full complement of staff.'*²²

Mr Williams said an important part of recruitment was ensuring the right people were employed and were properly trained:

*'We also will ensure that we recruit only off that core performance framework so that the people that we are looking for are the ones that would behave in that manner. The right person for the job and suited for the job. There has not been fitness training for prison service recruitment for many a year but ... this year there will be, which I think is a handle behind a handle to get hold of the short-term sick and other methods of sickness.'*²³

The result of all these initiatives has been a reduction in the number of sick leave days taken, as Mr Williams told the Committee.

*'If you look at the question that came back on notice, it has 2010-11, 12.1 per cent; 2011-12, 12.9 per cent; and 2012-13, 11.3 per cent. When I spoke to you in June, at that point in time it was down to 9.4 per cent. It has spiked again a little bit this year. That's the trend down but I think the important thing, as well as understanding people have a legitimate right to 20 days sick leave - that is in the act of parliament that sets up the State Service entitlements - it's not just how much sick leave people are taking, it's what the response of the organisation is. Until recently the response was that you must backfill every position with overtime, and that's not happening.'*²⁴

²² R. Williams, op. cit., 2 August 2013, p. 2.

²³ B Edwards, op. cit., pp. 24-25.

²⁴ R. Williams, op. cit., 20 September 2013, p. 14.

The Department undertook to provide further statistics related to the decline in the level of short-notice absences after this exchange during the last hearing held by the Committee on 20 September 2013:

Mr MULDER - *Can I just focus you back onto the short notice, short-term stuff, not the holidays?*

Mr EDWARDS - *We have a handle every day on who is away and what we are going to do with it. If I find any delinquency anywhere, I deal with that in a robust manner. They will have to come and explain their attendance, or lack of it, to me and then I decide what action I'm going to take with that person.*

CHAIR - *Have you had to do that so far?*

Mr MULDER - *You've explained the mechanisms and the handle, but what is it telling you? How many of those interventions have you had to do?*

Mr EDWARDS - *Three. We deal with every single absenteeism every day for every member of staff. Every member of staff that is off will know that we have managers looking, the OD looking, and we will audit it.*

Mr MULDER - *How is it trending, the short notice short term?*

Mr EDWARDS - *It is trending down.*

....

Mr EDWARDS - *The short term is trending down, except it will go up and down according to the seasons. This particular month, when I have done the analysis of past years, this area has always had a higher peak on short term than others so we are looking at why. We think it's the flu season, et cetera.*

Mrs TAYLOR - *Is that sick leave or holidays?*

Mr EDWARDS - *Sick leave. Sick leave will go up and down but we have a handle on that.*

Mr MULDER - *So your short-term, short-notice sick leave or leave is trending down?*

Mr EDWARDS - *Yes.*

Mr MULDER - *Do you have the comparative data with the numbers and how that's trending down?*

Mr EDWARDS - *Yes.*

Mr MULDER - Also, do you have comparative data with other prison services or even, for example, other Tasmanian government agencies?

Mr EDWARDS - I'm not sure we have. I know we are below New South Wales but then there's a comparison in size. I know we are below Victoria.

CHAIR - The data you have in relation to your own system at the present time, can you provide that to the committee?

Mr EDWARDS - Yes.²⁵

The Department's written response is included with the Report at Appendix 1.

The Committee notes that the data in this response relates only to total sick leave figures rather than short-notice absences which were the subject of the exchange above. This specific detail about short-notice sick leave was requested by the Committee a number of times, but not provided.

However, the Committee notes that there are some other changes, related more to the prison infrastructure and the well-being of prisoners, which also have had an impact on the levels of staff absences, as detailed in the Committee's Interim Report. These included a lack of educational and occupational training programs for prisoners and inadequate or incomplete infrastructure at the prison. This increased the potential for disruptive incidents or lockdowns where prisoners were locked in their cells for extended periods. In turn, these events had an impact on staff well-being, health, stress levels and job satisfaction, leading to workers compensation claims and short-notice absences linked to sick leave.

There have been improvements in these areas as part of the cultural change program being implemented in the TPS, as Mr Edwards explained:

'I think earlier directors and a lot of people have worked very hard for the Tasmanian Prison Service but, with my experience in running prisons, I did not think that you had enough experience in the past of people who had actually run prisons. What I picked up are fundamental flaws on moving forward. For instance, I will give you some examples. I would expect when I arrived to see a drug strategy team because 80 per cent to 90 per cent of the people behind our bars are having problems with drugs, and having problems with most of the drugs that cause crime. We did not have that and we needed to build it. I would have expected us to know how to deal with violence behind the bars. As you know, with Tamar and the other areas we had to look at that. Those are two very simple examples,

²⁵ T. Mulder, B. Edwards, A. Taylor, I. Dean, *Transcript of Evidence*, 20 September 2013, pp. 13-14.

but I think it is more endemic than that. So we had to go through that process of building that up.'

