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ICSC CDR 109/047.



VICTORIA POLICE

# Covert Services Review 2012 (Intelligence & Covert Support Command)

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## Introduction

1. In March 2012, Assistant Commissioner Jeff Pope, Intelligence and Covert Support Command (ICSC) commissioned a review into the Covert Services Division (CSD). The purpose of the review was to examine the structure of the CSD to ensure that [the Division] was best placed for future challenges within the operational environment.
2. An additional component of the Review was to assess the efficiency of the current intelligence flow from the CSD to the wider intelligence holdings of Victoria Police, particularly those within ICSC.

## Terms of Reference

The Terms of Reference (TORs) for the Review were:

Terms of Reference	
<b>1</b>	Review the structure of the CSD to ensure that it is best placed to respond to customer needs, organisational objectives and priorities;
<b>2</b>	Review position descriptions with a view to ensure currency and consistency;
<b>3</b>	Examine the health and wellbeing implications for long term deployment in the covert policing environment with regard to business continuity and succession planning; and
<b>4</b>	Examine the current intelligence structures in place within the CSD and the (SSD) to enhance efficiency and provide support to investigations in a timely manner.

It is intended throughout this report to apply the ToR's [one two and three] to the individual work units. TOR #4 will be addressed as a separate category as it not only relates to multiple units but across divisions.

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**Steering Committee**

1. The Review Steering Committee was chaired by Assistant Commissioner Pope and comprised of Detective Superintendents' Biggin, Sheridan and Paterson from ICSC. Human Resource Department representation was Mr Stuart Ensor and Ms Brigitte Santucci of Workplace Relations.

Relevance

Relevance

**Police Association Notification**

1. The Police Association (TPA) were formally advised of the Review in writing on 28 March 2012.

2. Further correspondence was sent to TPA on 4 May 2012 advising that in accordance with the Victoria Police Enterprise Agreement 2011 clause 20.7 (a) (b) & (c) maximum time in position would be considered for all positions within the CSD.

3. A meeting was held with representatives from TPA on 4 June 2012.

Relevance

Relevance

Relevance

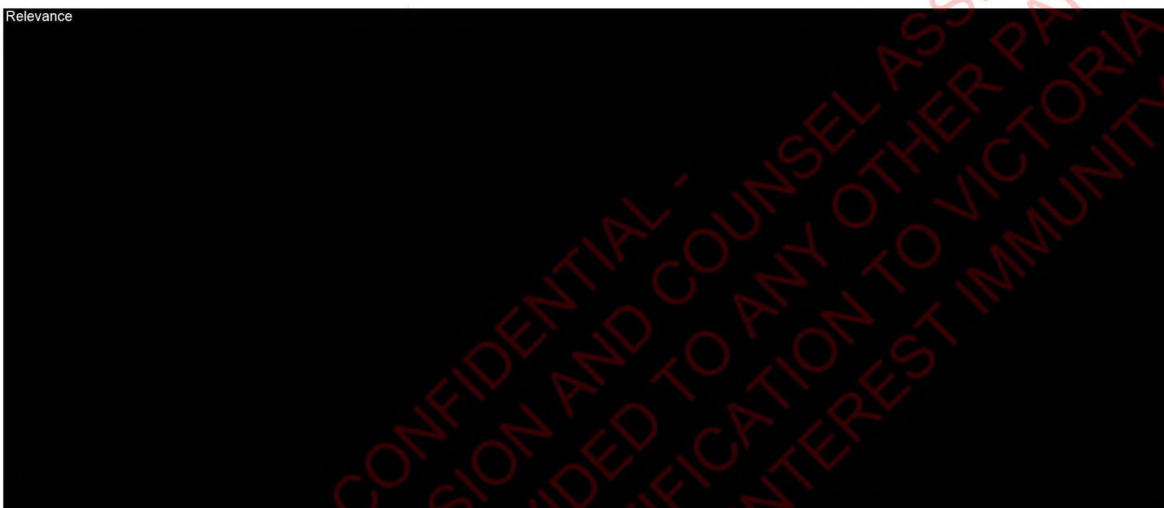


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**Staff Consultation**

1. CSD staff were advised of the Review in person by their unit managers and via email. Submissions pertaining to the position description review were invited.
2. The Source Development Unit (SDU) provided a small number of email responses which largely dealt with the intelligence phase of the review and some matters outside scope, such as staffing levels.

Relevance



5. The SDU and the UCU were independently updated by Detective Superintendent Sheridan on 19 July 2012. A degree of tension amongst staff had been reported by their unit managers and this briefing was intended to continue transparent communication and alleviate any concerns. (See TPA paragraph 4)
6. All CSD unit managers provided timely updates on the progress of the review during the course of the normal management, operational and administrative meetings.

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**Undercover Unit**

Terms of Reference - UCU	
1	<b>Review of Structure:</b> Structure adequate. No recommendation
2	<b>Position Descriptions:</b> <small>Relevance</small> 

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**Health & Well Being:**

1. [PII] identified the value of introducing maximum time in position for positions with the UCU and SDU. (As a result of the recommendations pertaining to the SDU: closure of the workgroup, only her recommendations relevant to the UCU will be articulated in this section). [PII] noted that the implementation of MTIP would have to be one of a range of tools to support members within the covert policing environment, specifically the UCU.

