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Royal Commission into the management of police informants

Statement of Sandy White-O

STATES:

1. I am making this statement in response to a request from the Royal Commission into the Management of Police Informants. This is the second statement that I have prepared for the Commission. The first statement was not complete and was produced to the Commission in response to a Notice to Produce and was made in an attempt to comply with the Royal Commission's request to produce a statement by 22 May 2019.
2. Despite requesting Victoria Police access to relevant materials to help me prepare that statement on numerous occasions since early January 2019, I did not gain access to most of the documents until the 13 May 2019. Since that date I been overseas for a period of six weeks.
3. I have now had access to most, but not all, of the necessary documents and have prepared this second statement which for the purposes of clarity, includes the first statement in its entirety. I have not had sufficient time to read all relevant documents or to be in a position where I am confident that I can assist the Commission to the best of my ability.
4. Where necessary, I have referred to transcripts of conversations between myself and Ms Gobbo. Whilst helpful, these transcripts are far from accurate and both I and members of the SDU have found significant errors in the transcripts. Errors include attributed conversations showing a speaker saying 'I did ...', when in fact the truth is the speaker said 'I did not...' Names of entities are incorrect, for example one transcript refers to Paul Dale, when in fact the subject of the conversation is Paul Rowe. There is a world of difference.

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5. For the purposes of this statement the terms informer, criminal informant, human source and source are analogous.

Background and Experience (questions 1 and 2)

1. *Detail your educational background and employment history, including progression through the ranks and roles assigned.*
2. *Detail your training and experience in respect to the handling and / or management of human sources.*

6. I was a member of Victoria Police for 35 years between [REDACTED] 1979 and [REDACTED] 2014. I resigned at the rank of [REDACTED].

7. A summary of my duties is as follows:

- [REDACTED] – general duties at the [REDACTED] and [REDACTED] police stations;
- [REDACTED] – specialist duties at the [REDACTED] and the [REDACTED] Squad;
- [REDACTED] – criminal investigation at [REDACTED];
- [REDACTED] – General duties at the [REDACTED] Police station;
- [REDACTED] – [REDACTED];
- Appointed to review murder of [REDACTED];
- [REDACTED] – [REDACTED] (4 years);
- [REDACTED] – [REDACTED] (6 years);
- [REDACTED] – Manager Criminal Investigation at [REDACTED] CIB;
- [REDACTED] – [REDACTED];
- Appointed to review Informer Management Practices of Victoria Police which resulted in the creation of the Source Development Unit ('SDU');
- [REDACTED] – Manager Specialist covert duties – Source Development Unit, (8 years), State Intelligence Department; and

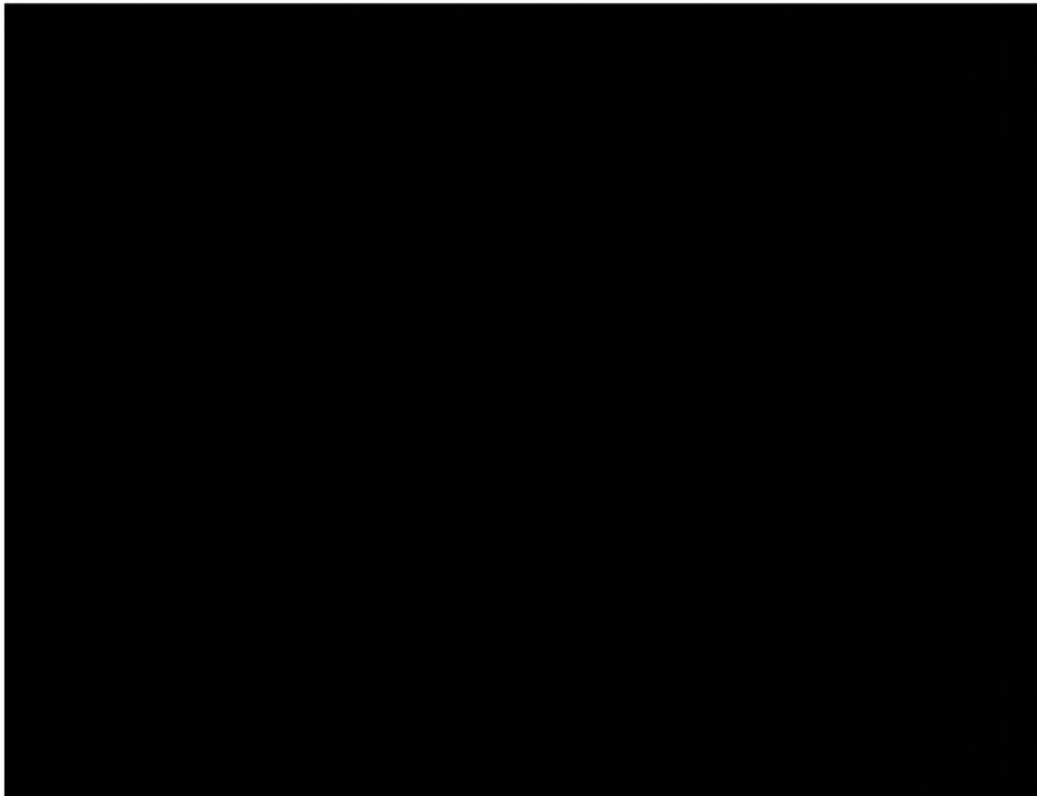
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- PII [REDACTED] – PII [REDACTED]
Crime Investigation as Manager, PII [REDACTED] (4 years), Chief
Commissioner's Office.

8. The professional awards that I have received include the following:

- National Police Medal;
- National Medal 1st clasp;
- Victoria Police Medal;
- Victoria Police Service Medal 4th clasp;
- PII [REDACTED] – commendation for award of the Australian Police
Medal;
- International Investigator's Award, PII [REDACTED]; and
- Five commendations.

9. The citation for the award of the Australian Police Medal reads:-

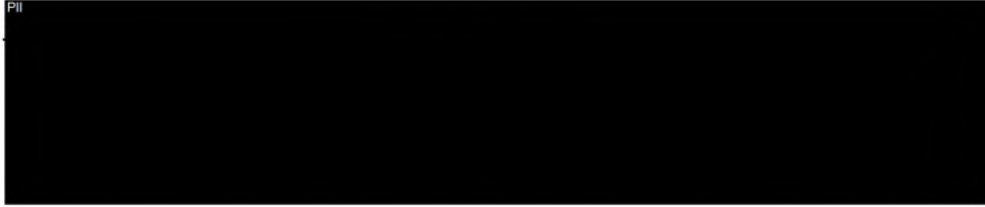


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10. I have throughout my entire career, maintained an appreciation of the value of human sources and also the inherent risks relating to the use of same. In my days as a constable I was highly motivated to become an investigator and very crime oriented. I was very fortunate to receive training in the recruitment and management of criminal informers by very experienced investigators such as Ron IDDLES and Tom SHAWYER, both of whom became mentors for me and both of whom are now retired.
11. During the late 1990's I was part of a [REDACTED] directed to review informer management practices within the Crime Department. Jack BLAYNEY who I believe was a Superintendent at that time and ^{Cruze - DSS} [REDACTED] who was a Detective Senior Sergeant were also involved in the project. BLAYNEY led the team. He, ^{Cruze - DSS} [REDACTED] and I had all been selected for the task because we had extensive informer management experience mainly through our careers at the Drug Squad and the Undercover Unit.
12. I recall the project recommended greater accountability for Detective contacts with informers, (now referred to as human sources) and also that an algorithm be used to create an identifying number by which all registered sources should be referred. This algorithm worked around the ^{PII} [REDACTED] of a source.
13. I cannot recall much more other than the fact that we were not part of an implementation team for the project findings and I don't believe any changes were made as a consequence of the project's findings and recommendations.
14. Having served in the ^{PII} [REDACTED] as a ^{PII} [REDACTED] and then the ^{PII} [REDACTED] as a ^{PII} [REDACTED], where at least 80% of investigations are source driven or at least initiated, I have had extensive exposure to source management.
15. As an ^{PII} [REDACTED] and investigator at the ^{PII} [REDACTED] I worked with sources on many occasions.

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16.



17. I do not think it is an exaggeration to say that my experience with human sources would exceed that of probably 95% of the police organisation.

Development of SDU (questions 3 to 6)

3. *Provide details of your involvement, if any, in the development by Victoria Police of the SDU.*
4. *Provide details of any national or overseas travel you undertook as part of the development of the SDU.*
5. *Provide details of your awareness of the involvement of officers of Victoria Police more senior in rank than you in the development of the SDU.*

18. On 27 July 2003, Assistant Commissioner Crime Simon OVERLAND provided a commissioning statement to Superintendent Tony BIGGIN, the officer in charge of the Major Drug Investigation Division to initiate a project to 'Review and Develop Best Practice Human Source Management Policy'.

19. At that time, approximately 80% of Major Drug Investigations were driven by human source intelligence.

20. It had been determined that a series of serious corruption related incidents at the Drug Squad were the direct result of improper relationships between police investigators and criminal human sources. As a consequence of these corruption incidents, members of the police force were convicted of serious criminal offences and imprisoned, an informer and his wife had been murdered and the reputation of Victoria Police had been severely damaged, undermining community confidence in the organisation.

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21. I was selected as the [REDACTED] for the project under the supervision of Supt BIGGIN and was directed to examine the way in which the Crime Department was using human source information and compare that with the national and if necessary international best practice in human source management, with an emphasis on:

- Using human source information as an organisational resource
- The identification and use of human sources in defined areas of need, based on intelligence and operational requirement
- Tasking human sources with specific requirements to further tactical and operational objectives
- The tradecraft required to leverage human source information as a major intelligence and investigation tool, and
- The consequences for current police, practices, procedures and training that flow from the findings

22. In order to complete this task I conducted an extensive literature review, attended the inaugural Australasian Human Source Working Group, conducted international research and conducted a consultation process which included one on one interviews with over 130 individuals who possessed extensive human source management experience.

23. I then prepared a paper for Victoria Police entitled; [REDACTED]
[REDACTED] (Doc ref) A copy of this paper has been produced to the Commission. This document when completed in 2004 and was presented to the Project Steering Committee which consisted of:

- Assistant Commissioner OVERLAND;
- Commander Terry PURTON;
- Commander Dannye MOLONEY; and
- Superintendent Tony BIGGIN.

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24. There were a total of 20 recommendations contained within this document.

(Doc ref)

25. The most substantial of these recommendations called for a six-month trial of a Dedicated Source Unit staffed by highly trained handlers, co-handlers and controllers. It also called for high level training for dedicated source unit members and the implementation of three new concepts in human source management:

- The application of a '*multi-tiered risk assessment*' model to all human source registrations,
- The application of the '*Sterile corridor*' to the management of designated high-risk human sources; and
- The application of '*Intrusive supervision*' for all source handling operations.

26. I can further elaborate on the meaning of these concepts.

Multi tiered risk assessment

27. At the time of the creation of the DSU/SDU we had determined that the Australian and New Zealand standard of risk assessment should be applied to all human source operations in order to determine who should be responsible for the management of a source and how the risks involved should be handled. This model called for the classification of risk at one of three levels; High risk, Medium risk and Low risk.

[Redacted text block]

28. Please refer to paragraph 99 and following for further information concerning risk assessment as it applied to Ms Gobbo.

Sterile Corridor – Investigations

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29. One of the advantages to appointing **dedicated** human source handlers, is the ability to implement the concept of 'sterile corridors'. This means nothing more than the ability to separate the management of an investigation from the management of the human source that provides intelligence relevant to that investigation. This concept that has been an essential and highly effective component of undercover policing methodology for many years.

30. When applied to informer management, the sterile corridor allows for:-

- The opportunity for an investigator to focus on an investigation without the distraction of source management issues, which often-times are time consuming and not operationally relevant. (i.e. – welfare issues)
- The ability for the 'duty of care' relevant to the deployment of sources to receive the appropriate level of priority. As has been experienced in undercover policing, investigators can be prone to 'tunnel vision', focussing on an end result and ignoring the collateral damage along the way.
- A more timely response to source requests and therefore collection of intelligence. An officer assigned specifically to the task of source management will have a greater opportunity to service a source and therefore collect what may be time critical intelligence
- A reduction in the risk of compromise of investigations and policing methodology. Appropriately trained members will be better able to guard against source 'fishing' expeditions for police methodology and/or investigation strategy. It would be possible for investigators to 'silo' the release of information so that a source handler may in fact never be aware of particular information relevant to an investigation and therefore be unable to inadvertently compromise that investigation.
- An enhanced objectivity regarding human source tasking and deployment, thereby ensuring a more ethical and professional relationship between the source and the law enforcement organisation as a whole.
- Maximum collection of source intelligence arising from the fact that a dedicated source handler will debrief a source about all the intelligence he or

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she has as opposed to only the intelligence relevant to an investigator's particular investigation.

31. Some people believe that the sterile corridor ensures that an investigator never becomes privy to the true identity of a source under management by the DSU/SDU. This is incorrect. In many cases investigators know the identity of the source because they, (the investigators), were the ones who actually recruited the source in the first instance. If an investigator recruited a source that was determined to be high risk, then that source would be handed to the SDU for management.
32. An example of the value of the sterile corridor and its potential for enhanced ethical decision making, can be found in the management of Ms GOBBO as a human source. Ms Gobbo did at times speak to source handlers about interactions she had with people who were her clients, despite being told on many occasions that the handlers did not want to hear information that could be LPP and would never action it if she provided it. I believe that on most occasions where Ms Gobbo inappropriately spoke about matters which could have been the subject of legal professional privilege, she was venting, usually about how frustrated or angry she was.
33. Every source handler who had management of Ms Gobbo was well aware that they could not ask for, seek out or explore information which could be considered legal professional privilege. Ms. Gobbo was well aware herself, that she should not provide this information.
34. Despite this, as stated, there were times when Ms Gobbo would volunteer this type of information. On those occasions, the handlers were well aware that the information could not be disseminated. The SDU procedure for dealing with this information was very similar to that employed by other Victoria Police specialist units such as the Special Projects Unit which has responsibility for the management of telephone interception. This unit would on occasions inadvertently intercept conversations between lawyers and their clients which were clearly subject to LPP. In those cases the conversation would be

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removed from the material supplied to investigators so that investigators were never privy to the information and therefore could not utilise it in any way.