Mr Williams provided further details of the impact of prison violence on absences and the cost of overtime:

*'As you know, in the past few years we've had significant numbers of workers injured and that is unacceptable. We have worked very hard this year to try to bring that down and I can tell you that the rate of serious assault in the prison has come down significantly in the last 12 months. There are still assaults and they are unacceptable but the seriousness of them has decreased and, as such, the number of workers compensation claims for the financial year was down. I think we have given figures, probably in Estimates, but over the last three years the numbers of workers compensation claims was 73-79 and in 2012-13 it was down to 59. That has a double impact on our budget. First of all, when someone is off injured it is obviously a tragedy - people shouldn't go to work and leave injured at the end of the day - but it means that the vacancy they leave has to be filled and because we have just enough staff to do it, it's usually on overtime.'*²⁶

Progress is also being made on improving the prison infrastructure to improve the well-being of prisoners and potentially reducing the levels of recidivism.

Mr Edwards outlined some of the work being undertaken:

*'We are building TAFE-style buildings. We are building bricklaying, electronics - those sorts of trade training areas. We have classrooms to try to look at our business of what happens by assessing people who come in, find where they are on their English and mathematics and basic education. We are building in those support channels. We are building so that we can start running more drug courses than we have been in the past and we need to take on professional people to do that. We are building a recreational hall, not for the fact that we want to put in excessive weight training or stuff of that nature but we need to teach people to re-socialise and to work together and engage in teamwork. We have the oval at the back of that. We want to build a multi-faith room in there so people can look after multi-faith areas. The last thing we have to sort out is at the end of having organised all of these things and including some security system upgrades we have to see how much is left for building accommodation, which was not the primary role of this project as this project was about activities, education and training.'*²⁷

²⁶ R. Williams, op. cit., 2 August 2013, p. 3.

²⁷ B. Edwards, op. cit., pp. 6-7.

The target, as Mr Edwards told the Committee, is for the prisoners to have meaningful and useful activity every day:

*'Following all the building construction, in order for us to be good at our business we have to prepare for these new buildings. There is a very good department ... [that] we call the Prisoner Employment Activities Board. That board is already meeting now as a steering group ready to profile every prisoner on their need and to go through every activity. As we all put up an activity what we should be doing and what that group is working towards is to provide a structured day for each individual prisoner so that they know they are either working in the laundry or they are going to attend a drug course in October so everything will be planned out into a correct format. All of that work we started two months ago ready for completion of this. When it is finished we should have a complete plan to deal with - I have set a target of 100 per cent of activity for every prisoner.'*²⁸

Mr Williams said that there had already been a significant increase in vocational education and training.

*'In fact I think I mentioned last time that we have gone from something like 15 000 hours of vocational education and training a couple of years ago to over 30 000 hours now. That has been a spectacular success in terms of increasing availability and, as Brian said, if we get the planning for prisoners industry and education right inside the prison then it has to be aimed at the labour market on exit. We have been working with the Education department on getting the vocational skills right so a lot of the people can be attractive to employers in industries when they leave the gate.'*²⁹

²⁸ Ibid., p. 9.

²⁹ R. Williams, 20 September 2013, p. 9.

The Committee Response

The Committee is encouraged that the recurrent annual overtime cost over-run is being addressed.

It is notable that it took the work of this enquiry to focus the TPS change program on reducing overtime costs, particularly by the development of contemporary Key Performance Indicators and drawing attention to the work of other jurisdictions, particularly the New South Wales Prison Service.

The Interim Report outlined the history of empty promises to deal with this issue by various Ministers over many, many years. That history should be a constant reminder to future governments not to allow this situation to be repeated.

While the evidence shows that significant steps are now being taken and that there are indications they are having at least some initial success, the history of this issue is a reason for a degree of caution.

FINDINGS

The Committee FINDS that -

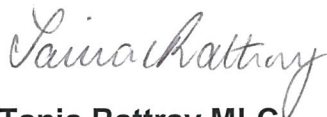
- Record keeping and monitoring of inappropriate short-notice sick leave by the Tasmanian Prison Service (TPS) has been inadequate, given that this type of leave has previously been identified as a key driver in the frequent increases in the overtime budget.
- Without appropriate monitoring and record-keeping it is not possible to identify whether the cultural change is impacting on overtime costs or whether any decrease is the result of employing additional staff.
- There are encouraging signs that the culture of the TPS is changing for the better.
- The implementation of a new performance appraisal system based on contemporary Key Performance Indicators (KPIs) is an encouraging development.
- Devolving responsibility for budget management and leave entitlements to local work units is giving greater control and responsibility for outcomes to unit supervisors and their staff.