2. [PII] highlighted that the risk of not implementing MTIP could lead to a long term disconnection from police identity and the organisation. It was the opinion of the Steering Committee [Relevance]

[Relevance]

3. An additional focal point was the work unit experience regarding the long term deployment of personnel within the covert policing environment - with particular emphasis upon the health and wellbeing of the personnel and their co-workers. The unit manager provided a submission of their observations and experience concerning the impact on their personnel. It should be noted that the managers' assessment also considered the risk to peers, subordinates and the organisation. Specifically within the UCU (and the SDU) the review considered there to be a high degree of managerial accountability, responsibility and duty of care to the undercover operatives and the customers being managed by the staff in both units

[Relevance]

[Relevance]

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Relevance

8. Complacency borne of long term exposure to covert policing will not always be as evident to [REDACTED] PII as it is to management. Some of the specific cases in which the safety of undercover operatives and human sources were at risk due to complacency were identified in routine operations separate and isolated from [REDACTED] PII and/or contacts. PII

Relevance

9. Health and wellbeing risks [aside from complacency] identified in the Review include the reluctance to embrace contemporary safety measures such as intelligence checks, carrying of operational safety equipment and an aversion to intrusive supervision over operational strategy decisions.

10. Since 2006 the Crime Department has had MTIP [REDACTED] PII in all workgroups that are deemed 'high risk'. PII [REDACTED] PII The Crime Department MTIP is centrally managed by the People Performance Unit (Crime Department). PII [REDACTED]

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Relevance

13. In accordance with the Occupational Health and Safety Act [s21], the provision of a safe work environment to all personnel, particularly within such high risk areas of covert policing, is of paramount importance to management and the organisation as a whole.

**Recommendations:**

Relevance



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**Source Development Unit****Terms of Reference - SDU****1 Review of Structure:**

1. The SDU was created after a 2003 pilot and initially the officer in charge was a Senior Sergeant. Some years later this position was elevated to Inspector. The SDU has always been oversighted by a Superintendent from ICSC. Ironically, MTIP was in the initial position description but when advertised they were left out and never been reviewed.

2. Coincidental and independent to the CSD Review, another matter relevant to the work practices of the SDU was brought to the attention of the Chief Commissioner. The Chief Commissioner commissioned Mr Neil Comrie AO, APM to conduct a case review of a particular long term human source. The Comrie Investigation (highly protected) provided twenty seven (27) significant recommendations. Whilst some of these are specific to the particular source, many have highlighted poor work practices of the SDU, and all have significant ramifications for the organisation in designing better practices in the management of human sources, particularly those who are high risk.

3. [REDACTED] highlighted that the risk of not implementing MTIP could lead to a long term disconnection from police identity and the organisation. [REDACTED] cited this as of particular importance within the SDU where source handlers were in frequent contact with 'career criminals' within high pressure situations and were often at significant risk. It is the opinion of the Steering Committee that this (long term disconnection) has already occurred with many current SDU staff members.

4. Management identified rigidity in thinking, some militancy and systemic resistance to change within the SDU which has raised significant health and safety concerns for all staff. [REDACTED] coincidentally also highlighted this type of negative behaviour as universally being common traits within the covert policing environment. The Steering Committee accepted [REDACTED] advice.

5. SDU staff consistently refuse to accept that management act as governance across the deployment of high risk human sources to ensure that the community, the organisation, the members and the human source are not placed at an unacceptable level of risk. A culture of risk taking has developed, based on ego rather than risk versus reward.

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6. Managerial intervention is essential to ensure effective risk management. In the last two and a half (2 ½) years there has been at least twenty (20) occasions when significant management intervention has been required to challenge, mitigate or extinguish risk. In all of these incidences, the SDU should have recognised the risk and acted. On occasion when they did act, it wasn't to mitigate risk but to suborn senior management and perform "work arounds" to achieve their desired outcome; not managements and not the organisations. These incidents have been separately documented by Superintendent Sheridan.

7. It is apparent from the incidents, requiring management intervention, that SDU staff:

- a. Attempted to suborn the authority of management;
- b. Attempted to coerce other areas of the organisation to influence SDU management to achieve *their* desired outcome;
- c. Do not consider the criminal activity of CHIS;
- d. Do not consider the Victoria Police investigative requirements;
- e. Consider the CHIS protection from disclosure of criminal offending higher than rule of law and rule of justice;
- f. Refused to follow protocol in contacting potential or unregistered CHIS, exposing the CHIS, the unit and organisation to risk; and
- g. Refused to accept the decision of the Local Source Registrar (LSR) on several occasions, initiating hostility towards the Officer in Charge SDU by staff.

8. Management at unit and divisional level has made solid progress in 'reforming' this risk taking culture, however, it remains a constant challenge. There have been significant changes actioned in an attempt to move the anti-establishment behaviour of the SDU. These changes have included:

- a. A move from a [REDACTED] to being co-housed with the

Relevance [REDACTED]



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- b. Significant change of vehicle policy;
- c. The requirement to perform <sup>PII</sup> [REDACTED]; and
- d. Appointment of a highly experience inspector (Officer in Charge) with a brief to practice significant intrusive management.

9. None of these initiatives have changed the behaviour and culture of the SDU as a whole entity. It is pertinent to note that management of these issues through the PDA has not been appropriate. In the vast majority of cases, the behaviours pertain to judgement, perception and attitudinal issues. Constant PDA entries would have led to further workplace conflict and acted as further impediment to the change management progress.

