INFORMATION PORTFOLIO

Expressions of Interest for Private Sector Involvement in NSW Correctional Industry Programs
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1. Corrective Services NSW
(Extract from Corporate Plan)

Purpose

Corrective Services NSW provides custodial and community-based services as an important element of the criminal justice system. They include correctional centre custody of remand and sentenced inmates, home detention, parole, pre-sentence reports and advice to courts and releasing authorities, community service orders and other forms of community-based offender supervision. Offenders in custody and those supervised in the community are assessed for relevant interventions to reduce their risk of re-offending.

Corrective Services NSW works in partnership with other government and non-government justice and human services agencies in regard to inmates in custody and offenders in the community.

Values

**Justice and Equity**

- Regard for community expectations and public interest
- Safety, welfare and positive development of inmates and offenders
- Secure and humane management of inmates
- Commitment to cultural and linguistic diversity
- Understanding of, and regard for, Aboriginal history and aspirations

**Accountability and Transparency**

- Continuous organizational improvement
- Ethical use of public assets and resources
- Quality in service delivery

**Collaboration and Communication**

- Engagement with relevant government and non-government agencies to achieve corporate goals
- Effective and appropriate external and internal information exchange
Responsibility and Respect

- Professionalism
- Safety and wellbeing of staff
- Continuous learning and professional development

Planned Results

- Reduced risks of re-offending
- Safe, secure and humane management of offenders
- Community support and successful re-integration
- Effective corporate governance, systems and resource management

Key Result Areas – Offender Management

- Effective security and management of correctional centres
- Effective supervision and monitoring of offenders in the community
- Offender participation in effective program to reduce risks of re-offending
- Effective arrangements during times of transition from community to custody and from custody to community

Key Result Areas – Organisational Capability, Governance and Staff Support

- Corporate systems, policies and support services enable achievement of operational goals and performance targets
- Cost efficiency and efficient asset management
- Sustainable environment management practices, including energy, water and land management
- Safe and healthy work place
- Professional and ethical conduct
- Workforce capability supported by workforce planning and management
2. The Role of Corrective Services Industries - CSI

CSI plays a central role in helping the Department to achieve its Statement of Purpose and Values. Its very existence emanates from the longstanding community value which recognises that work is the cornerstone of an effective society. Accordingly, the commitment to work is a primary component of inmate rehabilitation within the New South Wales correctional system.

CSI also has an integral part to play in the efficient management of Correctional Centres and by creating meaningful activity for inmates, a mechanism is provided whereby they may contribute towards reducing the cost of their incarceration and towards the good order of the Centre.

This philosophy enables CSI to offer a comprehensive program of operations that are designed to meet a number of objectives:

**Inmate rehabilitation**
- To develop a work ethic
- To develop employment, vocational and life skills

**Correctional Centre Management**
- To enhance the personal development of inmates
- To alleviate boredom and/or the pursuit of undesirable activities
- To provide labour to help run Correctional Centres

**Economic Considerations**
- To enable inmates to contribute to reducing the cost of their incarceration
- To maximise the self sufficiency of Institutions
- To reduce the public funding of Correctional Services

**Community Expectations**
- To fulfill community expectations of reparation and rehabilitation
- To undertake community projects
3. **Correctional Industry Contemporary Definition and Operations**

Correctional Industry Programs in New South Wales are provided through various Correctional Centre service functions such as inmate food provision, building and ground maintenance to maximise the self-sufficiency of centres, and additionally through a range of commercially based operations trading as “Corrective Services Industries” and structured through various business divisions:

Those divisions include:
- Services
- Engineering
- Furniture / Demountables
- Print
- Textiles / Laundries
- Agriculture
- Food Services
- Technology & Assembly
- Sawmill
- Private Sector

Over 100 such facilities are currently in operation throughout the New South Wales Correctional System, providing a diverse range of products and services to the public and private sectors. Please refer to the CSI website: www.csi.nsw.gov.au.

Private Sector participation is widespread throughout New South Wales Correctional Industries. This better enables Corrective Services NSW to focus on inmate management and the private sector on introducing a commercial culture and operational ethos.