- The TPS has begun addressing years of inadequate training and professional development of staff at all levels.
- There is an overdue recognition by the TPS of the need to improve the development and management of the overall prison service budget, including, but not limited to, overtime costs.
- Progress has been made this financial year in reducing the cost of overtime within the TPS, however a comparison with previous years has not been provided.
- While overall sick leave levels have fallen in the past year, no specific data was provided to indicate a reduction in the number of short-notice absences, even though verbal evidence indicated that such a reduction had taken place.
- The TPS has employed additional staff this financial year as one measure to reduce overtime costs and this has been accompanied by more rigorous recruitment standards and improved training of recruits.
- The evidence shows that the inadequate and incomplete infrastructure at the Risdon Prison, along with limited educational, vocational training and rehabilitation programs available to prison inmates has contributed to the level of staff absenteeism and short-notice leave, such as sick leave.
- Progress is being made to improve the inadequate and incomplete infrastructure at the Risdon Prison Complex which was to have been part of the redevelopment of the prison.
- The TPS is expanding the range of vocational training and education opportunities for inmates at the prison.
- The range of cultural changes, management reforms and infrastructure improvements being made within the TPS are incomplete, but ongoing.

RECOMMENDATIONS

The Committee RECOMMENDS that –

- The Minister for Corrective Services tables, at least twice a year, a detailed report on the progress being made in reducing short-notice absences and in implementing all aspects of the cultural change process at the TPS, with particular reference to their impact on reducing overtime costs.
- The relevant Legislative Council Budget Estimates Committee give special attention to examining the level of short-notice absences and the progress of the cultural change process at the TPS and their impact on reducing overtime costs;
- Subject to the outcomes of the Legislative Council Budget Estimates Committee process, the relevant Legislative Council's Government Administration Committee re-establish this inquiry within two years.
- The State Government continues to fund, as a priority, the completion of the infrastructure redevelopment at the Risdon Prison and the full implementation of training and associated programs for inmates to assist in the reduction of overtime costs within the TPS.



Tania Rattray MLC
Committee Chair
12 November 2013



Ivan Dean MLC
Inquiry Chair
12 November 2013

APPENDIX 1

*Tabled 15/10/13.
Emailed to all members
14/10/13*

Legislative Council
Government Administration Committee 'B'
Inquiry into the Overtime Cost of the Tasmanian Prison Service
Questions on Notice

The Committee requested comparative data in relation to sick leave with other prison services or Tasmanian government agencies. Unfortunately the only comparative data available is that contained in the 2010 KPMG Internal Audit into Absence Management within the Department of Justice.

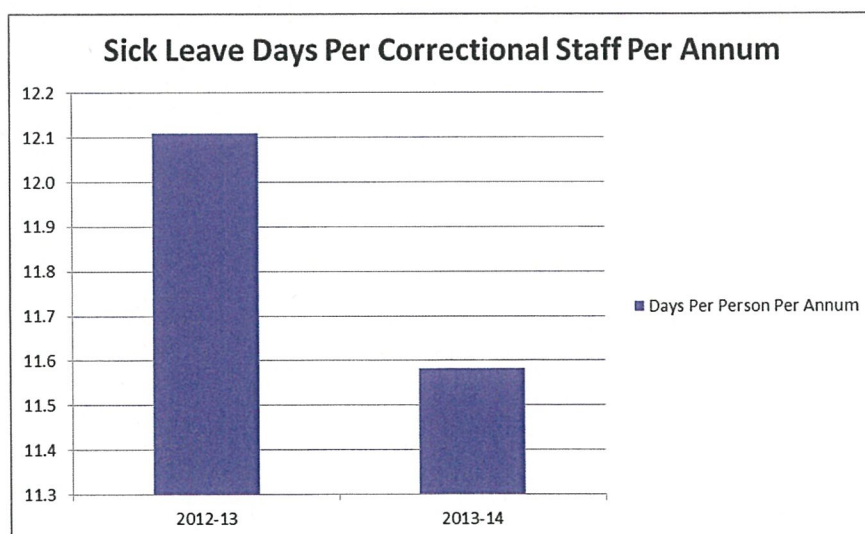
The objective of the audit was "to consider the controls over absence management within the Department and benchmark the processes, policies and performance (personal leave data) against other state jurisdictions in the Justice / Correctional Services Sector."

Several states and territories provided information to the auditors on a confidential basis and the identities of these states and territories was removed from the attached published version of the report.

The information below is provided by way of update following the hearing on 20 September 2013.

Sick Leave for Correctional Staff	2012-13	2013-14
To 30 September	781	818
Days Per Person	3.0	2.9
Days Per Person Per Annum	12.1	11.6

The following graph describes the annualised number of sick days per correctional staff member from 1 July to 30 September for the 2012-13 and 2013-14 financial years.