10. It is the finding of the Review that the structure of the SDU should not be sustained and whilst it continues to exist it will only be a matter of time before the unit unduly exposes a CHIS or the organisation to significant risk that cannot be mitigated.

11. The observations of SDU management, <sup>PII</sup> [REDACTED] and the Comrie investigation, all collectively form the view that the SDU needs to be closed as soon as possible - see recommendations. It is not the opinion of the Review that the SDU can be rebuilt to perform a similar function. If this was to happen, the Review panel believes the same issues would occur.

12. It is the view of the Steering Committee, that a decentralised model of CHIS management is required. Such a model would be governed centrally. The current SDU methodology and concept has highlighted that a centralised high risk source unit is too high a concentration of risk; the risk needs to be devolved and spread.

**Recommendations:**

1. Engage SDU staff, welfare, HR & TPA and disband the SDU immediately (2 weeks then place in alternative / transition work locations);
2. Engage HR to enact alternative work locations (subject to a separate report - Liz Cheligoy) HRD and CSD (management) design agreed upon transition plan for all SDU staff with all staff consulted individually; permanent transition within 6 months.



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	<p>3. Prepare an executive summary / briefing for Executive Command;</p> <p>4. Director of Media &amp; Corporate Communications to develop a internal &amp; external communication strategy for the closure of the SDU;</p> <p>5. Divisional Commander and Officer in Charge SDU to reassign all existing CHIS to existing [REDACTED] qualified Victoria Police personnel; and</p> <p>6. Immediately commence a review of the HSMU and human source management practices both within Victoria and nationally to identify a 'best practice' decentralised human source management model.</p>
<p><b>2</b></p>	<p><b>Position Descriptions:</b></p> <p>1. As a point of interest, the SDU was developed following the 2003 Pilot Project. During this period, it was a recommendation of the project team to have MTIP listed in all position descriptions. Whilst this was endorsed at the time (and initially appeared within the position descriptions), MTIP was omitted when vacancies were released. There was no rationale or explanation for the omission and appears to have been an oversight.</p> <p><b>No recommendations</b></p>
<p><b>3</b></p>	<p><b>Health &amp; Well Being:</b></p> <p>1. [REDACTED] PII is required to maintain a relationship of trust and mutual respect with the personnel within the SDU. Informal access to [REDACTED] PII is necessary to safeguard against workplace injury and it also acts as an early warning option to inform management of critical cases. Whilst every endeavour is currently being made by [REDACTED] PII to maintain the health and wellbeing of the personnel within the SDU, it is unable to have positive influence on the day-to-day stressors, judgements and planning of personnel.</p> <p>2. Complacency borne of long term exposure to covert policing will not always be as evident to [REDACTED] PII as it is to management. Some of the specific cases in which the safety of undercover operatives and human sources were at risk due to complacency were identified in routine operations separate and isolated from [REDACTED] PII and/or contacts. Of particular note, in the last eighteen (18) months, three (3) members from SDU have submitted requests for Regulation 21 transfers due to the stress associated with the work environment. One (1) other member resigned as a result of pending discipline charges, which revolved around unethical high risk behaviour whilst on duty. These incidents were not identified (or reported) by [REDACTED] PII</p>

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3. Health and wellbeing risks [aside from complacency] include the reluctance to embrace contemporary safety measures such as intelligence checks, carrying of operational safety equipment and an aversion to intrusive supervision over operational strategy decisions.

4. There have been several cases in the last two (2) years (and long before) where SDU personnel have strongly resisted managerial intervention or direction pertaining to the registration, de-registration & handling of Covert Human Intelligence Sources (CHIS) over the past two and a half (2 ½) years. The predominate attitude by the controllers <sup>PII</sup> [REDACTED] and long serving handlers <sup>PII</sup> [REDACTED] is that, as management are not trained to [REDACTED] Human Source standard, they are not qualified to make decisions pertaining to the risks presented.

5. <sup>PII</sup> [REDACTED] highlighted, and the Review has accepted, the significant risk SDU members are exposed to, including:

- a. Increased familiarity with criminals and possible erosion of values;
- b. Lack of rest and recovery time (refer to the 3 x regulation 21 requests); and
- c. Disconnection from police identity and organisation.

