Treasurer Delia Lawrie today announced financial close had been reached with the consortium selected to build the new state-of-the-art prison at Holtze.

"Financial close has been reached with the Sentinel consortium, a joint venture comprising Bilfinger Berger Project Investments (BBPI) and Commonwealth Bank of Australia (CBA), Baulderstone, and Territory companies Sitzler and Honeywell as major partners," Ms Lawrie said.

"The $495 million new prison is a Public Private Partnership (PPP) contract to design, build, finance and maintain the Territory's major correctional facility over a 30 year period.

"The new prison precinct includes an 800 bed prison with capacity for a further 200 beds, the Territory's first Secure Mental Health and Behavioural Management Facility and a 48 bed Supported Accommodation and Program Centre for community-based offenders with an emphasis on linking to work opportunities.

"Construction will create more than 1000 jobs providing a very timely significant stimulus to the local economy as well as a modern and effective justice facility for the Territory."

The consortium has extensive experience in constructing prison facilities and will contract many local Territory companies including Project Plumbing, Nilsen Electrical, Woodhead, Clouston, McKenzie Irwin, Douglas Partners, MasterPlan, Cundall, Arup, Michels Warren Munday, QS Services, and Deloitte.

Treasurer Delia Lawrie said the announcement was a key step in the Territory Government's new era in corrections to address recidivism to slow the revolving door of repeat offenders.

"The new prison facility will greatly improve capacity to rehabilitate offenders with purpose built training and education facilities," Ms Lawrie said.

“The scope of the prison has increased to incorporate the 30-bed Secure Mental Health Facility to manage and treat offenders with a mental illness, behavioural problems or severe disability, as well as a Supported Accommodation Facility as well as increased education and training facilities."

With external site works underway since June, construction of the prison will begin before the end of the year, with the facility due to be open in mid 2014.

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