35. This was the exact same procedure applied to SDU operations and this highlights the value of the sterile corridor. Had an investigator been managing Ms. Gobbo, he or she would have received information subject to LPP that could have been directly relevant to his or her investigation and be tempted to action it.
36. Whilst the SDU handlers did hear and record information that could have been deemed the subject of LPP, it was not to be disseminated to investigators. This ensured that investigators could not exploit this type of information. Intelligence generated by the SDU handlers was screened by the SDU Controllers, [REDACTED] and disseminated to investigators at the Controller's direction.

Sterile corridor - Governance and HSMU

37. The Human Source Management Unit (previously known as the Informer Management Unit) has responsibility for the centralised recording of all source registrations and intelligence. In order for police members to embrace the concept of centralised recording, the integrity and information security of the IMU must be considered 'bomb-proof.' Any perception that the DSU, or any unit for that matter, has enhanced access to the IMU will detract from the integrity of that office.
38. A sterile corridor must also exist between the DSU and the HSMU in order to ensure that the DSU is not seen to be an adjunct or operational arm of the HSMU which has privileged access to information held at the HSMU. The DSU should only have the same level of access to the HSMU as any other member of Victoria Police.

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39. Furthermore, the HSMU have responsibility for the oversight and governance of all human source registrations by all members of Victoria Police. The Central Source Registrar 'owns' the system and has the ability to refuse any application for registration of a human source. It is the role of the HSMU and Central Source Registrar to quality control all applications, risk assessments and contact reports for all source management operations statewide.

40. It was essential that the governance of the DSU operations was completely independent of the actual operations in order that maximum probity and scrutiny could be applied to the operations of the SDU.

41. An example of the way in which the Central Source Registrar practiced independent oversight of the registration system occurred on 19 April, 2006 when I met with the Central Source Registrar who at that time was Superintendent Mark Porter. He informed me that he had briefed an independent officer, Supt. Tony BIGGIN, to audit the human source file of Ms Gobbo. This audit was unusual and one which was over and above the usual auditing processes required as per policy. Superintendent BIGGIN was at that time in command of the Covert Support Division and had no line control or input into the source operations at the SDU.

42. Superintendent BIGGIN subsequently conducted his audit of Ms Gobbo's source file and submitted an Issue Cover Sheet detailing his findings. (Refer to document; 'ICS – DSU Audit of 3838 records') Among the comments made by Supt Biggin regarding the management of this source, are the following:

'...It is clear within the file that the handlers & controller have been mindful of the risks associated with this human source. These considerations are regularly considered in documentation perused & the risk assessment documentation has been updated as required.'

'...It is clear the risk associated with the source continues to remain high, but the risk is being managed at an appropriate level by the right people with the necessary training & attributes.'

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'...It is clear this source is being managed & will need to remain to be managed in accordance with Policy. The source has identified aspects of alleged police corruption.'

'...It is clear the source can only be managed by the DSU. If the DSU were not managing this source, then in my view, the risks are too high for non trained police to perform.'

43. Ms Gobbo's relationship with the SDU extended over a period of 39 months, from 16/09/05 to 12/01/09. During this period the operations of the SDU were independently audited on at least one other occasion, this in addition to the ongoing governance by the HSMU. The unit's files were also audited by Supt Nolan on 15 June 2006. This review was not focussed solely on Ms Gobbo's management, it was directed at the overall operations of the SDU regarding all human sources under management at that time, which included Ms Gobbo. Refer to paragraph 321 for the content of this audit.

Intrusive Supervision

44. History has shown that unethical and/or corrupt handler/source relationships most commonly occur in a supervision vacuum. Where handler/source relationships have 'gone bad', more often than not, the supervisors were either unaware of their responsibilities as a controller of a source handler, or were too pre-occupied with other duties to perform this function adequately.
45. Consequently source handlers made unilateral decisions regarding source management without the benefit of an independent viewpoint or experienced oversight.
46. A properly staffed and resourced DSU allows for the best possible outcome for source management. Freedom from attachment to an investigation allows for objective decision making to be applied to the management of a particular

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source. It must be remembered however, that the Controller is as much a part of the management team as the Handler and Co-handler.

47. The Controller must exercise what has become known as 'intrusive supervision'.

The Controller can ^{PII} [REDACTED] simply by reading contact and information reports. It is imperative that the Controller ^{PII} [REDACTED] at random on an 'as needs' basis.

48. To this end the source must be educated to understand that he/she ^{PII} [REDACTED] ^{PII} [REDACTED] of the handler/s at any time. The handler/s likewise must understand that this is a normal part of the management process and not a slight on their ability to manage a source relationship.

49. The intrusive supervision begins within the ^{PII} [REDACTED] between a source and a handler and co-handler. It is at this point that the Controller will begin making an assessment of the source and complete the risk assessment documentation and the Acknowledgement of Responsibilities (AOR).

50. At the very least a DSU Controller should involve himself in the relationship at the following times:

- ^{PII} [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- At any time requested by a handler or co-handler
- At any other time deemed necessary

51. Controllers must be vigilant for signs of over familiarisation between sources and the handlers. Whilst the building of rapport is essential for an effective source/handler relationship, the professional nature of the relationship is of greater importance. Handlers should be able to recognise the point at which

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they have lost effective control of a source and be professional enough to request that he/she be removed from that relationship and replaced by another handler.

52. This represented a massive cultural shift in the organisation's management of human sources which, at that time, could best be described as primitive when compared with some international and even national law enforcement bodies. Victoria Police members did not consider human sources to be organisational resources capable of being deployed over a wide range of strategic needs but rather, personal resources not to be shared with anyone else.
53. The defined roles of human source handler and human source controller did not exist at that time.
54. The accountability processes around relationships with human sources were virtually non-existent as was the level of training in this most dynamic and high-risk area of police operations.
55. The literature review I conducted included referencing material from the United Kingdom which had been obtained by Det. S/Sgt Geoff McLEAN, from the then newly formed, State Intelligence Division Informer Management Unit. McLEAN travelled to the England and Ireland to study their source management practices.
56. In 2005 I travelled to Canada and the USA to study source management practices with Det. Sgt. Glenn OWEN, also from the Informer Management Unit. We spoke with law enforcement officers from the Royal Canadian Mounted Police, the Federal Bureau of Investigation and the New York City and Chicago Police Departments.
57. I also attended a course conducted by the Royal Canadian Mounted Police entitled PII. This was a very intensive training program designed to identify and train personnel in high level targeted source recruiting techniques.

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58. The Dedicated Source concept was trialled between 1/11/04 an 30/04/05.

59. At the conclusion of the pilot trial, I provided the Steering Committee with a report entitled [REDACTED]
A copy of the report has been produced to the Commission. I made a series of 12 recommendations in that report.

60. The major recommendations included:

- The establishment of the Source Development Unit, name change to more accurately reflect the charter;
- Risk management training for the staff;
- Unsworn position be attached to the unit to assist in the preparation of Informer Contact Reports; and
- The development of high level training in high risk source management strategies and proactive targeted recruiting strategies.

61. The recommendations were accepted and led to the establishment of a Source Development Unit which ultimately came to be staffed by:

- PII [REDACTED] full time controllers at PII [REDACTED] rank;
- PII [REDACTED] full time handlers at PII [REDACTED] rank; and
- PII [REDACTED] analysts at PII [REDACTED] rank.

62. In November 2009, I prepared a further report for the Victoria Police entitled [REDACTED] A copy of the report has been produced to the Commission. In this document I analysed the existing and potential capability of the unit and made a series of 12 recommendations.

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63. The Source Development Unit was terminated in 2012. Shortly before its termination a full time Inspector's position was attached to the SDU. Unfortunately, that Inspector had little appreciation of source management.

6. *Provide details of your awareness, if any, of any policies and procedures adopted in other states or countries in relation to the management of human sources who are subject to legal obligations of confidentiality or privilege.*

64. During my research for the human source management project I was provided a copy of a document entitled, [REDACTED] ^{Pii}

^{Pii}

^{Pii}

A copy of this document has been produced to the Commission. I believe I was given this document by Det. S/Sgt Geoff McLean who had travelled to the UK to research human source management practices on behalf of the Informer Management Unit (IMU) in 2005. I located this document on Saturday 18 May 2019 in storage.

65. This was a very detailed and useful document that I have referred to many times both before and after the creation of the SDU.

66. This document contains a [REDACTED] ^{Pii}

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Use of Ms Gobbo as a Human Source (questions 7 to 26)

7. Provide details of any:

- a. contact you had with Ms Gobbo prior to your work at the SDU;
- b. knowledge you had of Ms Gobbo's use as a human source, prior to your work at the SDU.

67. I did not have any contact with Ms Gobbo prior to my work at the SDU.

68. I had no knowledge of Ms Gobbo's use as a human source prior to my work at the SDU.

8. Provide details of the management of Ms Gobbo as a human source, including:

- a. the structure of that management;

69. In the early days of the operations of the DSU and then the SDU, the staffing consisted of only one team. All members of this team were a part of the pilot project with the exception of the analyst. This consisted of:

- [PII] Controller - [PII] - myself
- [PII] Handlers - [PII] - [PII] Black-O
Green-O Paige-O
- and
- [PII] Analyst - [PII] - [PII]

Peter Smith-O

70. As time progressed the staffing levels increased to:

- [PII] Controllers - [PII]
- [PII] Handlers - [PII]; and
- [PII] Analysts - [PII]

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71. Ultimately at a time after the deactivation of Ms Gobbo, a full time Inspector position was included. For the great majority of my time at the SDU there was either no Inspector attached or we shared an Inspector with the Undercover Unit.

72. As a consequence, for the majority of the time at the Unit my role included acting as the [REDACTED] as well as the [REDACTED] [REDACTED] and [REDACTED]. I was also responsible for developing high risk source handling training and development of human source management policy for the Human Source Management Unit, (previously known as the Informer Management Unit). [REDACTED] Standard Operating Procedures for the SDU. Practices changed as time progressed.

73. The management of Ms. Gobbo as a human source occurred in line with the Human Source Management Policy at the time and the Standard Operating Procedures of the SDU. (A copy of these procedures has been produced to the Commission). Her management was no different than the management of the other high risk human sources by the SDU at that time except for the fact that I involved myself more than usual in the initial assessment meetings. Thereafter, she required considerable time and expenditure in her management.

74. In regard to the handling of ^{Pill} [REDACTED] sources, in my role as the [REDACTED] [REDACTED] and [REDACTED] I would follow this chronological procedure:

- receive the request for assistance (referred to as the RFA) usually from an investigator or investigation manager
- document the request (these RFAs were kept 'in house' in order to maintain security of the information);
- allocate the dedicated source handler;
- allocate the dedicated source controller;
- assess the viability of the source in consultation with the handler and analysts;
- make a recommendation to either approve or deny the request for assistance;

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- take the RFA to the ranking officer being Supt BIGGIN and later Supt SHERIDAN;
- assess and recommend a risk assessment;
- monitor the relationship and the application of the 'sterile corridor';
- implement 'intrusive supervision' when necessary;
- review and supervise the preparation of documents such as Source Contact Reports and Information Reports; and
- approve dissemination of Information reports.

75. It is necessary to understand that at the time Ms Gobbo was assessed, registered and deployed, the SDU, was in the very early stages of creation and organically developing. New methodologies and tradecraft were being trialled and training being developed as operations progressed. For example, exhibit **RC-115** was prepared by me to document the commencement of the registration process. It was a form created by me after consultation with Supt Biggin to assist with tracking the workload of the SDU.

76. In the early management of Ms Gobbo, practice required that each source had his or her own dedicated source handler. In Ms Gobbo's case ^{Peter Smith-O}
^{Peter Smith-O} had been designated as her permanent source Handler. It became apparent over time that Ms Gobbo was a very time intensive proposition and there was simply too much work required to allow one source handler to have sole responsibility for her management.

77. Consequently, I made the decision to rotate several handlers through the role of having responsibility for her management. This also worked as an additional and very good risk mitigation strategy in that several handlers were able to observe, report and compare their opinions of the effectiveness of the source and her management. I then adopted the same strategy for all other high-risk sources under our management.

78. I have been criticised in the Comrie report for failing to dedicate one handler solely to Ms Gobbo's management. This criticism is ignorant and based on having no understanding of the practical management of 'high risk' human

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sources. Had I or any member of the SDU been spoken to about this criticism it could have easily been explained.

Why was she recruited

79. At the time of Ms Gobbo's first meeting with myself and ^{Peter Smith-O} on 16 September, 2005, I was aware that she could potentially assist in providing intelligence relevant to the MOKBEL cartel, the entire MOKBEL crime syndicate not just Tony MOKBEL. By this I also include all the soldiers that worked for the MOKBELs as part of that organised crime syndicate.

80. On the 13 December, 2005 whilst meeting with Ms Gobbo in company with ^{Black-O} _{Black-O}, I had the following conversation with her:-

Gobbo: I'm a magnet for criminals. This doesn't seem to have any ending to it. I'll just be able to keep going.

^{Sandy White} *Well... to be truthful, as good as that could be for us, our objective is the Mokbel group, right, it's not every person you come across. In the ideal world...*

Gobbo: You're right actually, it's not, because it's not every person that I come across who's ... a lot of criminals who are just – they are what they are. There's no – none of this associated crap.

^{Sandy White} *but the majority of other people you represent don't – either have Criminal activities or don't purposely expose you to those in the way that Tony and his crew do.*

81. On 5 November 2007, I met Ms Gobbo in company with ^{Fox-O} During this conversation Ms Gobbo herself stated;-

'Other than I really just haven't gone anywhere other than being with criminals I have not gone anywhere' (VPL. 0005.0136.0409)

82. The MOKBEL crime group were very active and we knew this at the commencement of our assessment of Ms Gobbo. At that time Tony MOKBEL

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was on bail for serious drug trafficking charges. Tony MOKBEL had no regard for the justice system and continued to commit serious criminal offences whilst already on bail for serious offences.