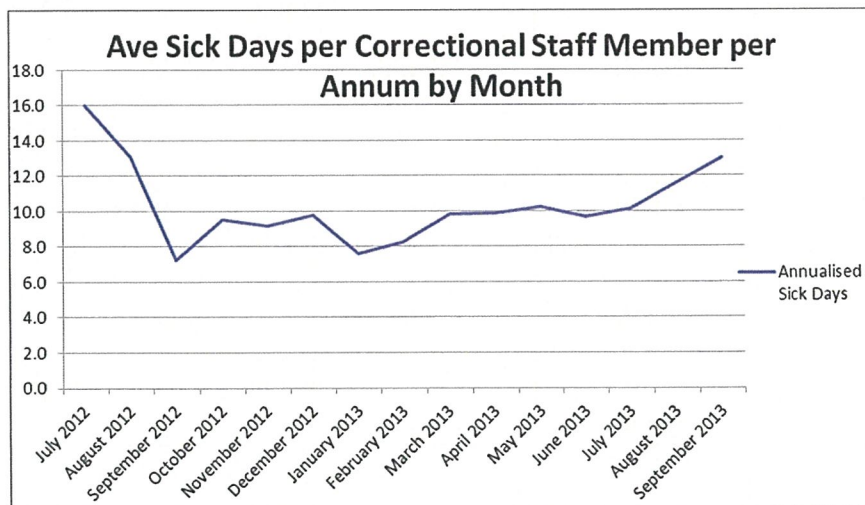


	Ave Sick Days per Staff Member per Annum
July 2012	16.0
August 2012	13.1
September 2012	7.2
October 2012	9.5
November 2012	9.2
December 2012	9.8
January 2013	7.6
February 2013	8.2
March 2013	9.8
April 2013	9.9
May 2013	10.2
June 2013	9.6
July 2013	10.1
August 2013	11.6
September 2013	13.0

The following graph shows the annualised number of sick days per correctional staff member per month from 1 July 2012 to 30 September 2013.

It was mentioned in the most recent Inquiry hearing, that the Department expected sick leave to have increased in recent months due to a thorough audit by the TPS into the absence activity of all correctional staff over the last few years.

Mr Robert Williams explained that "One of the things we are doing at the moment is an audit of sick leave between what the rosters say when people are at work and what their HR record is, and there are some disparities. We are cleaning up that, which is increasing our sick leave level in records because we are getting a better and more accurate picture. We are going through that process at the moment to make sure the records are clean when we start with the electronic rostering."



APPENDIX 2**LIST OF WITNESSES****DEPARTMENT OF JUSTICE**

Mr Robert Williams

Mr Greg Partridge

Mr Brian Edwards

Mr Barry Greenberry

Mr Stephen Morrison

**COMMONWEALTH PUBLIC SERVICE UNION
and SPOKESPERSON FOR UNITED VOICE**

Mr Matt Johnson

NSW DEPARTMENT OF CORRECTIVE SERVICES

Mr Dave Farrell

Mr Glenn Thorsby

Mr David Huskins

QUEENSLAND CORRECTIVE SERVICES

Mr Chris Udemans

APPENDIX 3

DATES AND VENUES FOR MEETINGS and DATES AND VENUES FOR PUBLIC HEARINGS

29 March 2012

Parliament House
Hobart

Establishment meeting

16 April 2012

Parliament House

Hobart

Public Hearing

Mr Robert Williams

Mr Greg Partridge

Mr Brian Edwards

8 May 2012

Parliament House
Hobart

Public Hearing

Mr Matt Johnson

27 June 2012

Parliament House
Hobart

Meeting

10 July 2012

Parliament House
Hobart

Private Meeting

29 August 2012

Parliament House
Hobart

Meeting

16 October 2012

Parliament House
Hobart

Public Hearing

Interstate witnesses via
teleconference:

NSW Department of Corrective Services

Mr Dave Farrell,

Mr Glenn Thorsby

Mr David Huskins

Queensland Corrective Services

Mr Chris Udemans

29 October 2012

Risdon Prison
Hobart

Public Hearing

Mr Barry Greenberry,

Mr Robert Williams

Mr Brian Edwards

21 November 2012

Parliament House
Hobart

Meeting

20 March 2013

Parliament House
Hobart

Meeting

19 April 2013

Parliament House
Hobart

Meeting

9 May 2013

Parliament House
Hobart

Meeting

13 June

Parliament House
Hobart

Meeting

2 August 2013

Parliament House
Hobart

Public Hearing

Mr Robert Williams and
Mr Stephen Morrison

20 September 2013

Parliament House
Hobart

Public Hearing

Mr Robert Williams and
Mr Brian Edwards

15 October 2013

Parliament House
Hobart

Meeting

16 October 2013

Parliament House
Hobart

Meeting

29 October 2013

Parliament House
Hobart

Final meeting