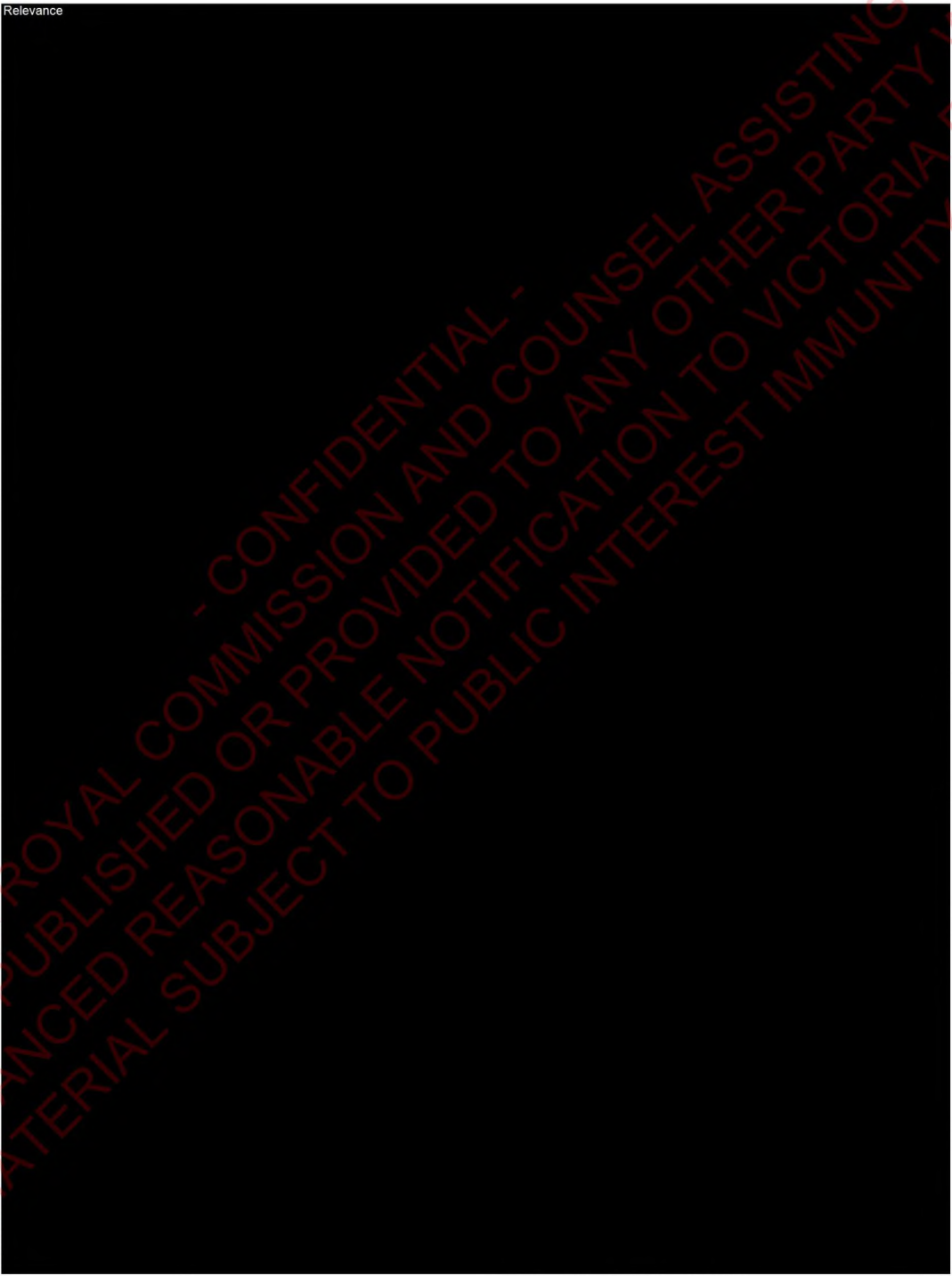
**Recommendations:**

1. Engage SDU staff, welfare, HR & TPA and disband the SDU immediately;
2. Engage HR to enact alternative work locations (subject to a separate report – Liz Cheligoy) HRD and CSD (management) design agreed upon transition plan for all SDU staff with all staff consulted individually;
3. Engage Peer Support to provide ongoing assistance to the affected membership if required.



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**Special Projects Unit**

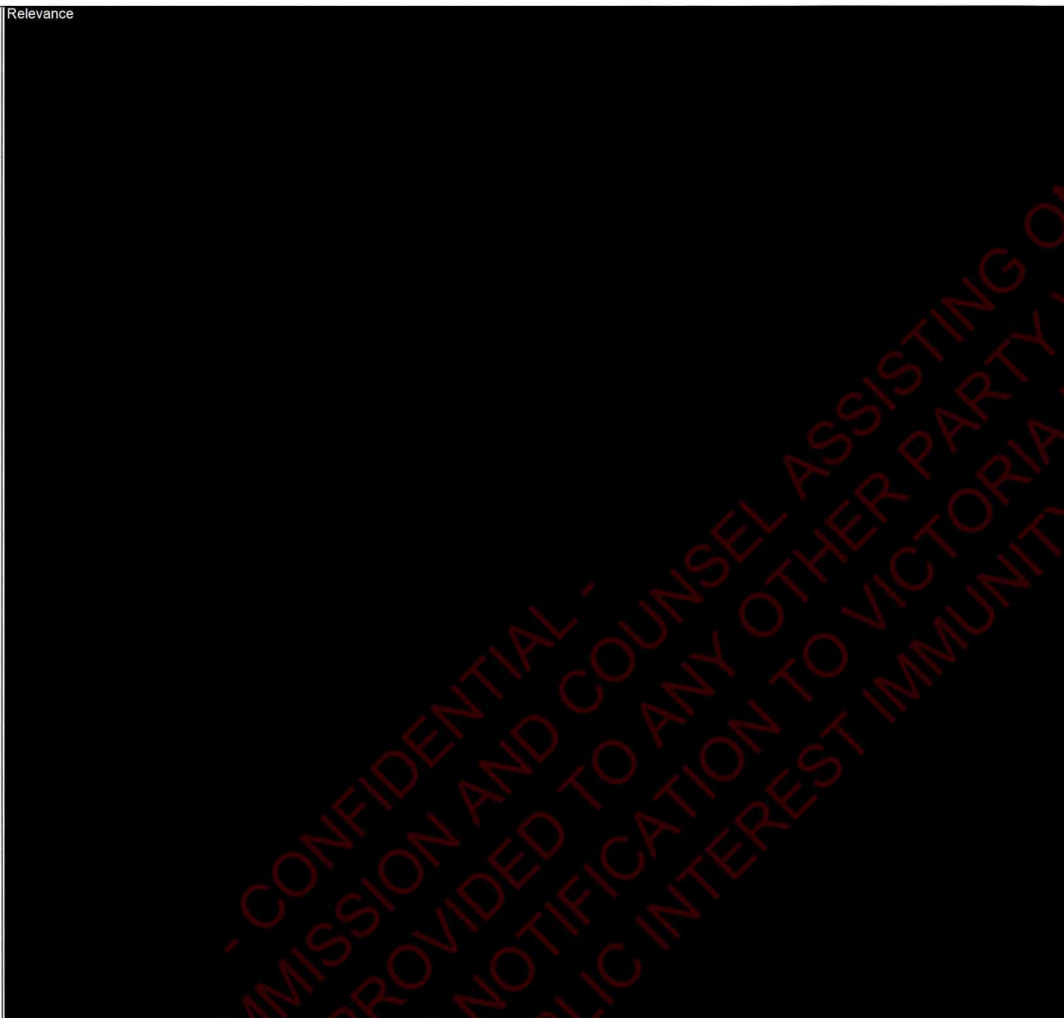
Terms of Reference - SPU	
<b>1</b>	<b>Review of Structure:</b> Structure adequate. No recommendation.
<b>2</b>	<b>Position Descriptions:</b>  Relevance 