Private Sector involvement in correctional industries can take a number of forms: viz:

- **Level 1:** Private sector management and operation of business unit.
- **Level 2:** Business unit dedicated to a private sector organisation with private sector managerial support.
- **Level 3:** Subcontract work – continuous basis
- **Level 4:** Subcontract work – adhoc basis
- **Level 5:** Sale of CSI products/services to private sector.

A number of existing examples of private sector involvement in CSI are:

- manufacture of cattle oestrus detectors
- milling of timber
- refurbishment of airline headsets
- refurbishment of electrical appliances
4. **Correctional Industries Scope**

Without in any way restricting the scope of expressions of interest submitted, it is important to consider the implications of operating commercial ventures in a correctional environment. This observation is made in the context of obvious difficulties of correctional industry operations where marketing strategies do not recognise operational constraints.

In this context the following factors require consideration:

**Correctional Centre Security**

Work undertaken by inmates, whilst offering considerable scope, cannot be permitted to compromise security in relation to the safety of staff, inmates and the community.

**Correctional Centre Routines**

The availability of inmates to work is related to correctional centre routines which impact upon availability of inmates for work, inmate working hours and other factors such as musters, legal visits, court appearances and the movement of inmates between centres.

**Inmate Competency**

The correctional population contains a core of trade skilled and vocationally experienced inmates who are able to undertake a broad range of work functions.

However many inmates do not possess vocational work skills and therefore all correctional industry programs embrace employability skill programs to address these skill deficiencies.

Experience indicates that successful correctional industries are those that provide a continuity of production expectations coupled with skill requirements which recognise the turnover and capacity of the workforce.
5. **Correctional Industries and Other Businesses**

The organisation and operation of correctional industry programs in New South Wales adopts a sensitive approach to generating work opportunities to avoid any unreasonable impact upon community employment.

In this regard a range of controls are in place to ensure that correctional industry operations are sensitive to other businesses. The publication “CSI and Community Businesses”, enclosed within this package, sets out in more detail the nature of the issues involved and the controls in place including a grievance handling mechanism.

In addition the Correctional Industries Consultative Council – CICC, consisting of representatives of NSW Business Chamber, Australian Industry Group, Unions New South Wales, a community representative and senior officers of the Corrective Services NSW is charged with the responsibility to oversee the business development and other activities of CSI to ensure they are indeed sensitive to other businesses.

In this regard evaluation parameter 7. m) requires information on the potential impact of any proposal on other businesses. It is stressed that this represents a key evaluation parameter.

6. **About this Expression of Interest**

CSI operates correctional industries at a number of locations throughout NSW.

CSI seeks proposals from the private sector to utilize the productive capacity of the above facilities.

Proposals could be, but not necessarily restricted to cost reduction initiatives or initiatives such as product and service range expansions, expansion of current operations.

In the case of each facility the level of capital infrastructure investment will be factored into the evaluation of proposals.

**Please note** that successful private sector Correctional Industry proposals will be documented by a contract.
7. Guidelines for Proponents

To submit a formal expression of interest the response will require to focus upon the following evaluation parameters:

a) Current business structure, nature of business and references to support business credentials.

b) Nature of business proposed.

c) The objectives and any business related aspects that underlie interest in the proposed venture.

d) An indication of company needs and expectations in relation to supervision of inmates, number of inmate workers and inmate skill requirements.

e) A specific location for the venture should be nominated.

f) The feasibility of the proposed venture to a correctional centre environment utilising inmate labour.

g) The extent to which the productive capacity of the specified unit is to be utilised including recognition of the operating conditions and operating hours of the facility.

h) The continuity with which that productive capacity utilisation can be sustained in the short and long term.

i) The proposed level of involvement in the venture with particular emphasis upon management and staffing of the facility and interface with Departmental staff.

j) Proposed economic arrangements in relation to remunerating Corrective Services NSW for use of the facilities, overheads and provision of inmate employment.

k) Proposed arrangements in relation to the provision of plant and equipment, supply of materials, consumables and transport.

l) The proposed duration of any arrangement. A period involving a contract duration of two years, plus two years option is preferred.

m) The impact of the proposal upon other Australian businesses and the likely reaction of other businesses. (A copy of an industry impact statement schedule which would be required to be accepted by the Correctional Industries Consultative Council is enclosed.)

n) When it is envisaged the proposal could be implemented.
8. **Evaluation of Proposals**

Evaluation of proposals will be carried out as a high priority. Subject to the acceptability of any proposal it is proposed to proceed directly to implementation subject to endorsement by the Correctional Industries Consultative Council.