83. No better example of the fact that MOKBEL was committing ongoing crimes at the commencement of our relationship with Ms Gobbo was the fact that he was using Ms Gobbo to keep Darren Bednaski from rolling on him for his involvement in BEDNASKI's drug trafficking activity.
84. Even whilst we maintained the relationship with Ms Gobbo, we were receiving reliable intelligence from other sources showing the tenacity with which Tony MOKBEL controlled his criminal empire even whilst he was a fugitive in Greece
85. It was well known by investigators from the Major Drug Investigation Division, who made the request the SDU assistance, that Ms Gobbo had a wide circle of social contacts who were criminals. Unlike the vast majority of lawyers who practice criminal law, Ms Gobbo had very good access to criminals outside of the normal lawyer client type of relationship. This was significant.
86. Ms Gobbo herself at one point described the manner in which she obtained a lot of her information. (VPL.0005.0136.0484)

'... this is where this stuff comes from, coffee shops I don't ask this stuff as absurd as it sounds
87. During the SDU relationship with Ms Gobbo, there were countless occasions where she would meet with criminal identities, some of whom were clients and some who were not, in a social setting, most usually for lunches, very often dinners and drinks. There was no doubt these criminals were using Ms Gobbo as camouflage, in attempt to subsequently claim these meetings were subject to LPP should they be monitored by law enforcement. This topic is further elaborated in paragraph 146 of this statement.
8. *Provide details of the management of Ms Gobbo as a human source, including:*

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b. whether any procedures or processes were put in place to manage the use of information provided by Ms Gobbo

88. The practice for the management of information provided by Ms Gobbo was the same as for all high risk sources under SDU management.

Source Contact Reports

89. All meetings between Ms Gobbo and her handlers had to be pre-approved by the controller [REDACTED] PII. [REDACTED] PII After a source contact the source handler would prepare a Source Contact Report (ICR/SCR) which documented the content of the contact whether it be a phone contact or a physical meeting. The period covered by each ICR changed over time.

90. During the initial management of Ms Gobbo, policy required that each and every contact be the subject of an individual report. We had already discovered with other sources that this was completely impractical as handlers could easily have ten or more contacts with a source on any given day. As a result the policy relevant to the SDU was amended to allow the SDU handlers to compile contact reports that covered a period of ten to fourteen days.

91. [REDACTED] PII The source handler would use the recording to assist in the preparation of Source Contact Reports. The handler would then extract usable intelligence from the contact report and include it on an information report. Both reports were forwarded to the Controller [REDACTED] for checking prior to any dissemination.

92. Once checked by the Controllers and the analysts, the Source Contact Report was forwarded to the Human Source Management Unit for recording in the Source Management File.

93. [REDACTED] PII [REDACTED] PII Members of the HSMU were required to sign a document

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detailing the receipt of these PII All these receipts were kept at the SDU.

Information Reports

94. Information reports were assessed in regards to suitability for dissemination.

Information reports were disseminated either to an investigator known to have a relevant active investigation or to the State Intelligence Division for inclusion on the corporate intelligence database.

95. During the creation of information reports, it was essential for handlers to 'sanitise' the intelligence. This meant that the handler would take sufficient steps to ensure that the provider of the intelligence could not be identified. In order to achieve this, the following processes were undertaken:

- PII
-
-

96. This process was initiated as a direct consequence of the fact that in 2004 an informer for the Drug Squad, Terry HODSON, and his wife, were murdered as a direct consequence of being compromised through the corrupt release of an information report that identified him as a police informer. This document became known as IR 44 and was compiled in line with previous informer management policy which failed to recognise the risk of documents such as information reports being unlawfully accessed and distributed.

97. At times an information report would not be disseminated on the instruction of a Controller. In regards to the intelligence provided by Ms Gobbo, some information reports would not be disseminated for reasons including the following:

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- the intelligence could identify Ms Gobbo as a source;
- the intelligence may be classified as subject to legal professional privilege;
- there were no investigators available to action the intelligence; and/or
- the intelligence was unreliable.

Point of Liaison protocol

98. For those investigations that the SDU was specifically gathering intelligence, as opposed to general intelligence which was fed into the corporate database, investigators would more often than not receive a 'hot debrief' of intelligence relevant to that investigation from the handler shortly after a source meeting. This occurred irregardless of whether the investigator/s were aware of the identity of the source.

99. One of the many processes I created which were particular only to the SDU included the 'Point of Liaison Protocol'. This basically meant that in those cases where the SDU was gathering intelligence to assist one particular investigation, one investigator from the investigation team would be allocated as the 'Point of Liaison'. In the case of the Purana Task Force investigations that we serviced, Det. S/Sgt Jim O'BRIEN was the point of liaison. There were occasions when Detective Inspector Gavan RYAN relieved O'BRIEN from that role so leave commitments could be met.

100. Sometimes intelligence is of such immediate importance that it must be disseminated immediately and at times a source handler will not know what is important to an investigator and what isn't. The point of liaison protocol meant that only one investigator would be contacted by the SDU handlers and given a 'hot debrief'.

101. The fact that this occurred would be documented by the handler on the Source Contact Report relevant to that meeting with the comment 'Verbally disseminated'. This also ensured that there was a record of what

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intelligence was disseminated from the SDU to investigators. If the fact that intelligence is not recorded as being verbally disseminated and/or disseminated by way of an Information Report, then it was not disseminated.

Risk Assessment

8. *Provide details of the management of Ms Gobbo as a human source, including:*

c. whether any procedures or practices were put in place to manage the risks arising from the use of information provided by Ms Gobbo.

102. Another example of the organic development of processes within the SDU was the application of risk assessments. In the early stages of risk assessment policy, the handlers were compelled to submit risk assessments [PII] of assessing a source. Experience proved this was completely impractical as sufficient information could not be obtained to make a risk assessment of any value [PII]

103. In order to develop a risk assessment it was necessary to interview potential sources multiple times and to give them [PII] [PII] viable and appropriately motivated. At the same time as the handlers were making assessments regarding potential sources, the analysts at the SDU were working hard with data [PII] [PII] This was a time consuming process and at the high risk end of source operations, essential.

104. Consequently the risk assessment document would not be completed for several weeks or even more in the case of sources that regularly made themselves uncontactable. The timely submission of risk assessments was also dependent on handler and controller workload.

105. It can be seen from an examination of the recordings of conversations with Ms Gobbo on 26 September, 2005 that the SDU team, (myself and [PII] Peter Smith-O

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Peter Smith-O

at that time), were still assessing the source on the third face to face meeting. During this conversation I told her:

'At the particular time, things are relatively easy. We can't really make a lot of decisions about the best way to go until we know the exact ... what it is... you know and what penetration you have with that particular group of people' and; 'We're in the assessment phase ... depends what happens.'

106. The policy at the time of Ms Gobbo's registration, I think, required a risk assessment to be accepted by the Central Source Registrar, which in Ms Gobbo's case was Commander Dannye MOLONEY before the source could be registered and deployed. It was not uncommon to process a registration for assessment purposes only so that an identifying number could be obtained. It was part of the SOP's for the SDU that records such as diaries, etc. do not contain the name of a source.
107. The requirement to utilise a risk assessment model was one developed within the Australasian Human Source Working Group of which I was a founding member. Detective S/Sgt. Glenn OWEN from the Informer Management Unit and myself recommended the adoption of the Australian and New Zealand model of risk assessment for human sources. I then included this requirement as a recommendation for the principle paper used to create the SDU which was the document entitled *'Review and Develop Best Practice Human Source Management'*.
108. The risk assessment document changed several times since its inception. It was very difficult to complete properly, particularly as the vast majority of members of Victoria Police had no concept of the tiered risk assessment model and how to apply it. In fact, I tried unsuccessfully on several occasions to have the staff at the SDU trained in risk assessment. The document itself was poorly written and added to the difficulty of completing it in a meaningful fashion.
109. An audit of the application of the human source policy by the Corporate Management Review Division (CMRD) in 2010 revealed that more than 80 % of

Sandy White-O

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risk assessments prepared for human source operations across the entire organisation were poor and ineffective.

110. As a matter of practice at the SDU, we would risk assess all the source operations on at least a fortnightly basis. The process for this occurred when I held Unit Meetings in which all the staff would discuss the operations of every high risk source under the unit's management. This was documented via unit meeting notes which I took.
111. This process became more formalized as time went by and I developed a format which recorded an operational update about that source, an assessment of the risks and the level of risk and a determination of the value of the source with a recommendation as to whether the management should continue or not.
112. I also maintained a document called a Source Management Log for every source registration under our control. There was no requirement under any policy to maintain this document. It was only maintained at my direction in order to attempt to keep track of management related decisions. It also included a short summary of the source intelligence obtained from a source contact and cross referenced Source Contact Report and Information Report numbers. The SML recorded two types of activity: management activity or source contact activity.
113. As processes within the SDU developed I incorporated the fortnightly reviews and risk assessments into this document as part of the management activity.
114. A further example of the way systems developed organically was the creation of a spreadsheet which documented the identity of every person known to be aware of a source's true identity. This was initially created for Ms Gobbo's management file but was recognised as something that needed to be maintained for all high risk sources.
115. As the management of Ms Gobbo progressed I became aware that more and more people outside of the SDU were aware of the identity of her as a human

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source. The most significant risk to Ms. Gobbo, as is the case with the vast majority of human sources, was the risk of her identity and thus her role as a source being disclosed. The individuals Ms. Gobbo were connected to had a proven capacity to murder people who were believed to be informers (human sources) and there was no doubt in anybody's mind that Ms. Gobbo would be murdered if compromised.

116. I was acutely aware of the high likelihood of the murder of Ms Gobbo should her identity and relationship with Victoria Police be compromised. This was the most significant risk identified in the risk assessment documents and every decision made concerning her relationship with the police was made through the prism of that risk.

117. The risk assessment document categorised risks in five categories, these being:

- Risk to the source;
- Risk to the information;
- Risk to Victoria Police;
- Risk to the community; and
- Risk to the handler.

118. The greatest risk identified was the risk to the source, especially high in Ms Gobbo's case due to her close association with Melbourne's Gangland criminals who at the time were fighting over the drug trade and busy killing each other.

119. There were two formal risk assessment documents prepared, the first on registration in November, 2005. The second was prepared in April 2006 as a consequence of the following further information which escalated the overall risk relevant to Ms Gobbo's relationship to Victoria Police:

- Ex police member David WATERS telling her that her phone was intercepted;

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- Ms Gobbo's involvement with ex police member Paul DALE who was suspected of having involvement in the Dublin St.Oakleigh burglary and the murder of Carl WILLIAMS;
- Danielle MAGUIRE had engaged a private detective; and
- Rob KARAM's co-accused, SERGIE had been shot.

120. I believed at that time it was an appropriate time to formally update and document the risks relevant to Ms Gobbo.

121. There is a great risk in the long-term management of sources that eventually the targets who have been the subject of the source intelligence, will identify the common denominator between their arrests (ie., a human source).

122. I have been criticised for failing to document the risk of Ms Gobbo breaching the ethical barrier concerning the protection of information which is the subject of LPP. This was not a risk that had been identified when the original risk assessment was prepared. There was no expectation that she would provide this type of information as it was never the intent of the SDU team to seek out that information.

123. Furthermore, this was a risk that could have been easily managed simply by not disseminating any information that could be assessed as subject to LPP which is exactly what we sought to do.

124. This was also clearly not a risk that had been identified by any other individual involved in the management of the SDU or the Purana Task Force Investigation either from the lowest level to the most senior.

125. As time progressed it became apparent that Ms Gobbo would on occasion speak about meetings she had with clients concerning their current legal issues. All members of the unit made it clear to Ms Gobbo that we did not want information which would be legally professionally privileged.

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126. In addition to the senior management oversight of Ms Gobbo's registration, the HSMU had audit and administrative oversight of the SDU operations. They had total access to all source registrations, Source Contact Reports, Information reports, Risk assessment and Source profiles. It was the responsibility of the HSMU to ensure the management of the source is being conducted in the most professional, legal and ethical manner.
127. It was also the responsibility of the HSMU to ensure the management of the source complied with departmental policy. If there was an inadequate assessment of the risk relevant to a particular source, this unit also had the responsibility to identify the risk and return the risk assessment document to the author for attention.
128. With the great benefit of hindsight, I think I should have made a reference to the issue of LPP in the risk assessment prepared for Ms Gobbo. Not in regards to receiving or acting on LPP but in regards to the perception that using a lawyer as a human source has a high risk that others will perceive the police would target and action LPP. There was a very low risk this would actually occur but a high risk that it will be perceived by others, both within the police department and outside that was in fact occurring.

Senior Management oversight of Ms Gobbo's relationship with Victoria Police

9. *Provide details of the involvement or oversight by senior officers who had management, oversight or control of the SDU of the SDU's use of Nicola Gobbo as a human source.*

Refer to the answer to question 10.

10. *Provide details of person(s) you believe were involved in the authorisation, and continued authorisation, of the use of Ms Gobbo as a human source, including the name of the person(s); the role of those person(s); and the basis of your belief.*

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129. At the time of Ms Gobbo's registration and during the management of her as a human source the following members of Victoria Police were involved, in chronological order:-

- Detective Sergeant Steve MANSELL & Detective Senior Constable Paul ROWE – initial approach
- Detective Senior Sergeant Jim O'BRIEN – Operations Division 2, Major Drug Investigation Division and then later, Officer in charge of the Purana Task Force. Point of liaison for SDU regarding Ms Gobbo use as a human source
- Detective Inspector Robert HILL – Officer in Charge Division 2, Major Drug Investigation Division. Makes request for assistance to SDU regarding the assessment of Ms Gobbo to be a human source.
- Detective Inspector Doug Cowlshaw – Officer in charge Informer Management Unit. Receives registration application and risk assessment. Recommends same for approval by Local Source Registrar and the Central Source Registrar.
- Supt. Ian THOMAS – Officer in Charge State Intelligence Division. Local Source Registrar who received registration and risk assessment and recommended same to the Central Source Registrar.
- Commander Danny MOLONEY – Commander Intelligence and Covert Support Department. Central Source Registrar for all SDU registrations. Accepted the registration and risk assessment on behalf of Victoria Police
- Commander Terry PURTON – Commander Crime Department. Briefed by Detective Senior Sergeant O'Brien regarding Ms Gobbo potential to be registered as a human source
- Assistant Commissioner Crime Simon OVERLAND – Operational Command of the Purana Task Force. Briefed by Detective Senior Sergeant O'Brien regarding Ms Gobbo potential to be registered as a human source
- Supt Anthony BIGGIN – Officer in charge Covert Support Division – Subsequently became the Local Source Registrar for the SDU. Oversight of all source operations at the SDU from August 2006 onwards.
- Supt. Mark PORTER – Officer In charge of the State Intelligence Division and the Central Source Registrar – Replaced Supt Ian THOMAS. Administrative

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oversight of all source registrations state-wide including Ms Gobbo Detective Inspector Gavan RYAN – Relieved Detective Inspector O'BRIEN as the officer in charge of the Purana Task Force at various times

130. The following officers performed part time roles as officer in charge of the SDU at various times and had awareness of Ms Gobbo's registration and responsibility for oversight of her management as an human source;

- Detective Inspector Dean Mc.WHIRTER (perhaps);
- Detective Inspector Rob HARDIE (deceased); and
- Detective Inspector Andrew GLOW.