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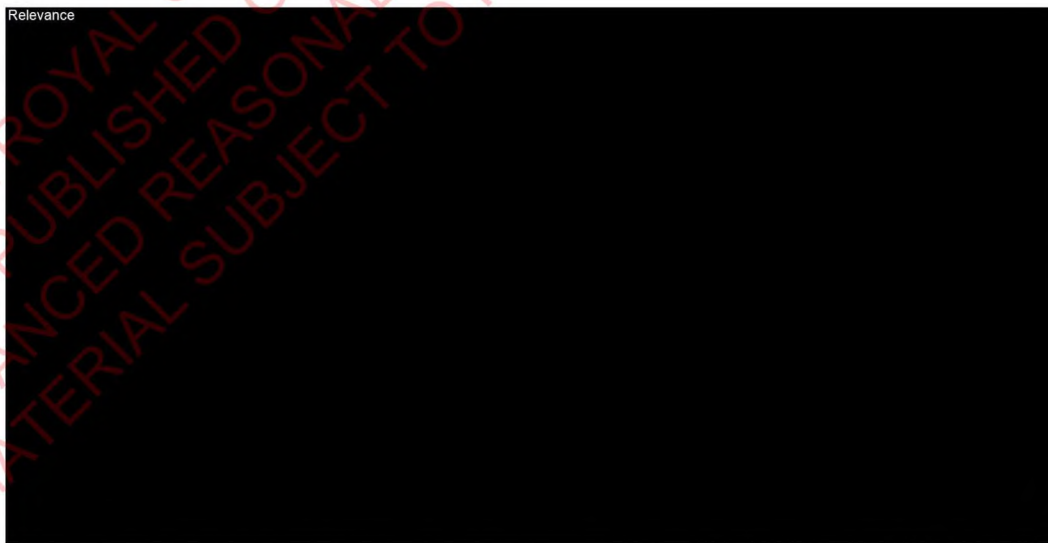
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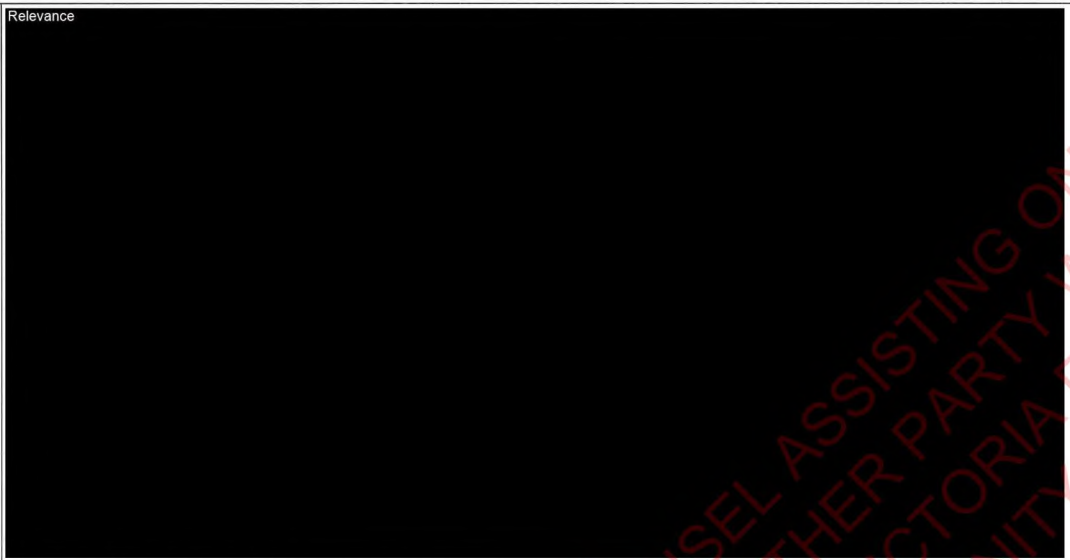
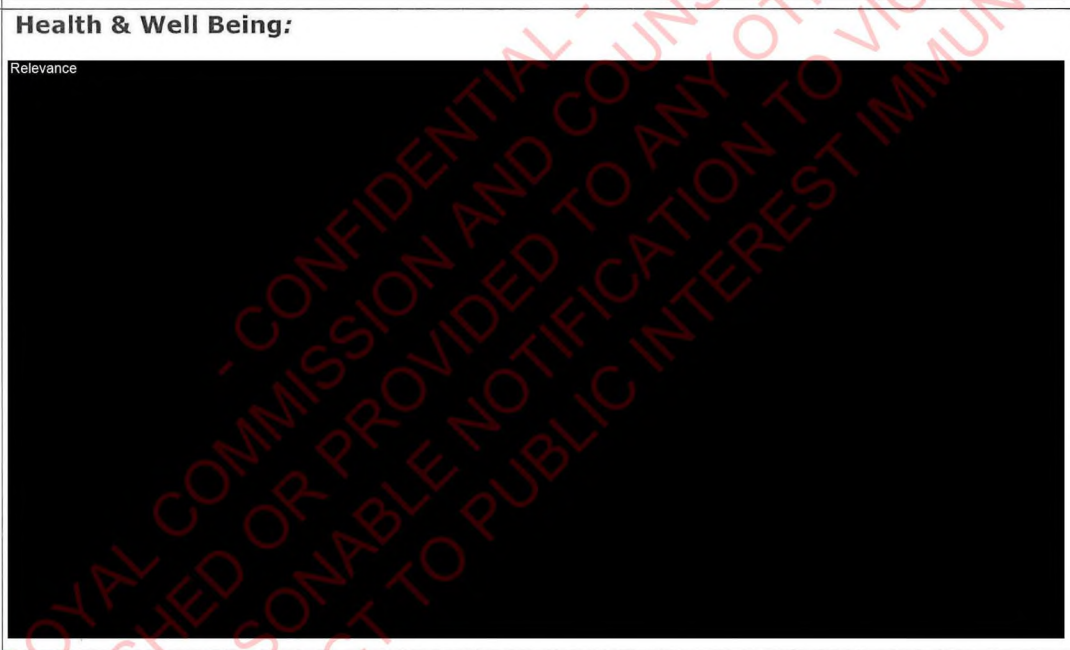
**Recommendations:**

