



Media release

The Hon Michael O'Brien MP
Treasurer

The Hon Edward O'Donohue MLC
Minister for Liquor and Gaming Regulation
Minister for Corrections
Minister for Crime Prevention

Tuesday 16 September 2014

Coalition Government signs contract for new Ravenhall prison

- **Contract signed to build \$670 million Ravenhall prison, creating 1,300 jobs**
- **GEO Consortium delivering extra capacity for the same cost**
- **Napthine Government building a safer Victoria**

The Victorian Coalition Government has signed a contract with GEO Consortium to deliver the state's new medium security men's prison at Ravenhall in Melbourne's west.

Treasurer Michael O'Brien and Minister for Corrections Edward O'Donohue today announced the signing, declaring it an essential step forward in Victoria's prison expansion program.

"This \$670 million capital investment in our prison system delivers the most cost effective solution by engaging with the private sector," Mr O'Brien said.

"The consortium that is designing and building the prison will also maintain and operate the prison over 25 years.

"As part of this investment, we are making a contribution of \$310 million to the project which will be paid once the prison is constructed and ready for operation. This will provide an incentive for the project to be delivered on time and reduce the amount of private sector debt over the life of the project," Mr O'Brien said.

"As a result of the PPP process I can also announce that Ravenhall will now have a capacity of 1,300 prison beds, instead of 1,000 beds, for the same cost. We are responsibly planning for the future of the prison system.

"This is the type of outcome that can only be delivered by a Coalition Government working with the private sector.

"Victorians are well aware that Labor can't manage money and can't manage major projects, even before they start tearing up signed contracts."

Mr O'Donohue said the Ravenhall project will result in the creation of 700 jobs during peak construction periods and 600 ongoing jobs, and will be a crucial facility for the corrections system in the decades to come.

"Ravenhall represents a major investment in Victoria's corrections system and will deliver additional capacity to the system through a modern and secure facility," Mr O'Donohue said.

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“Ravenhall will have a strong focus on community safety, with the operator, GEO Australia, delivering a range of programs designed to reduce reoffending when prisoners are released back into the community.

“In addition, the prison will include 75 specialist mental health beds, the first male mental health beds added to the system since the Kennett Government was in office.

“The Ravenhall prison is a vital part of the Napthine Government’s efforts to make up for Labor’s shameful neglect of the prison system.

“Let’s not forget this is the prison Labor was told three times to build, and three times failed to build.

“Not only are we doing it, but we’ve done a better deal than Labor ever could.”
Major features of the project include:

- built capacity for 1,300 prisoners to meet possible future demand;
- modern prison technology to safely and securely contain prisoners;
- a 75-bed mental health unit, together with specialist mental health services for a further 100 other prisoners at Ravenhall;
- plans for service providers to continue to engage prisoners after release to further reduce their risk of reoffending;
- incentive payments for reducing reoffending across the prisoner population; and
- a flexible prison design allowing for future changes to cater for prisoners with different needs.

Mr O’Donohue said GEO Consortium comprises experienced operators who understand how the corrections system and public private partnerships work in Victoria.

Ravenhall prison has been deemed a Strategic Project under the Victorian Industry Participation Policy (VIPPP), which means GEO Consortium is required to source at least 85 per cent of materials and services locally.

GEO Consortium will exceed this target, committing to source more than 93 per cent of materials and services locally over the course of the contract. This may include materials such as steel, security systems and electrical and mechanical equipment and services.

Construction of the prison will begin in 2015 and is expected to be complete by the end of 2017.

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GEO Consortium

GEO Consortium includes GEO Group, John Holland, Honeywell, Capella Capital.

Health services will be provided by GEO Care and specialist forensic mental health services will be delivered by Forensicare. Partner organisations that will deliver support services in the prison and post-release include the Kangan Institute, YMCA, Western Suburbs Indigenous Gathering Place Association and Melbourne City Mission.