131. As time progressed the management roles changed. The most significant change of management occurred when the DSU was renamed the SDU to more accurately reflect the charter and placed under the command of Supt. BIGGIN from the Covert Support Services Division. Consequently, Supt. Biggin became the Local Source Registrar for Ms GOBBO's source management file.

132. As is the case with all human source operations, the number of people that became aware of the identity of Ms Gobbo increased with time and deployment. As a consequence I created a spreadsheet that documented the names of the people who had knowledge, the date the SDU became aware and the reason behind how that individual became aware. This document was applied to all of the SDU operations and became known as the 'list of people who know'. This is another example of the organic development of the SDU and of a process used only by the SDU.

133. The reasons behind how people outside of the SDU staff and management became aware of Ms GOBBO'S identity were varied but included:

- Management declaration – senior management figures being briefed because of a change in role ie promotion, leave, etc.

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- Operational necessity – ie surveillance operatives being deployed in the field in response to source intelligence

134. An example of the way management declarations led to an increase in the number of people aware of the source identity occurred on 25th July, 2006. On this date I contacted Superintendent Rod WILSON from the Ethical Standards Division in relation to a request from his investigators concerning corruption intelligence we had provided. Supt WILSON informed me that he was aware of the identity and role of Ms GOBBO as a human source. I was not aware of this at that time.

135. Later that same day I met with Supt BIGGIN and WILSON in regards to this matter and was advised that Assistant Commissioner Luke Cornelius had been briefed regarding the source's identity and her relationship with Victoria police.

136. On 27 July 2006 I met with Superintendent Biggin and Assistant Commissioner Overland and was advised that Assistant Commissioner Overland had briefed Graham Ashton at the Office of police integrity (OPI) concerning the source.

Motivation

11. *Provide details of your understanding of Ms Gobbo's motivations for becoming a human source, including:*

- a. her initial motivations for assisting Victoria Police; and*
- b. her motivations for providing ongoing assistance to Victoria Police in that manner.*

137. At the commencement of the relationship with Ms Gobbo, she stated that she wanted to 'get out of the relationship with the Mokbel group' and that she wanted to 'do the right thing'.

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138. Ms Gobbo stated that she had become trapped in a relationship with the Mokbel cartel and didn't now how to get out. She stated that she lived in fear of these people and that this had been a major contributing cause of the stroke she suffered in early 2005?
139. She stated that she was used by the MOKBELS to shut down potential witnesses who on arrest by police could have disclosed the involvement of the MOKBELS in murder and serious drug trafficking. Ms Gobbo stated that she initially benefited from the relationship with the MOKBELS who would refer clients to her, however she was rarely paid for the assistance she provided and over time realized she was being used.
140. Ms Gobbo believed that if the MOKBELS, in particular, were arrested and sent to jail she could get out of their clutches. There were several occasions where I had discussions with her during which I told her this goal had been met.
141. An example of this occurred shortly after Milad MOKBEL had been arrested on 25 April, 2006. I had a conversation with Ms Gobbo at this time specifically about how this arrest partly achieved her goal of cutting the MOKBELS loose.
142. We learnt over the journey of our relationship with Ms Gobbo that she was enmeshed in a web of organised crime, headed by the MOKBEL cartel. The MOKBEL brothers treated Ms Gobbo as just another soldier to be ordered to do things at their will and Ms GOBBO had a genuine concern for her safety if she did not comply.
143. The most common examples of this occurred when the MOKBELS would randomly ring her and direct that she attend a police station where one of their soldiers was in custody and make sure that person doesn't talk. She lived in fear of what would happen if she did not accede to their direction. Examples of this occurred include:

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- 16/06/06 - Source receives call from Horty telling her to go to the St. Kidla Rd. police station to assist Abdul KHODER who has been arrested for driving offences.
- 9/10/06 - Horty tells her that GAVANAS and KHODR have been arrested and to go to the police station to represent them.

144. The MOKBELs were not the only ones who used and directed Ms Gobbo to nullify the potential for soldiers/underlings to give evidence against them. On 5 November, 2007 Ms Gobbo advised the handling team that Mick GATTO was attempting to use her to keep potential witnesses quiet:- (01360.427)

Miss Gobbo:

I don't - I don't know whether I've become flavour of the month because he's under pressure or he thinks that I'm gunna tell him something about Faruk that will affect him, or because he's paying Faruk's bill, or because he needs to - it's the old Tony Mokbel trick, you know, control - try to control me to control Faruk to ensure he doesn't, you know, buckle or talk - - -

145. The MOKBEL cartel also used Ms GOBBO as a type of postbox where they could leave messages and even equipment such as 'clean' phones, relevant to criminal activity to be collected by other criminals, thereby avoiding any chance of having these messages intercepted by the usual police methodology. Examples of this include:

- 14/03/06 – KARAM tells the source that he wants her to meet with him and Horty MOKBEL to pass messages on.
- 16/03/06 – [Pii] wants the source to pass a phone to [Pii] [Pii] who has access to a [Pii]
- 25/07/06 – The source visits Milda MOKBEL in jail and he whispers to her to tell Karl KHODER that what he is holding onto, do nothing unless he gets instructions from him or Emidio (NAVAROLLI)

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- 7/06/06 - Milad MOKBEL gave her a message for Karl KHODER that he is to get Hildebrand to inflate the value of house to get surety for bail and she is to use a particular valuer to do that.
146. It is clear that members of the MOKBEL and KARAM syndicates used Ms Gobbo as camouflage for meetings which were specifically about ongoing and future criminal activity. By having a lawyer present, members of the syndicate believed they could always subsequently claim that whatever was discussed was protected by LPP.
147. An example of this occurs on 19th February, 2006 when Ms GOBBO reports that KARAM wants her to attend dinner meeting with him and Horthy to legitimise same if they are under surveillance.
148. The following day, 20 February, 2006, Ms GOBBO attended a dinner meeting with Rob Karam and Horthy MOKBEL during which KARAM and MOKBEL speak about the arranging of a container importation. KARAM was concerned about the fact that the last three containers had gone missing. KARAM suggests there may be an informer involved. KARAM also stated that he gets customs intelligence given to him. I did not consider any of this information to fall within the realms of Legal Professional Privilege.
149. It is my experience that the motivation to become a human source and remain a human source varies over time. Most human sources develop a strong relationship with their handlers and develop a desire to impress the handler. Ms Gobbo was no different in this respect.
150. Because motivation is such an important part of the overall assessment of a human source, handlers and controllers are constantly considering what a source's motivation is. In the case of Ms Gobbo, I can see from my diary an example of this constant monitoring and assessment of source motivation.
151. On 27 April, 2006, I had a meeting with Assistant Commissioner Overland and Supt. Biggin in regards to the likelihood that Ms GOBBO would be subpoenaed to

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a compulsory hearing being conducted by the OPI regarding the activities of a suspected corrupt policeman named ^{John Brown} I was informed that A/C Overland had spoken with the head of the OPI at that time, Graham Ashton and told him that Ms GOBBO was a human source and requested she not be called to a compulsory hearing as this could compromise her.

152. I was then told that there may be a time in the future when Ms GOBBO would be called to a compulsory hearing in regard to the suspected involvement of ex-police member Paul Dale in the killing of the HODSON's. I was further told that it was believed that Dale had stolen an information report (referred to as IR44), and leaked it to gangland identities Tony MOKBEL and Carl WILLIAMS who were suspected of having ordered the Hodson killings.
153. This information caused myself and the handlers of Ms GOBBO to speculate whether her motivation for assisting police may have been the result of a feeling of guilt resulting from involvement in the incident that led to the murder of the HODSONs.
154. We had several direct conversations with Ms GOBBO regarding the Hodson murders and she never admitted to having any involvement with IR 44 or the murders.
155. It is usual that over the longer relationships with human sources, source handlers will detect the real reason behind motivation to assist police. In Ms Gobbo's case, she remained consistent in her motivation and we were unable to positively establish any hidden alternatives.

Legal Professional Privelege

12. *Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:*
- a. *her Legal Professional Privelege (LPP) and confidentiality obligations or other duties in respect of her clients:*

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156. Both I and the source handlers in contact with Ms Gobbo had conversations with her about legal professional privilege on various occasions. She was specifically instructed not to speak about conversations she had with her clients about their current court matters on several occasions. With the time restraints in preparing this statement, and the sheer quantity of material to be reviewed, I have not had the opportunity to identify each of these conversations but can provide the following relevant examples:-

157. On 1 October, 2005, I spoke to Ms GOBBO concerning her involvement with Tony MOKBEL's court matter. (VPL.0005.0087) During that conversation (page 0142) the following conversation occurred: (subject to checking for accuracy)

Sandy White-O

Can I just interrupt for just one sec.

MS GOBBO: Yeah.

Sandy White-O

For me too, I suppose, discussed with you 'cause you're acting for Tony in that client matter -

MS GOBBO: Yeah.

Sandy White-O

- - - where we sort of steer clear of talking to you about that - - -

MS GOBBO: Yeah.

Sandy White-O

- - - specifically. And we've never asked you what your own views are about that, but we'll just operate on the assumption that there's an ethical issue for you to talk about - - -

MS GOBBO: Yeah, there are, yeah.

Sandy White-O

- - - in your client's case.

MS GOBBO: Yeah. Well, no, there's ethical issues in terms of talking about someone the instructions - - -

Sandy White-O

Yeah.

MS GOBBO: - - - but not in terms of talking about the case, you can read the brief yourself and there's no reason you can't talk about it.

Sandy White-O

Well, I - I meant more is - - -

MS GOBBO: Yeah.

Sandy White-O

- - - his defence case, his instructions to you.

MS GOBBO: Oh, what instructions, what the

Peter Smith-O

: Mm.

Sandy White-O

Well happy to know that. But in any event it - the way we see it's that Tony's privilege

.....

Peter Smith-O

: Yeah, that's right.

MS GOBBO: No.

Sandy White-O

But we don't want to put you in the position where you might - - -

Sandy White-O

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MS GOBBO: That's right.
 Sandy White-O - - - breach some - - -
 MS GOBBO: Yeah.
 Sandy White-O - - - confidentiality. So I guess what I'm
 saying - - -
 MS GOBBO:
 Sandy White-O - - - to you there was you're going to take your
 own counsel about what's a problem, what's not a problem.
 And don't feel that would try and question you about
 those sort of matters. Or if it gets to that point where
 you don't want to talk about it, well, cool - - -
 MS GOBBO: Mm.
 Sandy White-O - - - you'd tell us anyway - - -
 Peter Smith-O Yeah.
 Sandy White-O

158. Later in that same conversation I told her that I did not want to go probing into
 instructions from her clients. (page 0348)

159. On 28 October, 2005, I had a conversation with Ms Gobbo in the presence of
 Peter Smith-O during which Peter Smith-O explained to her that we did not want
 to receive information that could be subject to LPP. (VPL. 0005.0005.0474)

Peter Smith-O : Yeah. I think I said to you last time if you wish
 to talk that we're more than happy to listen,
 but we're here in your interests as well, so you can

 MS GOBBO: I know. But I can say when that stuff gets
 privileged I'm - I can't.
 Peter Smith-O : Oh, that - that's right, that's fine, I got no
 problem with that.
 MS GOBBO: And things that are, you know, hearsay upon hearsay,
 what's nothing, completely - and it's fuckin'
 Peter Smith-O hearsay.
 : But if - if you're happy - regardless of the
 privilege issue - - -
 MS GOBBO: Mm.
 Peter Smith-O - - - you can make that call on your own without
 any assistance from us, no problem.
 MS GOBBO: Mm.
 Peter Smith-O : But if you're happy to tell us something that it
 was - was hearsay from someone or someone - - -
 MS GOBBO: Mm.
 Peter Smith-O : - - - I'd suggest you should tell us and let us
 worry about it.
 MS GOBBO: O.K. Well
 Peter Smith-O : Yeah. And if we know it's hearsay and third-hand
 and that's fine. But who knows what small
 piece in a - in a much larger puzzle where that will -
 where that will fall into

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160. On 6 April, 2006, ^{Green-O} and ^{Peter Smith-O} met face to face with Ms Gobbo and during the conversation with her, she mentioned a conversataion she'd had with a solicitor about the case of Richard Shields, a police officer. In this conversation she states;

'...probably this is all privileged but...'

^{Green-O}

then replies 'We don't want to know...'

161. There were occasions when I did have conversations with Ms Gobbo where she would disclose information relevant to the ongoing court matter of one of her clients. Neither I nor any member of the SDU actively sought this type of information and made it clear to Ms Gobbo that we had absolutely no interest in the defence strategy of any of her clients. On those occasions, the information was volunteered by Ms Gobbo in a venting type process or in response to questions concerning other criminal offences which were thought to be imminent. If this occurred, that defence type information was never disseminated to investigators however the intelligence regarding ongoing or planned serious criminality was.

162. This occurred on the 28 October, 2005 (transcript VPL.0005.0051) when Ms GOBBO spoke about the defence of Tony MOKBEL. I advised her during that conversation (page 038);

'So the issue for us is not whether Tony's defence is legitimate or not and we don't really want to (have anything to do?)..... with that. The issue is, is Zarah on the edge of committing an attempt to pervert?'

163. There were occasions whereby Ms Gobbo provided intelligence concerning people who were her clients that we did disseminate to investigators. This intelligence related directly to the ongoing commission of serious crimes such as in the cases of ^{PII} [REDACTED] who told Ms Gobbo he was actively ^{PII} [REDACTED] ^{PII} [REDACTED] and Rob Karam who told Ms Gobbo that he was actively importing containers full of contraband such as illegal tobacco or MDMA.

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164. The following are examples of conversations either I or the SDU handlers had discussions with Ms Gobbo about people who may have been her clients and who were actively committing serious criminal offences. In each of these cases, intelligence concerning those persons involvement in ongoing serious crime was disseminated to investigators.

165. On 3 October, 2005, Ms Gobbo told me that in conversations she had had with Darren Bednaski regarding his outstanding drug trafficking charges, that he believed he could pay a corrupt police member to have his charges withdrawn.