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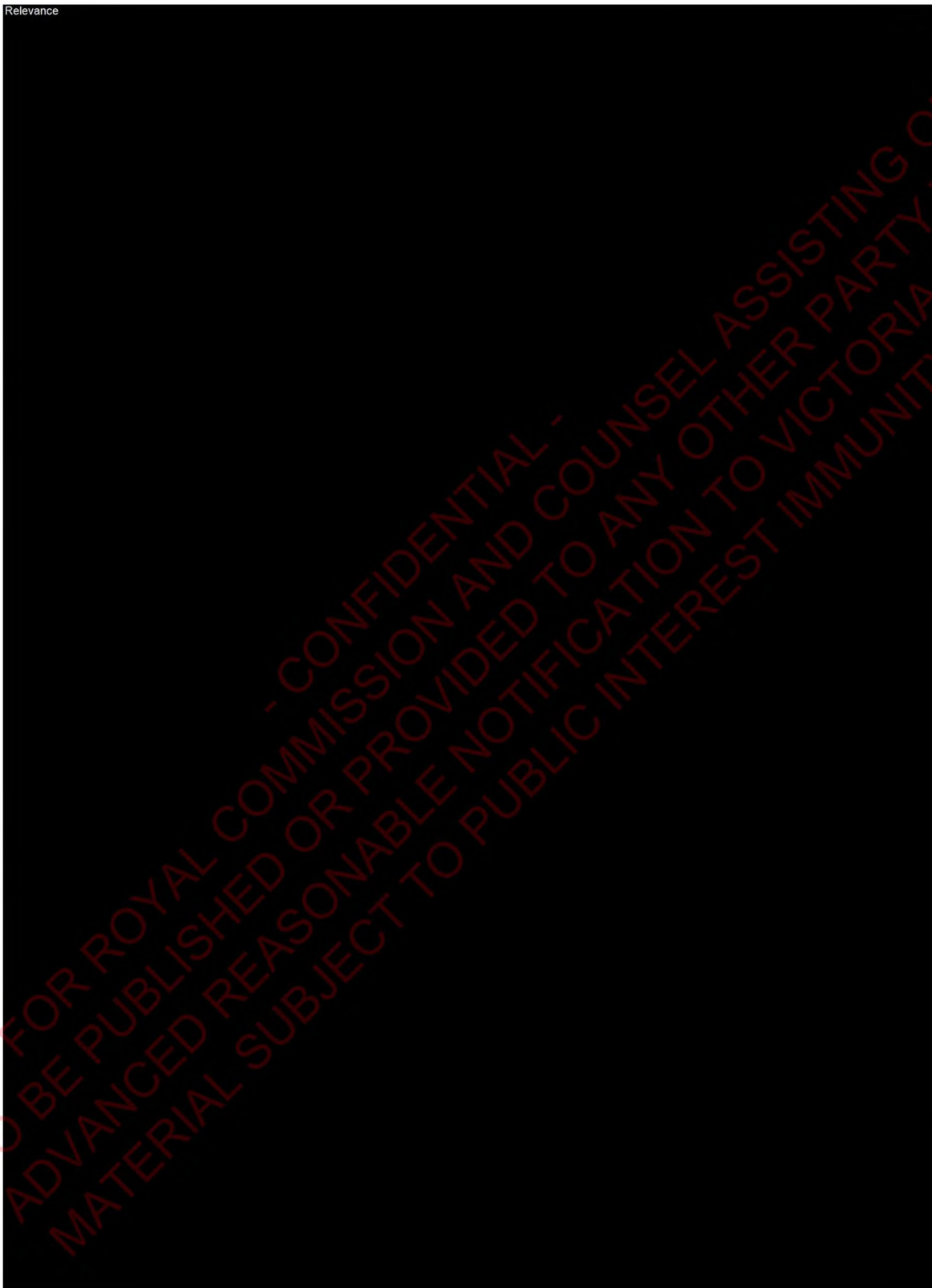
	<p>Relevance</p> 
<p>#3</p>	<p><b>Health &amp; Well Being:</b></p> <p>Relevance</p> 

