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19 OCT 2005

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Submission No. 1
Date Received 19-10-05

Joint Standing Committee on Migration

Review of Audit Report No. 1 2005-06:
Management of the Detention Centre Contracts – Part B

Further to the Public Hearing
Monday, 10 October 2005

Questions on Notice

1. Attachment A to the Palmer Implementation Plan (tabled in the Senate on 6 October 2005) notes that DIMIA will work with the ANAO on lessons learned from recent audits (in response to Palmer recommendation 7.5)

Has DIMIA approached the ANAO about working on lessons learned from recent audits?

On 22 July 2005, the ANAO received a letter from DIMIA's Secretary, Mr Andrew Metcalfe, requesting an opportunity for relevant officers from DIMIA to discuss the findings of ANAO reports on the Detention Services Contract with the audit team.

The ANAO has met with DIMIA on a number of occasions to discuss issues related to the ANAO audits of the management of the detention centre contracts. The ANAO has also indicated that it is willing to assist the department in addressing recommendation 7.5 of Mr Palmer's report.

DIMIA has advised the ANAO that a review of the detention services contract is to commence shortly and that the review will be conducted by Mr. Mick Roche. The ANAO and DIMIA have agreed that, as part of this review, the ANAO will meet with relevant DIMIA officers, including Mr. Roche to discuss the findings from the audits *Management of the Detention Centre Contracts – Part A* and *Management of the Detention Centre Contracts – Part B*, as well as the preliminary findings from the current audit of the tender process for the Detention Services Contract.

2. DIMIA responded to Recommendation No. 2 by incorporating a review of the detention function planning process into the development of the 2005-2006 Divisional Business Plan. A consideration of meaningful performance measures was to be incorporated into this process. (page 90, para 5.88)

What does ANAO consider to be the key features of a 'meaningful performance measure' in relation to the detention function?

Recommendation No. 2 had two dimensions:

- (a) Performance information in DIMIA's PBS and how detention fits within the department's outcomes and outputs; and
- (b) Performance information in the contract with GSL.

(A) DIMIA's Portfolio Budget Statements

At paragraph 5.8 of Report No. 1 of 2005-06, the ANAO stated:

In order to improve both quantity and quality performance information in its PBS, DIMIA needs to define quantity indicators that are within its ability to control. As well, DIMIA should consider developing specific measures regarding the timeliness of processes and measure the specific contributions of each level of administration (that is, Central Office, State and Territory Office, on-site managers and the contractor) to the successful delivery of the quality of detention services. Identifying these contributions could form the basis for development of effectiveness measures to link the detention output to Outcome 1. This would also provide the basis for improving the standards and measures included in the Contract.

In the report, the ANAO also highlighted the need for measures to be specific and explicit to enable DIMIA to determine whether its interventions have achieved the desired result (paragraph 5.17) and that measures are difficult to assess if there are no timeframes or targets (paragraph 5.18).

(B) Contract Performance Information

With regard to contract performance information the ANAO identified that:

In developing the Contract, DIMIA sought to establish a range of standards and measures by which to measure performance. Schedule 3 of the Contract lists 148 standards and 243 measures and Schedule 2 contains more than 300 descriptions of detention services. The use of terms such as 'timely', 'appropriate', 'relevant', 'adequate' and 'as soon as possible' are used in the standards and/or measures and these are not defined to allow their assessment. The standards also contain conditions

and provisos, which mean that proving that the standard should have been met in a particular instance would be difficult. (Paragraph 5.85)

While the number of standards and performance measures included in the Contract is a matter for departmental judgement, when specified, they should be able to be clearly measured. The flexible and discretionary application of performance standards and measures means that these no longer effectively serve the purpose of standards—a pre-determined level of service delivery—and therefore do not provide DIMIA with assurance that a consistent level of services are being provided. (Paragraph 5.44)

The ANAO also notes that other jurisdictions such as prisons, articulate more specific standards focused on quality assurance rather than exception reporting. An extract from a prison services contract is below: (Paragraph 5.45)

'the provider.....must ensure that the health care facilities and services for Prisoners are accredited by an agreed authority body in health care standards by the end of the second year of the Service Term and that such accreditation is maintained and a satisfactory assessment obtained every two years.'

Lack of clarity in the performance standards and measures in the Contract means it is difficult for DIMIA to systematically monitor and assess the Services Provider's performance. The ANAO considers that, although sometimes difficult, it is important to clearly define service requirements and standards to ensure there is a common understanding of the services required. (Paragraph 5.46)

The ANAO recognises that health services for people in detention must be responsive to the unique circumstances, illnesses and needs of detainees/patients. A more practical approach would be to use a balance of input and output indicators. The ANAO notes similar advice provided to DIMIA by the Human Rights Commissioner in his review of the IDS; namely, the importance of ensuring the correct numbers of health care professionals were factored into the terms of the Contract. (Paragraph 5.47)

The development of robust and meaningful performance measures in providing health services to detainees is a challenge. Measurable inputs include the number of accredited health professionals on stand-by and the number of specialist medical practitioners (psychiatric, dental, optical, and radiological diagnostic services) on-call. These inputs could be complemented with more readily measured contracted outcomes such as detainee satisfaction with the quality and timeliness of health services. (Paragraph 5.48)

In summary, in the above sections of the report, the ANAO is suggesting that the performance information should be based on a mix of indicators to provide a balanced view of detention services, and not focus on only a narrow aspect of performance.