166. On 12 January, 2006, Ms Gobbo spoke about Bednarski attempting to bribe a corrupt policeman to make his charges go away. She says;-

'We probably can't do much else with him now. ... He's made that statement, it's taped, Tony's happy, probably some cash changed hands ... and the charges will be withdrawn on Tuesday ... \$130 grand bribe money'

167. On 28th October, 2005 Ms Gobbo spoke about Tony MOKBEL's court case. During the conversation Ms Gobbo informed us that MOKBEL's solicitor Ms Garde Wilson was planning to attempt to pervert the course of justice.

168. On 27 December 2005, I was informed by ^{Black-O} [redacted] that Ms Gobbo had informed him that ^{Pii} [redacted] was actively ^{Pii} [redacted] ^{Pii} [redacted] again. I was aware at that time that ^{Pii} [redacted] was on bail in relation to two separate ^{Pii} [redacted] charges, both of which related to him ^{Pii} [redacted]

169. On 26 January, 2006, Ms Gobbo informed ^{Peter Smith-O} [redacted] that ^{Pii} [redacted] ^{Pii} [redacted] This was another reference to him ^{Pii} [redacted]

170. On 4 February, 2006 Ms Gobbo informed ^{Peter Smith-O} [redacted] that ^{Pii} [redacted] ^{Pii} [redacted] was trying to obtain ^{Pii} [redacted] used in the production of ^{Pii} [redacted]

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171. On 19 February, 2006, ^{Green-O} [redacted] informed me that [redacted] had told her that he had [redacted] of [redacted] worth \$6 million.
172. On 23 February, 2006 I met with Ms Gobbo who told me that [redacted] [redacted] was actively [redacted] again. In fact Ms Gobbo was frustrated by the fact that despite advising us on several occasions that [redacted] was then presently [redacted], the investigators had not located the [redacted]
173. On 3 March, 2006, ^{Green-O} [redacted] told me that Ms Gobbo had informed him that [redacted] was [redacted] again. One day later Ms Gobbo advised that the product [redacted] had been supplied to [redacted] and that [redacted] was the reason [redacted] was murdered.
174. On 25 January, 2006, ^{Peter Smith-O} [redacted] informed me that Rob KARAM had told Ms Gobbo that he had a container on its way. This was a reference to the importation of a container of illegal goods, being drugs or tobacco.
175. On 18 January, 2006 ^{Peter Smith-O} [redacted] informed me that Rob KARAM had told Ms Gobbo that he had thousands of kilograms of MDMA to sell.
176. On 25 February, 2006, ^{Green-O} [redacted] informed me that Rob KARAM and [redacted] wanted a [redacted] for a container load of MDMA that KARAM possessed.
177. This list of examples is far from exhaustive. There were more occasions where Ms Gobbo provided information about the ongoing serious criminal activities of people, some of whom were clients. It must be said that this information did not always come from conversations with her clients. On many occasions, information Ms Gobbo supplied about the activities of people, some of whom were her clients, was sourced from people other than her clients.

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178. An example of this occurred on 28 March, 2006 when Rob KARAM tells Ms Gobbo that [REDACTED] will finish [REDACTED] at the end of the week. (ICR 24)
179. The information Ms Gobbo provided about the criminal activities of these people that was disseminated to investigators pertained to; murder, commercial drug manufacturing and trafficking, drug importation, money laundering, police corruption and attempts or conspiracies to pervert the course of justice.
180. An example of how the source handlers understood and managed the LPP issue and confidentiality of legal advice occurred on 1 March, 2007, when Ms Gobbo had a conversation with [REDACTED] her handler at that time, concerning a particular court case in which she had been asked for advice (Cosimo). She was told by [REDACTED] that it was a matter for her and that the police cannot be involved in interfering with a defence case.
181. A further example of my attitude regarding LPP can be found in a meeting I had with her on 17 July, 2007. On this date I had a lengthy conversation with Ms GOBBO mostly concerning her fears of being discovered as an informer via court discovery processes. We also discussed the viability of her potential as a witness rather than a human source. During this conversation I said to Ms GOBBO:
- '...look from our point of view We tried to be very careful about receiving intelligence from you specifically to your clients' defence. We've made – gone to great extent to try and stay out of that maybe we didn't do a good job and maybe we did ...'*
182. I also had several conversations with her about **her** understanding of her ethical obligations in regards to legal professional privilege.
183. The source handlers positioned at the Source Development Unit all held the rank of [REDACTED]. They were all highly experienced investigators selected for the role by reason of their extensive experience as investigators

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and their reputations of having the highest integrity. Each was put through an exhaustive probity examination prior to being selected for the position.

184. I had total confidence in these ^{Pii} [REDACTED] None of them needed to be reminded of their obligations to the justice system however I did instruct them to ensure that we, (the SDU team) did not seek any information that could be the subject of LPP. I can see from an examination of my official diary on the 18 February, 2006 that on receiving an update from ^{Green-O} [REDACTED] who was reporting a telephone contact with Ms Gobbo, I directed ^{Green-O} [REDACTED] specifically in regards to my attitude to LPP. My diary records the following entry:

'Cautioned ^{Green-C} [REDACTED] re speaking about TM trial. Prefer no DSU involvement unless crime being committed'.

185. This conversation occurred in connection with Ms Gobbo reporting that Tony MOKBEL wanted her to participate in the creation of false statements which she believed would be a perversion of the course of justice.

186. I am aware of the fact that on occasions Ms Gobbo did talk about meetings she had with people who were her clients and were discussing live court matters despite instructions from the SDU members not to do so. Whilst far from desirable, it was my opinion that this occurred as part of a 'venting' process by the source. In my mind, the important aspect of this was to ensure that no intelligence was derived from that conversation and that if it was, it was never to be disseminated for actioning by investigators.

187. An analysis of all physical meetings between SDU members and Ms Gobbo is currently being conducted and it is clear that most if not all the handlers involved with her, including myself, have at one time or another made clear to her that the team did not want to hear any information that could be protected by LPP. In fact, she was also told that any information falling into that category could not and would not be utilised.

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188. Full details of all conversations can be found in the recordings and transcripts of meetings and the ICR's. What was disseminated appears in the IR's and if verbal, in the ICR's and a 'dissemination matrix' maintained by the unit to track the dissemination of information reports.

Conflict of interest

189. Over the duration of the relationship with Ms GOBBO, she was told on several occasions not to involve herself with potential clients who may represent a conflict of interest for her. Often times she would simply ignore that advice. It has always been my view that the matter of conflict of interest was an ethical matter for Ms Gobbo to determine. The conflict was hers. Having said that we did make efforts to try to stop her involvement in such matters.

190. On 28 October, 2005, I had a conversation with Ms Gobbo in the presence of Peter Smith-O specifically in relation to the potential conflict of interest position she may have been in regarding PII [REDACTED]. During this conversation I told her one option to deal with it would be to withdraw from representing PII [REDACTED] (VPL.0005.0051.0477)

MS GOBBO: The PII [REDACTED] thing is gunna cause me big drama, because can ask him anything and he'll tell me, but I don't wanna know his stuff. I mean, I - it might be useful to you but I don't wanna know it from the point of view of - - - Well, you could - - -

Sandy White-O

MS GOBBO: Pardon?

Sandy White-O

- - - you could withdraw from representing him because like that - - -

MS GOBBO:

Sandy White-O

- - - for the greater good of telling us.

191. We were particularly concerned about her conflict of interest that would arise from the arrest of PII [REDACTED] if she involved herself with representing him in any way. On PII [REDACTED] 2006, Green-O and myself spoke to Ms Gobbo in relation to what would happen when/if PII [REDACTED] was arrested:-

Sandy White-O

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Green-O : I have got a - a bit of a concern, though. If [PIL] was to get arrested - - -

MS GOBBO: Yeah.

Green-O : - - - he's going to be calling you, isn't he?

MS GOBBO: Yes. He will not call anyone else.

Green-O : How's that going to work?

MS GOBBO: What do you mean?

Green-O : Well, how are you going to be able to represent him?

MS GOBBO: What do you mean?

Green-O : Well, won't there be a conflict of interest there?

MS GOBBO: What conflict? He'll be pleading guilty. What different does it make?

Green-O : Well, what if it was [PIL] then? 'Cause he probably wouldn't plead guilty.

MS GOBBO: That's a different story.

Green-O : Yeah. Would he ring you - - -

MS GOBBO: Yes.

Green-O : - - - if he was arrested?

MS GOBBO: Yep. All of them will, they won't - -

192. On 20 April, 2006, I had a lengthy conversation with Ms Gobbo in the presence of [PIL] and [PIL] in relation to what I believed could be a conflict of interest for her if she was called by [PIL] on the day of his arrest. (VPL.0005.0097) This conversation starts on page 0266. It is a conversation based around hypothetical situations and was an attempt by me and the handlers to get as much information as possible about what could occur if and when [PIL] was arrested so that we could plan a strategy to avoid her having to respond to [PIL] possible request for assistance when he was arrested.

193. I recall that I also had a conversation with Ms Gobbo expressing my concern about her providing [PIL] with any legal advice after his arrest. I went so far as to ask her exactly what she would say to him in an effort to convince her that she should make herself unavailable when it happened. She told me very clearly and quite rightly that it was none of my business.

194. On [PIL] 2006, [PIL] was arrested by investigators from the [PIL] Task Force. I am aware that Ms Gobbo attended the [PIL] police station and spoke to [PIL] giving him advice on that day. I am not aware of what that advice was.

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195. At some point that day [PII] agreed to assist the [PII] Task Force investigators in a strategy aimed at gathering evidence of [PII]'s involvement in the [PII] that [PII] had been [PII].

196. After speaking to [PII] and investigators, that day, Ms Gobbo met with [Green-O] and [Peter Smith-O] and had a conversation about her safety. She was particularly concerned that she would be killed [PII]

197. On [PII], 2006 I, in company with [Peter Smith-O], met Ms Gobbo and talked about this issue further. We also talked about what would happen if or when [PII] got arrested as a consequence of meeting with [PII] [PII] who was acting for the police. I impressed on her that she could not respond to his request to come to the police station and we discussed a variety of possible excuses for getting out of it. (VPL.0005.0097)

198. On [PII], 2006, both [Green-O] and myself met with Ms Gobbo regarding the arrest of [PII] by the [PII] Task Force investigators. We had further conversations about excuses she could give to [PII] [PII] several days earlier.

199. During this conversation Ms Gobbo told me that she intended to represent [PII] the following morning at a remand appearance. I told her she couldn't do that for obvious reasons. We spoke about conflict of interest. Ms Gobbo told me she was going to do it whether I liked it or not.

200. I have been criticised for allowing her to represent [PII] on that day. The fact of the matter is, I had no mechanism with which to stop her. I also took comfort from the fact that her representation at a remand hearing would have no impact on the justice system because he had no chance of receiving bail by virtue of the fact this was his [PII] appearance in court for the [PII]

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201. There were many occasions where the handlers would give direction to Ms Gobbo to avoid or stop representing certain criminals either because it could be a conflict of interest or it may jeopardise her safety.

202. On ^{PII} [REDACTED], 2006 ^{Green-O} [REDACTED] had a conversation with Ms Gobbo where she was directed to minimise contact with ^{PII} [REDACTED] and to allow solicitor Jim Valos to manage the situation.

203. On ^{PII} [REDACTED], 2006 she was again told by ^{Green-O} [REDACTED] to find another barrister to represent ^{PII} [REDACTED].

204. On ^{PII} [REDACTED], 2006 she was again advised not to meet with ^{PII} [REDACTED] but stated that she felt obligated. She was told not to get involved with the ^{PII} [REDACTED] ^{PII} [REDACTED].

205. Another example occurred on 9th October, 2006 when she was specifically told not to represent Steve GAVANAS who had been arrested by the Purana Task Force. Shortly after the arrest, Horthy Mokbel rang her and told her to go to the police station re GAVANAS. She was instructed by ^{Anderson-DS} [REDACTED] not to attend and to refer another solicitor. She did so and recommended a solicitor named ADRIANAKIS to attend in her stead.

206. Whilst she initially agreed not to be involved with this person in a professional capacity she then decided to attend the bail hearing the next day in direct contravention of the direction of the SDU management team.

Other ethical/legal matters

207. I completely deny the suggestion that the SDU team acted either unethically or even criminally in regards to the management of Ms Gobbo as a human source. A thorough examination of the relevant records (contact reports and

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transcripts of meetings primarily) will show a consistent course of conduct by the management team, one that is based on efforts to uphold the strong ethics and integrity of members of Victoria Police. Without sufficient time to examine all the material in this regard, I point to the following examples of professional ethic behaviour by the team:-

208. On ^{Pill} April, 2006, ^{Peter Smith-O} advised me that he had had a phone contact with Ms Gobbo, during which she told him she needed to get an adjournment for court matter concerning ^{Pill} charges. She discussed the possibility of using false reasons to obtain an adjournment. ^{Peter Sm}
^{Peter Smith-O} told her she was not to deceive the court with false reasons for an adjournment.

209. On 13 April, 2006, ^{Black-O} advised me that he had had a phone contact with Ms Gobbo during which she told him that ^{Pill} may ask her to hold and possibly pass on some money on his behalf and that she did not know the origin of the money. She was instructed by ^{Black-O}
^{Black-O} not to enter any agreements to do so.

210. There were numerous occasions where either I or members of the handling team advised Ms Gobbo to remove herself from representing certain clients due to our perceived conflict of interest. We directed that she refer those matters to other counsel.

Acknowledgement of Responsibilities (AOR)

12. *Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:*

b. acknowledgement by of her responsibilities as a Human Source;

211. At the time of the registration of Ms Gobbo, human source management policy required that a document entitled 'Acknowledgement of Responsibilities'

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be completed. There were several ways in which this document could be completed;

- a printed copy of the document could be read by the source and then signed by the source and the handler
- a printed copy of the document could be read to the source by the handler and signed by the source and the handler (in cases where a source could not read)
- the handler or controller could verbalise the content of the document, using words more readily understood by a source
- in those circumstances where the content is verbally applied, the conversation PII and the form completed by the handler and controller
- In such cases, the source may never see the form

212. I was very involved in the discussions that resulted in the creation of this document. The genesis for the concept was UK source management practice. The spirit of the document was aimed fairly and squarely at criminal sources, that is those sources that commit crime. It was designed to try and prevent sources from committing crime whilst under the management of a law enforcement agency.

213. In the early iterations of this document, it was very legalistic and in my opinion actually discouraged sources from signing on, hence the need to have the option of explaining the content in plain language.