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**Intelligence Assessment Phase**

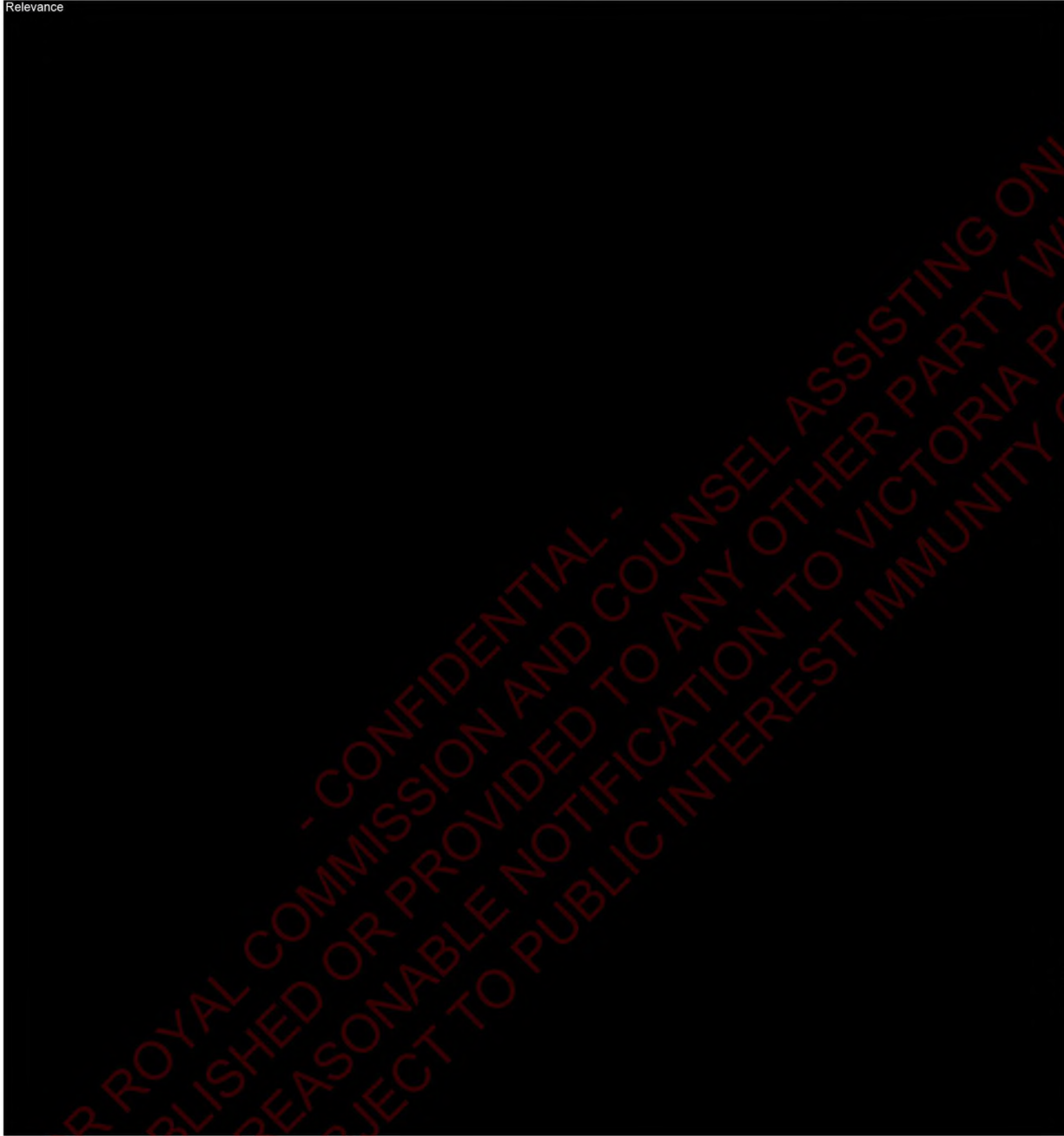
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**MTIP application in other Commands / Jurisdictions**