If you have any questions please do not hesitate to contact Suzanne Portefaix, Business Development Manager on (02) 4582 2403. The Business Development Manager will be coordinating the evaluation of this proposal and is available to respond to any enquiries. You may wish to refer to our website: www.csi.nsw.gov.au.

9. **Attachments**

- Industry Impact Statement Template
INDUSTRY IMPACT STATEMENT

Name of Company

Requirements for Industry Impact Statement

The proponent and or CSI representative must ensure that all fields within the Industry Impact Statement are completed and accurate. A CSI representative can assist the proponent in this process.

1. Background to Industry Impact Statement.

2. Name of sole trader; partnership; company, ABN number.

3. Name of principal/s, director/s.

4. Address of proponent.

5. Whether member of employer association/s. If not, why not?

6. What is the nature of the proponent’s business?

7. What is the nature of the Correctional Industry business proposed? Does it service internal/external (Corrections) markets?

8. Does the proposal embrace an import replacement or off-shore manufacturing prevention endeavour and if so, how is this achieved?

9. What is the motivation for utilising a Correctional Industry opportunity?

10. Does the business proposal align with the core business of the proponent and if so, how is this achieved?
11. Who are the competitors of the business proposed (name and nature of businesses)?

12. What effect will the proposed business have on competitors? Will the proposal impact upon the market share of the key players?

13. Elaborate on whether the proposal will have an impact upon employment levels of competitors, and to what extent.

14. How many employees are in the employ of the proponent that relate to the proposed business activity with CSI broken down into the various areas of responsibility (e.g. administration, operations, marketing, logistics etc) noting whether they are permanent or non permanent staff. Will the proposal have an effect on the number of employees and/or hours of work?

15. What trade unions provide coverage to the industry?

(Where the appropriate Trade Union is not known, the proponent is to contact the Secretary of the CICC on 8346 1601 who will seek this information from Unions NSW to determine if there are any affiliated Trade Unions which would cover the proponents existing business activity)

Are the proponents existing employees being correctly remunerated under the applicable Industrial Award?

16. Has the proposal been discussed with employees/trade union (provide formal documentation of dialogue covering these discussions). In a business activity where a Trade Union is represented, correspondence from the Trade Union covering these discussions on the proponents proposed business activity with CSI is required.

In relation to this question the proponent is to allow Correctional Industries Consultative Council members to meet with staff of the proponent. The purpose of the meeting is to ensure that staff of the proponent are not going to lose their employment because of the business activity with CSI and to advise staff of the grievance handling mechanism developed by the CICC should they believe that their positions were being threatened because of the activity with CSI. The CICC members will include a representative from Unions NSW and may include a representative from AIG, NSW Business Chamber or Community Representative depending on the proponent and CICC’s requirements.
17. How many full time equivalent employment opportunities are provided to inmates?

18. What vocational skills does the proposed business endeavour provide to inmates? Do these skills provide relevance to post release employment?

19. What level of capital structure is required?

20. Are there any other matters which are drawn to the attention of the Correctional Industries Consultative Council which may elicit adverse representations from the community/business or employee groups?

21. Does the proponent agree to notify the Council (through the CSI Executive Director) of any significant changes to the business (i.e. employee numbers, market price, competitors, subcontractors, suppliers)?

22. Does the proponent understand that if the Council is not notified of significant changes then termination of the agreement / operation is a potential sanction?

23. An updated impact statement will be required every 6 months.

24. Signature of proponent.

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