214. I cannot recall specifically not getting Ms Gobbo to sign this document but I am aware that it cannot be found. I can recall thinking that the document was not suited to Ms Gobbo and struggled with applying the content as I had no expectation that she as a lawyer would commit crime. I am now aware that most if not all aspects of the content of the AOR were covered in initial conversations between myself and Ms Gobbo which were audio recorded.

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215. It would be unusual that I would not have prepared an AOR for this source as I did with every other source I managed.

216. Examples of a discussion I had with Ms Gobbo relevant to the AOR occurred on 12 January, 2006 where during a conversation about the activities of [REDACTED], Ms Gobbo states; *'I'm not doing anything illegal with them'* and then later describes how she was in a different category to other informers:-

- *...[others are] providing the information was playing the police off or trafficking drugs or committing crimes themselves. I'm not in that category.*
- *Secondly, I'm not in that category because you aren't doing anything for me. ... I'm not saying, "Can you please get me off some charge," or, "Can you please come to court"*

217. And later in the same conversation but in reference to the criminal activity of Tony MOKBEL and her involvement, Ms Gobbo states;

'... You tell me one crime I've committed with the bloke or for the bloke.'

218. There were several occasions where I and/or the handlers spoke to Ms Gobbo about not committing crime which is one of the key elements of the AOR.

219. On 15 February, 2006, the content of the AOR came up again when Ms Gobbo met with [REDACTED] and the following conversation occurred in relation to instructions that had been provided by me to Ms Gobbo. During this conversation [REDACTED] reinforced the most important aspect of the AOR, that is the requirement not to commit crime.

MR [REDACTED] : He - he should've.
 MR [REDACTED] : He should've. Don't commit crime. Yeah, go on.
 MS GOBBO: Oh, come - don't you remember what he said to me?
 MR [REDACTED] : Nuh. He gave you the rules.
 MS GOBBO: I remember.
 MR [REDACTED] : He gave you the rules. That's - I'm glad you remember.
 MS GOBBO: No, it wasn't - - -

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MR ^{Green-O} : Did he tell you - - -
 MS GOBBO: - - - just the rules.
 MR ^{Peter Smith-O} : - - - not to commit crimes?
 MS GOBBO: No.
 MR ^{Green-O} : Yeah?
 MS GOBBO: He didn't even mention that.

220. There is no doubt in my mind that the content of the AOR was explained to Ms Gobbo over the course of several meetings. There is also no doubt in my mind that she understood the rules of the relationship which is the whole point of the AOR. This is confirmed in a conversation she had with source handlers ^{Green-O} and ^{Peter Smith-O} 20 March, 2006 where she says:-

'If I was doing anything untoward, illegal, incorrect, wrong, whatever, you would've worked it out by now ... I was – that was made reasonably clear from day 1'.

221. It has been suggested to me that I should have recognised the risk of Ms Gobbo providing information concerning LPP and that I should have amended the AOR to reflect a direction to her along those lines. With the benefit of hindsight this would have been a good idea, however at the time the AOR document was not one to be amended and its development was a work in progress.

222. It was also the case that I did not identify the risk of LPP being obtained from her to be used by investigators because it was never going to happen.

223. I have previously given evidence to IBAC that I recalled at one point in time I requested that Ms Gobbo's source management file held by the then Informer Management Unit, (now HSMU) be removed from the IMU and placed in a more secure location. This was because I had concerns about the integrity of a particular member at that office. As a result, the file was removed and handed to Superintendent Ian THOMAS for safekeeping.

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224. I do not know at this point in time if that original file has ever been located. I only raised this as I believed an AOR must have been completed and may have been attached to that file. Having had the benefit of reading transcripts from the early meetings between myself and Ms Gobbo, I am satisfied now that whilst the content of the AOR was given, the actual document itself was not completed and forwarded to HSMU.

12. *Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:*

c. *assessment of risks associated with her use as a Human Source;*

225. Refer to the response to Question 8(c). I cannot provide further detail in regards to this question without reviewing the transcripts of conversations with the source.

12. *Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:*

d. *her motivations to act as a human source;*

226. Refer to the response to Question 11

12. *Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:*

e. *indications of criminal conduct or other adverse motivations on her part;*

227. I don't believe Ms Gobbo participated in any criminal conduct during her relationship with the SDU. I also have no evidence that Ms Gobbo was adversely motivated.

PROTECTED**Ms GOBBO's health**

12. *Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:*

f. matters of concern as to the use of Ms Gobbo as a human source such as her mental or physical health;

228. Prior to the relationship established between the SDU and Ms Gobbo I was aware that she had been in hospital for a heart related condition. In subsequent conversations with Ms Gobbo she spoke about that incident and how she believed it was the result of stress caused by her relationship with the Mokbels and the demands they placed on her.

229. During our relationship she spoke on at least one occasion about getting a lump in her breast checked. The team continually monitored her health, speaking about it on most if not every occasion of a face to face meeting.

230. At one point in the relationship I arranged for Ms Gobbo to meet and speak with a psychologist named [PII]. This was to help Ms Gobbo to deal with the stress in her life. I also thought it would be worthwhile to have a professional psychologist give me some feedback on her both from the point of view of mental health and in contributing to a more complete understanding of her personality and motivation to be a human source.

231. Ms Gobbo spoke with the psychologist on several occasions but ultimately had little respect or time for the psychologist stating she got nothing out of the meetings.

232. I see by reviewing a diary note pertaining to a conversation I had with the psychologist concerning Ms Gobbo that we discussed her mental health. [PII]

[PII] informed me that she believed Ms Gobbo was:-

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'...probably not a suicide or self harm risk. That if contact with SDU stopped, there would be big hole in her life and the the source personality problems have been long standing and not created by her role as a human source.'

233. We also discussed strategies for an exit plan and ongoing psych counselling.
234. I have been criticised in a document referred to as the Comrie report for failing to identify some mental illness the source must have had. This criticism is without basis and made by an individual who has never met the source or ever spoken to myself or any member of the SDU team at any time.
235. In all the time I have been associated with source management I have found that the very best human sources are those that have big egos because they try hard to get a successful result. There is no doubt in my mind that Ms Gobbo fell into that category. She actually asked me on one occasion whether she was the best source we had ever had.
236. I also believe that she was a needy individual. Her social circle prior to our relationship was one whereby she surrounded herself with serious criminals. Unlike the vast majority of lawyers whose only criminal contacts would be clients, Ms Gobbo's entire social circle were criminals. This was why she was such a useful resource for Victoria Police.
237. Uninformed people such as Neil COMRIE and certain others within Victoria Police have assumed that the only criminals Ms Gobbo could provide intelligence about, were those who were her clients when in fact she had an extensive social network of serious organised crime figures. She provided information about her clients that came from people other than those clients.
238. As time progressed I suspected that Ms Gobbo had replaced criminals as her social contacts, with policemen from the SDU. Her contact with source handlers exceeded the level of contact any of the source team had previously experienced. As time passed and her safety and security concerns increased,

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she became more reliant on the source team. This was problematic in terms of developing an exit strategy for the relationship however it is not uncommon in the world of source management.

239. It's a well known fact amongst source handlers that many sources may suffer some form of personality disorder. This does not disqualify from them from being effective and well motivated human sources.

13. *Provide details of any knowledge you had of Ms Gobbo providing information or intelligence to any person or organisation outside the SDU.*

240. During the management of Ms Gobbo as a source for the SDU I was unaware of her providing information to any person or organisation outside the SDU except for the fact that prior to the SDU relationship and during she had been talking to Det/Sgt Stuart BATESON in regards to [REDACTED] and before him, [REDACTED].

14. and 15. *Provide details of information received and disseminated.*

241. Refer to spreadsheet provided by SDU team detailing dissemination of information reports and to Source Contact Reports detailing verbal dissemination direct to the nominated point of liaison.

16. *Provide details of your knowledge or understanding during the time you were dealing with Ms Gobbo at the SDU of a lawyer's duty or obligation;*

a. *of LPP;*

b. *confidentiality; and / or*

c. *to act in the best interests of his or her client.*

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242. From the outset of the relationship between Ms Gobbo and Victoria Police I was aware that she as a lawyer had an obligation to keep client instructions and conversations she had regarding existing court matters private and that they were protected by Legal Professional Privilege.
243. I did not believe that material subject to LPP included information regarding the ongoing or future commission of serious crimes.
244. As I have previously mentioned in my comments as per paragraph 65 I was guided in my belief that LPP does not include such information by the definition contained within the U.K. ^{PII} [REDACTED] document entitled ^{PII} [REDACTED] ^{PII} [REDACTED]
245. In regards to confidentiality, I did not have a full understanding of a lawyer's duty or obligation in regards to confidentiality, however I was never of the belief that confidentiality would override the principle of LPP and if material such as information relevant to ongoing criminal offences is not the subject of LPP, then neither would it be protected by confidentiality.
246. I have always assumed that a lawyer should act in the best interests of his or her client when giving legal advice, but have no understanding of the extent or full meaning of this concept.
- 17. Provide details of your knowledge or belief as to whether any advice was obtained from hereinafter a legal practitioner or more senior officer in relation to lawyers' duties regarding Ms Gobbo, or more generally, human sources, during your time in the SDU.*
247. At no time did I seek an independent legal opinion concerning lawyer's duties in regard to Ms Gobbo or otherwise. In order to make an assessment as to what information may or may not be LPP, I relied upon my belief that if it related to a clients defence it was LPP and if it was information provided that related to

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ongoing or planned criminal offences, not the subject of a clients current charges, it was not LPP.

248. Whilst not seeking advice from legal advisers within Victoria Police specifically, I also sought advice from Ms Gobbo herself as to what she believed to be LPP. The fact that she was an experienced barrister actively practising law gave me additional confidence that my view was not incorrect.
249. I would add that Assistant Commissioner OVERLAND was himself a lawyer and aware of our relationship with Ms GOBBO and at no time did he express a belief that we were acting improperly by disseminating information about ongoing serious criminal offences that may have come from Ms Gobbo's clients.
250. I did not seek advice from Victoria Police's legal services area for two reasons:
1. I did not think it was necessary
 2. I was very concerned that seeking this advice may have led to a leak of Ms.Gobbo's relationship with Victoria Police which would have led to her death
251. The protection of the relationship with Ms Gobbo was always my most important concern. The fact that she was a human source for Victoria Police was a big secret and I have had a long career working with secrets at the highest level. I believed then and I believe now that lawyers are no different to policeman, they talk between themselves and I was not prepared to take the risk of sharing this secret with people who did not need to know.
252. I am now aware that on 30 August 2013, the director of Victoria Police Legal Services, Finn McCrae, provided the following definition of Legal conflict and legal professional ethics to the Comrie Review team. This is the definition supplied:-

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'Where the lawyer has potentially passed on information to police in relation to a client she was formally representing. In other words, it is known that the information relates to a paid client of the lawyer.'

253. This definition fails to consider whether information provided by a client that is relevant to ongoing or planned criminal offences is or is not protected by LPP. I believe this shallow definition skewed the Comrie report which adopted the belief that any information the SDU team received from Ms Gobbo that emanated from a client, was LPP and the dissemination of same was corrupt.

254. I have been criticised for failing to seek independent legal advice on this matter however even now it seems that my understanding of the principle was correct and even though both myself and the team did receive information that fell into this category, we were the ones that controlled whether it was disseminated or not.

18. *Provide details of your knowledge or belief as to whether LPP or obligations of confidentiality or a lawyer's duty to act in the best interest of her or his client, were breached by Ms Gobbo, in respect to each of the people listed in question 14.*

255. Refer to question 12.

19. *Provide details of your knowledge or understanding, during the period that you were in the SDU, of the obligation on the part of Victoria Police to disclose to courts, the prosecution and the accused, any and what information obtained during the course of an investigation that was not included in a brief served on an accused.*

256. It was not the responsibility of members of the SDU to prepare or assist in the preparation of briefs of evidence. This was the responsibility of the investigators. Any issues concerning disclosure that could relate to the SDU use of a human source were referred to the officer in charge of the Human Source Management Unit which had total responsibility for all court related legal matters such as disclosure, PII claims and legal professional privilege.

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257. The SDU were not the owners of the intelligence gathered from a human source, the HSMU was. If investigators believed disclosure or PII claims were relevant to a brief of evidence they would consult with the HSMU, not the SDU.

20. *Provide details of your knowledge or understanding, during the period that you were in the SDU, of the operation of the doctrine of public interest immunity (PII), concerning information provided by Ms Gobbo, and whether any advice was obtained or discussions were had in relation to this matter.*

258. As a member of the SDU, I had no input into the preparation of briefs of evidence. In regards to the briefs of evidence prepared which may have evidence derived in part through the activities of Ms Gobbo whilst a registered human source, neither I nor any member of the SDU prepared statements or contributed to the compilation of the brief of evidence with one exception.

259. The SDU did agree to allowing Ms Gobbo to have access to the brief of evidence concerning [PII]. This was for the purpose of ensuring material had not been included in the brief that would have compromised Ms Gobbo.

260. I am well aware of the obligation on the part of Victoria Police to disclose all matters that are relevant to a prosecution, particularly those matters that may be exculpatory. I am also aware of the doctrine of public interest immunity in regards to human source activity. I have experience in claiming public interest immunity in regards to human source or covert methodology. I have an understanding of the competing public principles of fairness to the accused and the need to protect the identity of human sources.

261. If any SDU officers became aware of exculpatory evidence, this would as a matter of course be reported to the HSMU for further action. In those cases

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where such disclosure may compromise a human source, Victoria Police had the options of;

- informing the defence
- discontinuing the prosecution
- briefing counsel to prosecute the claim of PII

262. The issue of PII claims relevant to human source operations were managed by the Human Source Management Unit which had ownership of all source management policy and regularly dealt with matters such as public interest immunity in regards to human source management. Staff from the HSMU would be tasked with determining how this material would be managed in the court system.

21. *Provide details of your awareness as to whether any concerns were raised at any time by members of Victoria Police (or other policing or law enforcement agencies for example the AFP, the Office of Public Prosecutions, the Commonwealth Director of Public Prosecutions) as to the use of Ms Gobbo as a human source, including in relation to each of those concerns:*

- a. who raised the concern, with whom it was raised and by what means (written or oral);*
- b. when the concern was raised;*
- c. what the concern was;*
- d. whether the obtaining of legal advice was raised; and*
- e. what, if anything, was done about the concern.*

263. During the management of Ms Gobbo as a human source, no one raised these issues. The only concerns raised by members of Victoria Police or otherwise were those that related to her safety. This was an ongoing issue for all police members involved in her management including members of senior management. I cannot provide any further detail on this point without complete access to relevant records.