1. There are already several areas of Victoria Police that attract MTIP. The rationale for some is the mitigation of risk, whilst others is to ensure contemporary policing skills. The Crime Department MTIP has been well established (and endorsed by the TPA in 2006). It now forms part of business as usual for all of those working in deemed "high risk locations". Invariably those high risk locations relate to constant exposure to organised crime entities, organised crime investigations and CHIS involved in organised crime. Access to sensitive information has always formed part of the descriptor for "high risk".
2. People Development Command at the Academy has had MTIP PII in place for over a decade. It applies to all Sergeant and Senior Sergeant instructors. The rationale is to ensure contemporary policing skills are held by the instructors.
3. Her Majesty's Inspectorate of Constabulary (HMIC) independently assesses police forces and policing activity ranging from crime related issues to policing best practice across England and Wales. It is housed within the Home office and has a significant research and development arm. HMIC research developed and articulated three categories of policing; core policing, core specialist policing and Specialist Policing. These three definitions have been adopted by the majority of the forces when introducing "tenure" (or MTIP).
4. *Specialist policing* requires further explanation as it is highly relevant to the current topic of MTIP.
  - Specialist Policing: A post requiring additional training and skills which are unique to the position; where there is limited opportunity to deal regularly with victims, witness, offenders and the public; where the tasks involved are particularly diverse from core policing. Or, where prolonged exposure to the type of work involved in the post may adversely affect the officer's perception of the overall objectives of the force<sup>1</sup>

Thirty-six forces (84%) that are guided by the HMIC have introduced formal tenure policies to their respective specialist policing areas. The participating forces do allow extensions to tenure if it could be shown to be relevant to operational efficiency<sup>2</sup>.

<sup>1</sup> <http://library.npia.police.uk/docs/hopolicers/fprs106.pdf> 1999 Research Development Statistics Police Research Series Paper 106, Gary Mundy ; Tenure: Policy & Practice, page 5

<sup>2</sup> <http://library.npia.police.uk/docs/hopolicers/fprs106.pdf> 1999 Research Development Statistics Police Research Series Paper 106, Gary Mundy ; Tenure: Policy & Practice, page 6



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5. The research and findings by the HMIC can be directly applied to the specialist work units of both the UCU and SPU.

6. 1999 the Queensland Criminal Justice Commission (CJC) tabled a publication in the Queensland Parliament titled "*Police & Drugs: A follow-up report*"<sup>3</sup>. This report reiterated the need for MTIP in policing, particularly in high risk workgroups. The Criminal Justice Commission;

- Recommended that a maximum tenure policy be introduced to minimise the risk associated with extended service in one geographical location. Regular rotation of officers would reduce the opportunities for forming and maintaining corrupt associations. Additionally, officers would receive a breath of experience in various locations and the community would benefit by being policed by officers with differing levels of experience and personal styles<sup>4</sup>. It was highlighted that this was particularly relevant for high risk work units or locations.
- Made comment that even with effective management, there will be occasions where such behaviour could not reasonably have been detected because of the measures the suspect officer may go to to avoid detection
- Advised its preferred approach was to enforce a maximum tenure policy in locations and units that were assessed as high risk in terms of potential for corruption and official misconduct. This assessment should be based on a range of factors, such as<sup>5</sup>:
  - An analysis of the opportunities available in that area for police to become involved in corrupt conduct, and
  - Intelligence data

7. The CJC proposed approach was consistent with the Fitzgerald Inquiry proposal that "as a general rule, officers should be rotated through sensitive or "high risk" areas on a three or five year basis<sup>6</sup>.

<sup>3</sup> Queensland Criminal Justice Commission 1999, Police & Drugs; a follow up report

<sup>4</sup> Queensland Criminal Justice Commission 1999, Police & Drugs personnel management, p 19

<sup>5</sup> Queensland Criminal Justice Commission 1999, Police & Drugs personnel management, p 22

<sup>6</sup> The Fitzgerald Enquiry 1989 – 8.5.3 Transfers, p 255



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**Summary**

Relevance

3. The closure of the SDU will take affect within two (2) weeks of the announcement. During this two (2) week period, all current CHIS will be allocated to other suitably qualified staff. During this period a stock take and audit of all equipment, vehicles and accoutrements will take place.

4. Within two (2) weeks of the SDU announcement, a Steering Committee will be established to review the opportunities to change the management of human sources (HSMU review).

5. It is envisaged the both the closure of SDU and the activation the Relevance recommendations surrounding MTIP will require significant time and intervention by management. It is on this basis that we intend to articulate to the membership and TPA that we will deal with the SDU issues (solely) for a 3 week period upon the announcement. At the conclusion of the three week period we will then ensure requests and discussions surrounding the MTIP and possible industrial issues are acted upon.

Assistant Commissioner Jeff Pope  
Intelligence and Covert Support Command

Commander Doug Fryer

31 January 2013

**Appendices**

- i. Position Descriptions
- ii. Commuted Overtime Allowance claim (SPU & TIO)
- iii. Intelligence Phase –Options paper including additional options
- iv. PII report to the committee

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