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22. *Provide details of your awareness of any Victoria Police Standard Operating Procedure for the management of human sources, including:*

- a. details of what that procedure was;*
- b. whether the conduct of members of Victoria Police in relation to the use of Nicola Gobbo as a human source resulted in any failures to comply with that Standard Operating Procedure;*
- c. whether any breaches of that Standard Operating Procedure as detailed at sub-paragraph (b) placed Ms Gobbo in a position of unacceptable risk to:*
 - i. her personal safety;*
 - ii. the individual rights of others by consequence of her position as a legal practitioner.*

264. I refer to the Victoria Police Human Source Management Policy in place at the time of the registration and management of Ms Gobbo as a human source and state that no member of Victoria Police failed to comply with that policy.

Transition from Source to Witness

23. *Provide details of your awareness as to whether any concerns were raised at any time by members of Victoria Police (or other policing or law enforcement agencies for example the AFP, the Office of Public Prosecutions, the Commonwealth Director of Public Prosecutions) as to the transition of Ms Gobbo from a human source into a witness, including:*

- a. who raised the concern, with whom it was raised and by what means (written or oral);*
- b. when the concern was raised;*
- c. what the concern was;*
- d. whether the obtaining of legal advice was raised; and*
- e. what, if anything, was done about the concern*

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265. Both Supt. BIGGIN and myself were opposed to the transition of Ms Gobbo from a source to a witness and strongly presented our opinion to A/C Simon OVERLAND. We both were of the belief that if Ms. Gobbo was made a witness then the fact that she had been a human source would be revealed most probably in a court environment and that she would be totally compromised. There was little doubt in my mind that this would lead to her murder by criminals who had been the subject of her informing.

266. I also know that Detective Inspector Jim O'BRIEN had a very similar discussion with A/C OVERLAND.

267. ^{Black-O} prepared a "SWOT" analysis on this issue for Supt. BIGGIN.

268. During my time at the SDU we had at least one other source who after active deployment went on to become a witness. In that case the source was aware it was a possibility at the outset and measures were put in place to protect that person.

269. It is generally considered world wide, a very poor practice to turn a source into a witness due to the probable risk of compromise. Many investigators would be very happy to have sources transitioned into witnesses but such a process would spell the end of any likelihood of ever recruiting human sources for obvious reasons.

270. I recall A/C OVERLAND telling me he understood our position but that the source was potentially useful in a very serious corruption investigation involving an ex police member named Paul DALE. I was aware of the general strategy proposed which was to have Ms Gobbo meet DALE and record a conversation with him regarding the Hodson murders/Dublin Street burglary. This particular investigation was code named Task Force Petra and was led by Detective Inspector Stephen SMITH.

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271. A/C OVERLAND told me that corruption trumps everything and that public confidence in the police force was more important than the compromise issues surrounding Ms Gobbo. I believe A/C OVERLAND thought that suitable security arrangements could be made to protect Ms Gobbo.

272. As a result of this direction, I met with Ms Gobbo. We discussed the likelihood of her becoming a witness in the investigation into Paul DALE. We had a lengthy discussion about the risks involved. She ultimately decided that she would be prepared to become a witness if the need arose.

273. I also told her that if she chose to work with the Petra Task Force, she would have no further contact with the SDU team. Ultimately, she was introduced to members of the Petra Task Force who took over management of her. The SDU had no further contact with Ms Gobbo from that point onward.

274. I recommended that the Petra Task Force appoint two ^{PII} [REDACTED] trained source handlers to assist them with management of Ms Gobbo and I was present when these two members ^{Lloyd-DS} and ^{Graham Evans-O} _{Graham Evans-O} were briefed about Ms Gobbo.

275. Neither I nor any other member of the SDU had any more to do with that particular investigation, however I did receive information informing me that the strategy to use her as a witness was unsuccessful as were the attempts to arrange some form of security for her. I also became aware that Ms Gobbo's relationship with the task force and Victoria Police as a whole deteriorated significantly.

276. I do not know if any legal advice was sought in relation to Ms Gobbo's use as a witness.

24. *Provide details of your awareness as to any discussions within the SDU or Victoria Police more generally regarding the use of Nicola Gobbo as a witness for*

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the criminal prosecution of Paul Noel Dale in relation to the murders of Terrence and Christine Hodson, including:

- a. what that assistance would be;*
- b. whether there were any concerns raised as to the use of Ms Gobbo as a witness in that proceeding;*
- c. who raised that concern; and*
- d. whether anything was done about that concern.*

277. Refer to my previous answer.

25. *Provide details of your awareness as to any discussions within the SDU or Victoria Police more generally regarding the use of Nicola Gobbo as a witness for the criminal prosecution in relation to the murder of Shane Chartres-Abbott, including:*

- a. what that assistance would be;*
- b. whether there were any concerns raised as to the use of Ms Gobbo as a witness in that proceeding;*
- c. who raised that concern; and*
- d. whether anything was done about that concern.*

278. In 2011 or 2012, A/C Jeff POPE asked me to leave the SDU and review the investigation into the murder of Shane Chartres- Abbott. This investigation was code named Task Force Briars. I agreed to undertake the role. I was aware of the investigation because I'd had previous conversations with Det Snr Sgt Ron IDDLES and Detective Inspector Steve WADDELL, at different times, in their capacity as investigations manager for that particular investigation.

279. Both investigators were aware of Ms Gobbo's role as a human source and thought she might have been able to assist the investigation. Without referring to my diaries I can't elaborate on this any further.

PROTECTED**The closure of the SDU**

26. *Provide details of the disbanding of the SDU, including your understanding of:*

- a. the reasons for its disbandment;*
- b. the procedures undertaken to disband it.*

280. To this date, I still do not know exactly why the SDU was terminated. I believe that it may have been the result of any of the following either solely or in combination:

- A management belief that the staff had been too long in the covert environment;
- A management belief that the staff were undisciplined and unmanageable;
- A management belief that the staff were corrupt;
- The Assistant Commissioner, Jeff POPE, was trying to ensure knowledge concerning his sexual relationship with source 3838 would never be discovered or disclosed;
- The relationship and deployment of a lawyer as a human source was going to be a major embarrassment to Victoria Police and the organisation needed to show it had done something about making sure the same thing didn't happen again; and/or
- Substantial savings could be made by closing the SDU.

281. I make the following observations about each of the above points:

Too long in the covert environment

282. In 2013 all members of the SDU were directed to attend a meeting with Supt SHERIDAN and Inspector John O'CONNOR. On arriving at the meeting, I found Commander Doug Fryer to also be present as well as the majority of the SDU staff.

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283. We were each presented with a letter and informed that the SDU would be closed effective immediately. In short the letter stated the reason for the closure of the unit was that:-

'the members had a disconnection from police identity and the organisation borne of long term exposure to covert policing.'

284. This was an issue that is particularly relevant to undercover policing where those members working in the undercover environment are [PII].
[PII]. For those operatives, they are [PII].
[PII].

285. This was not the case with the SDU staff, they were not working undercover, they had daily contact with police investigators, regularly attended police buildings and police courses. In every source relationship, the source was well aware that the handlers and controllers were policeman.

286. The management personnel did not elaborate on the reason for the closure. We were simply told we had to find a new position within six months. It is patently obvious that this was used as an excuse to close the unit.

287. The suggestion that the staff had been too long in the covert environment had never been brought to my attention and there were at least two members who had been at the unit for less than six months and several others, less than 12 months.

288. I also could not understand how if the staff were the issue, why weren't they simply replaced, allowing for the unit itself to continue operating. Shutting down the capability of Victoria Police's to recruit and manage designated 'high risk' human sources without an alternative option was akin to throwing the baby out with the bath water.

PROTECTEDStaff undisciplined and unmanageable

289. As the senior member of middle management at the SDU I had never been informed that there were any discipline issues with the staff at the unit.
290. As the founder of the unit, I was never informed by senior management that there were contemplations to close the unit for any reason. Having extensive knowledge regarding the reasons behind the creation of the unit, I think it would have been appropriate to be consulted. I have never worked at a location within Victoria Police where as a member of middle management, I was not consulted on management issues by my direct senior management.
291. I have recently read the comments in the Covert Services Division Review of the SDU prepared in regards to attempts to implement the Maximum Time in Position policy across the Division. The review document recommends the immediate closure of the unit citing the lack of respect staff at the SDU had for management and how the staff worked around management to get their way.
292. That statement is false and I believe it stemmed from the fact that the Inspector at the unit failed to identify with the culture at the unit which I had created as an anti corruption strategy. After many years working in the ^{PII} [REDACTED] environment both as an ^{PII} [REDACTED] I was well aware that management must do everything they can to ensure they know exactly what the staff are doing, good or bad, in such a high risk environment.
293. The best way to do this is to encourage a culture whereby every member of staff, including the lowest ranking member, feels that their opinions are valued and considered. It is essential that there are no secrets amongst staff at all ranks. I encouraged staff at the SDU to constructively criticise me and each other on all matters, whether administrative or operational. In fact, constructive criticism was an essential part of source handling debriefs and drove the development of best practice.

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294. I don't believe either Inspector O'CONNOR or Supt. SHERIDAN understood this. They implemented a very strict hierarchical system of management where even the Senior Sergeants counsel was not desired. In fact I believe they both felt constructive criticism of any of their decisions represented blatant disrespect and O'CONNOR in particular, would respond violently with fits of shouting and swearing. He was in effect a bully. There are many examples of this.

295. In the Covert Services Department Review, (VPL.001.001.0035) a number of highly negative accusations have been levelled at myself and others in the SDU which in tandem with the Comrie Report were used to close the SDU. I, as the manager of the SDU have been accused of:-

- refusing to accept that management act as governance across the deployment of high risk human sources
- making ego driven decisions,
- making peer group selections for staff
- systemic resistance to change
- attempting to suborn the authority of management,
- attempting to coerce other areas of the organisation to influence SDU management to achieve *our* desired outcomes,
- failing to consider the criminal activity of human sources,
- failing to consider the Victoria Police investigative requirements,
- considered human source protection from disclosure of criminal offending higher than rule of law and rule of justice,
- refusing to follow protocol in contacting potential or unregistered human sources exposing the source, the unit and organisation to risk, and
- refusing to accept the decision of the LSR on several occasion initiating hostility towards the officer in charge of the SDU by staff.

296. I vehemently deny all these accusations criticisms. I have never had one single accusation of any type described put to me by either of the two managers that level this criticism, being Inspector John O'CONNOR and Supt Paul SHERIDAN. If these criticisms were valid I should have been counselled, possibly even disciplined. If any of the staff under my control had been

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accused of any of these charges, I would have intervened personally and spoken to the member and possibly even had them disciplined if found to be true.

297. I also point out that none of these allegations were ever included in my Personal Development file, the one place where these types of criticisms must be recorded. This is explained away in the review by stating PDA entries were not made as this would have exacerbated the situation. This is a cowardly and deceitful form of management.
298. It is fictional to suggest that the staff had systemic resistance to change when the staff in fact were change agents, having contributed significantly to massive cultural change concerning source management. Every member of staff was an active participant in the design and delivery of the [PII] highest levels of human source management training in Australia and New Zealand. The comments of the then Chief Commissioner Christine NIXON accurately describe the SDU's contribution to cultural change. See Para 339
299. This is clearly not the forum to be arguing these points but as a simple indication of the inaccuracy I point out that in regards to the allegation concerning peer group selection, the fact that of the [PII] [PII], [PII] [PII] and [PII] [PII] who formed the staff at the time of arrival at the SDU of Inspector O'CONNOR and Supt. SHERIDAN, only two were persons who I considered to be friends at the time of the selection of the staff.
300. Neither Inspector O'CONNOR nor Supt SHERIDAN ever spoke to me about the reasons behind the SOP's and policy relevant to the unit and failed to comprehend the necessity behind some of them. By way of example I was told Supt SHERIDAN did not like the policy of sanitising information reports and I was directed on one occasion to disseminate intelligence to investigators in raw form. I was also told by Inspector O'CONNOR on one occasion to disseminate intelligence via email.

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301. There were very good reasons why policy precluded both of these actions so I refused. Both of these examples show that neither officer had embraced the cultural change that the staff were promoting and that they were clinging onto the way things used to be done. I was also told by O'CONNOR that he and Supt SHERIDAN thought particular (very significant) aspects of SDU tradecraft for source meetings were unnecessary and he, O'CONNOR referred to them as 'bullshit.'

302. On another occasion Inspector O'CONNOR directed a handler to attend a jail to see a de-registered source who wanted to talk to someone. The handler was well aware that if he attended at the jail, it would be well known that he, as a dedicated source handler was visiting a prisoner and it was highly likely the prisoner would be assaulted or killed as a consequence of other prisoners believing him to be an informer.

303. The handler contacted me in regards to this issue and I directed that he identify and outline the risk on paper and ask for a written direction from the Inspector in relation to attending the jail. When presented with this document, Inspector O'CONNOR refused to put the direction formally and ultimately went to the jail himself. This is no doubt an example of the staff being difficult to manage in his mind, but in mine it is an example of someone who was out of their depth.

304. I think the criticism of my management of the SDU arises out of personal animosity between myself and Inspector O'CONNOR. I had very little direct contact with Supt SHERIDAN so his views must have been informed by O'CONNOR. I have been referred to by Supt SHERIDAN as the 'Svengali', which means quite literally 'evil manipulator'.

305. The most significant fact arising from the Covert Services Review document is the fact that neither I, nor any member of staff were:-

- ever made aware of the criticisms, and
- ever provided the opportunity to answer the criticisms

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Interestingly, this is exactly what happened with the Comrie report allegations.

Staff corrupt

306. Supt. BIGGIN, the driver behind the senior management support for the implementation of the SDU and best practice source management was advised that the unit was to be disbanded ten minutes before the meeting in which the SDU staff were also told. Supt. BIGGIN however, was told the unit was being closed because of corruption.

307. I have also been told this by several senior members of Victoria Police management after the unit was disbanded.

308. I have never been told by my management at the time, being Insp. O'CONNOR and Supt SHERIDAN, that there were any corruption issues at the SDU. I believe the integrity of every member of staff present at the time was of the highest order. Every member of staff at the SDU knew the integrity of the unit had to be 'bombproof' in order for the unit to function successfully. As I have previously stated each member of the SDU were the subject of the highest level of probity check possible within the organisation before being accepted into the SDU.

309. Shortly after retiring from Victoria Police I was approached by an officer in charge of the HSMU and asked if I would be prepared to continue to assist with source management training. In particular I was asked to tender a quote for a [PII] training block at the [PII] training course on the subject of the 'Psychology of Persuasion'. To my knowledge there are only three persons world wide capable of delivering this training as it relates to source management, myself being one of them.

310. After submitting the tender and winning the role, I was subsequently informed that the Supt in charge of the course, Supt Scott MAHONEY, whom I have

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never met, had decided that I would not be permitted to assist with any source training for Victoria Police. He stated:-

Sandy White-O

no longer represents the values of Victoria Police' and that 'he is never to be involved in any source management training.'

311. I have recently discovered that I and the staff at the SDU were the subject of a long standing corruption investigation by ESD. Neither I, nor any member of the SDU has ever been spoken to about this. The reputation of a police officer is the single most important asset of his or her career and it is clear now, in 2019, that our reputations within Victoria Police were destroyed behind our backs. It is a matter of great disappointment to myself and all the staff at the SDU that this lie was created and perpetuated.

312. I am astounded by the fact that neither I, nor any other member of the SDU has ever been consulted about the allegations arising out of our management of Ms. Gobbo as a human source. It is now very clear that since late 2011, secret investigations were being conducted about her management without the input of any member of the SDU with the exception of Inspector John O'CONNOR who was not part of the management team at the time of Ms Gobbo's assistance and who has a very poor understanding of the administrative and operational practices of the SDU.

313. I recall that in either 2012 or 2013, whilst I was positioned at the Briars Task Force, ^{Peter Smith-O} rang me and asked when we would get interviewed in relation to the COMRIE report. I told him I didn't know but presumed it would happen when they were ready. I then rang Inspector O'CONNOR and asked him when we would be spoken to by the Comrie review team. He told me that we wouldn't be because it had nothing to do with me or the handlers.

314. I told O'CONNOR that it had everything to do with me because I made every operational decision in relation to Ms Gobbo and insisted that I wanted myself and the handlers to be spoken to by the review team. O'CONNOR became angry and refused to allow us to be interviewed by the team.

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315. Had any of the SDU team been requested, we would gladly have provided all relevant material and answered all questions put to us about this matter. It has always been our view that we had deployed Ms Gobbo in the most professional and ethical manner possible. This is best exemplified by the fact that it was only in mid July, this year that the Taskforce Landow investigators gained access to what is known as the SDU 'Z' drive which is the stand alone computer system where all sensitive human source material was kept at the SDU.
316. The only reason the investigators gained access to this resource was because SDU members requested access and were stunned to discover the fact that investigators had for several years been trying to access it but couldn't because of encryption software. A simple phone call to anyone at the SDU would have provided access to that system.
317. The fact that senior Victoria Police management were informed that the SDU was terminated because the members were corrupt is disgraceful. It is very clear now that all the members of the SDU were treated like criminals from the day the Comrie report was handed down.
318. The only time any of the SDU staff have been made aware of this allegation was when some of the members including myself were called to the IBAC hearing conducted by Judge KELLAM in 2014. This enquiry was incomplete and considered by myself to have been an ambush of the SDU members who were called to the hearing and who were more than prepared to assist if asked.
319. I, like all the SDU members had no idea that we stood accused of a perversion of the course of justice, and/or a breach of public office at that time. I believed I was called to that hearing to give evidence in relation to either of the following:-
- Assistant Commissioner Jeff POPE's conflict when sitting on a reward panel for Ms. Gobbo, after he had had some type of personal relationship with her, and/or

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- The mismanagement of Ms. Gobbo once she was handed over from SDU control to the Petra Task Force, which ultimately ended in the compromise of the source identity and great expense for Victoria Police
320. I was not supplied with diaries, contact reports information reports, tape recordings or transcripts at this enquiry and had to rely on my memory of events that occurred 9 years earlier.
321. Neither I nor any other member of the former SDU, (to my knowledge), were ever spoken to or consulted regarding the preparation of the COMRIE report, or any of the litigation, in particular, the proceedings before Justice GINANE.

A/C POPE trying to ensure knowledge of his sexual relationship with 3838 remains hidden

322. I cannot at this time remember if Ms Gobbo revealed to her handlers or myself that she had had a sexual relationship with A/C POPE.
323. I can say however that A/C POPE was my professional development officer both during the latter part of my time as a controller at the SDU and the early part of my time as the investigations manager of the Briars Task Force. On the occasions I met him, he never told me he had known 3838, either personally or professionally. He certainly did not tell me that he used her as a source. He definitely would have known that I was the controller for her management as a source over several years.
324. I recall being told that A/C POPE was invited into D/C ASHTON's office one day for a 'fireside chat' and ten minutes later he had resigned. This occurred only a short time after he had signed a new contract to remain with Victoria Police. I don't know why he resigned but it was rumoured he had been removed as a result of failing to declare a conflict of interest prior to sitting on a rewards panel that approved a payment to Ms Gobbo.

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Minimisation of damage to the reputation of Victoria Police once it becomes known a lawyer was used as a human source

325. At the time of the closure of the SDU, I was advised that the staff at the unit would have to provide ^{PII} [REDACTED] Human source management training, despite the fact that the unit was closed. A ^{PII} [REDACTED] course was in the planning stages at the time and the selection process well under way.
326. I spoke to Inspector O'CONNOR about the futility of running the course because it was designed to identify and train people in readiness for positions as dedicated source handlers and controllers at the SDU and as the SDU no longer existed it seemed pointless. O'CONNOR told me that Supt SHERIDAN had directed that the course be conducted.
327. The ^{PII} [REDACTED] course was the highest level of training for high risk source management in Australia/New Zealand. We had conducted this course on multiple occasions. 50% of the positions on the course were dedicated to offices from law enforcement agencies other than Victoria Police.
328. The course was conducted in either late 2012 or early 2013. On one occasion during the course, Supt. SHERIDAN came to observe presentations concerning the Psychology of Persuasion by Dr. Mike WEBSTER.
329. During the sessions, Supt SHERIDAN and I had a conversation in which he told me that the closure of the SDU had been a consequence of the fact we had used a lawyer against her clients and breached the legal professional privilege barrier.
330. He further told me 'there was a train coming down the line headed straight for Victoria Police and it was going to be a major embarrassment to Victoria Police and cause significant issues in the senior courts system', or words similar.
331. I denied the fact that we had breached LPP and stated we knew what it was and had not crossed the line in the sand. He did not agree with me and I told

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him I could prove it and that there were hundreds of hours of audio recordings where she is clearly told that we did not want that type of information. Supt SHERIDAN was not interested in this and clearly did not believe me.

332. Having been a member of Victoria Police for thirty five years, I have seen on several occasions, the process by which members of the organisation try to protect themselves and the reputation of the organisation when things go wrong.

333. It is probable that senior management including Inspector O'CONNOR, Supt SHERIDAN, Commander FRYER and Assistant Commissioner POPE determined that by closing the SDU, terminating their operations and reviewing informer management policy, it would be possible to rebut any future criticism by stating the staff at the unit were rogue or worse, corrupt, blame it on previous management, and shut the unit down as an example of pre-emptive action after identifying a terrible problem then move on.

334. It is worth noting that if the SDU staff were inappropriately deploying the source by intentionally disregarding the protection of Legal Professional Privilege barrier, that in addition to senior management having the capacity to terminate the relationship, the HSMU would also have been aware and could have intervened.

335. This is the primary reason for the HSMU being under a separate command to the SDU. The governance function of the HSMU was deliberately separated from the operational capacity of the SDU so that operations could be monitored independently.

Substantial savings could be made by closing the SDU

336. At the time of the closure of the SDU, there was considerable angst between senior management at the Intel and Covert Support Department about an attempt by management to move certain people out of positions by

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implementing a Maximum Time in Position policy ('MTIP'). The ^{PII} [REDACTED] unit resisted this strongly and were backed by the police union.

337. The SDU on the other hand did not resist this policy, primarily because MTIP had been a recommendation within the concept papers leading to the creation of the positions at the SDU.

338. I have been informed that during a senior Executive meeting at Mt. Macedon, at that time, A/C POPE advised the group that he could make substantial savings to his budget by closing the SDU. This would have saved money being utilised for the infrastructure necessary to run the unit as well as the additional wages and allowances for the staff.

Independent Audit of SDU operations

339. The operations of the SDU and/or the management of Ms GOBBO as a human source were examined independently on at least five occasions that I know of. Firstly in 2005 when the Corporate Management Review Division assigned two Inspectors to examine the DSU. Their conclusions were summed up in the following comments:

The Evaluation Team concluded that the work undertaken by members to develop the Dedicated Source Unit (DSU) from a concept to subsequent implementation of the pilot into Victoria Police has been appropriate and in line with recognised 'best practice'. During the pilot the DSU staff gained significant support from members that transferred their human sources to the DSU for management. This support is indicative of the professionalism, credibility and expertise possessed by the DSU team. The Evaluation Team considers that the implementation of their recommendations will serve to enhance the DSU, especially with regards to staffing. This will assist the unit to become an invaluable asset to meet the needs of Victoria Police with respect to the reduction

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of the significant risks associated with Human Source management into the future.

340. On 15 June, 2006, Supt. Lucinda NOLAN audited SDU operations and made these comments:

The audit revealed that the current management of human sources at the Source Development Unit is being conducted at a high level - in all three audit areas of procedural, ethical and value for money.

Risk management of issues is exceptional, and documentation professional and concise.

However, the appropriate management of files is clearly affected by the lack of administrative assistance. This lack of administrative assistance is impacting on the timeliness of report and form submission both at the local level as well as at the Informer Management Unit (see attached audit of received files by IMU, folios 18 to 25 refer).

At this stage, the unit is managing, however if this is allowed to continue, then morale and work pressures may become evident. Given the high stress and risk nature of the unit, priority should be given to providing administrative support as soon as practicable.

341. On 28 April, 2006 Supt Biggin reviewed the SDU operations particularly in regard to Ms Gobbo and his comments have previously been mentioned in para 40.

342. On 26 October 2006 I attended the Intelligence and Covert Support Departments COMSTAT meeting, during which Chief Commissioner Christine Nixon made the following comments regarding the performance of the SDU and HSMU:

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'One of the best risk management tools for the support of investigations. Needs to further develop and grow. Evidence that you can implement cultural change'

343. Five years after the Source Development Unit was established in response to Victoria Police's poor record of informer management the Victorian Office of Police Integrity released a freport detailing the findings of its investigation into human source management by Victoria Police. Whilst critical of some aspects of the organisation's management of human sources, the Director Michael Strong had this to say in regard to the practices of the SDU;

'The OPI investigation found that the regime in place for managing high risk relationships was working well and acknowledged in policing circles as consistent with international best practice.'

344. These five independent reviews show that over a long period of time it is clear that the SDU was consistently performing more than satisfactorily at a high level. It is very difficult to believe that the unit was closed due to poor performance of the managers or staff.

Other relevant matters (questions 27 to 29)

27. *Provide details of any other human source who, to your knowledge, has provided information or assistance to Victoria Police who were subject to legal obligations of confidentiality or privilege, including:*

- a. the name of the human source;*
- b. if registered, the number of the human source;*
- c. the nature of the legal obligations of confidentiality or privilege;*
- d. the nature of the information or assistance provided by the human source.*

345. I have no details of any other human source managed by the SDU or otherwise that may have been subject to LPP or confidentiality. I am aware that [REDACTED] was assessed for registration and rejected.

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28. *Detail any training, including any retraining, you have received in relation to:*

- a. your obligation of disclosure to accused persons, prosecution agencies and the courts;*
- b. the right of an accused person to silence;*
- c. the right of an accused person to a legal practitioner;*
- d. LPP;*
- e. public interest immunity; and*
- f. professional and ethical decision making.*

346. I received training in all of these matters at Recruit level and at the Detective Training School.

347. These obligations have been re-enforced many times over a 35-year period in the various courts in which I have given evidence.

348. I have also been either a student, facilitator or presenter in many law enforcement courses both within Victoria Police and externally in which professional and ethical decision making was a core component of the course.

349. I created and conducted the [REDACTED] Human Source Management Program which was very heavily focussed on assessing a student's capacity to make professional and ethical decisions. This course was designed to identify police officers capable of performing in Dedicated Source Units such as the Source Development Unit.

350. I have also been a full time member of the instructing staff responsible for conducting Detective Training School and the Undercover Training Course.

29. *Are there other matters relevant to the Commission's terms of reference about which you are able to provide assistance to the Commission?*

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351. Despite the serious allegation contained within the Comrie report and repeated in the Kellam report, it is more than clear that there was never an intention to subvert professional legal professional privilege by any member of the SDU or otherwise. The audio recordings, Contact Reports, etc show a clear course of conduct by the SDU team, one that drew a line in the sand concerning information that could be the subject of legal professional privilege.
352. A reconciliation of the source contact reports against the information reports that were actually disseminated, combined with an examination of the verbal dissemination detailed in the source contact reports should show that information which was the subject of legal professional privilege was not disseminated nor actioned.
353. The Comrie report also alleges that the SDU team may have actively sought information about the defence strategy to be utilised by Ms Gobbo for her clients with the intention of providing this to investigators in order to increase the likelihood of prosecution success. This allegation is completely baseless and also repugnant. Even a brand new Constable would be aware that this would be criminal behaviour and action that would undermine an accused's right to a fair trial.
354. Detective Supt. BIGGIN would never have condoned and/or authorised the SDU to intentionally seek information from Ms Gobbo that was protected by LPP. Supt Biggin is a very experienced investigator and senior manager. He holds the highest standards of integrity and professionalism and expected nothing less from his sub-ordinates.
355. Managing high risk human sources is not an exact science, it requires a great deal of constant thought and oversight. The managing of a source who was a member of the Bar was a very unique situation and tested the members of the SDU on a regular basis. Ms Gobbo's management was new ground and as the SDU was in its infancy, processes were being created on the run.

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356. I have thought about the management of Ms Gobbo over the years since many times. Not having ever been consulted about this matter I have never contributed to the numerous investigations that have occurred around me and the SDU team. Despite being one of the most experienced members of Victoria Police in this challenging area of police operations, my thoughts in regards to how we managed Ms Gobbo have not been required. There are clearly lessons to be learnt and action that could be taken to improve the ethical and legal obligations of Victoria Police in this area of dynamic policing.

357. This statement was prepared in the limited time available and without the ability to read all relevant documentation.

Sandy White-O