

Senate Finance and Public Administration Legislation Committee —Supplementary Budget Estimates Hearing—October 2012

Answers to Questions on Notice

Parliamentary departments, Department of Parliamentary Services

Topic: **Security incident review**

Question: **167**

Written **Senator Ronaldson**

Date set by the committee for the return of answer: 30 November 2012

In reference to *Proof Hansard*, 15 October 2012, p. 37, Ms Carol Mills, Secretary of DPS, mentioned that Ms Carolyn Walsh was contracted by the department to undertake the two-part investigation into the security incident. Ms Mills stated that Ms Walsh was not a “traditional security expert”, but that she was, rather, an expert in “safety and security in public areas, including transport in all its forms—rail, bus, ferry services—and its reliability, sustainability, safety and security”. Ms Mills then stated that “she did work for me previously in New South Wales around governance arrangements for the regulation of casinos and the independence of the casino regulatory authority”. Can the department advise:

- a. On what date was Ms Walsh approached? Who approached Ms Walsh, how was she approached and where was she approached?
- b. What job description and selection criteria were used in the appointment of Ms Walsh? Can the department provide a copy of the job description and selection criteria used?
- c. Was there a selection panel used in the appointment of Ms Walsh? If so, who was on this panel? Were other applicants interviewed or considered?
- d. What qualifications were required, if any, of the person/s undertaking the contract? Did Ms Walsh have these qualifications? Were they verified?
- e. Was there a specified payment rate for the contract prior to Ms Walsh being appointed and, if so, what was this advertised rate? If there was not, was a payment rate negotiated with Ms Walsh after her appointment or during the process of appointing her?
- f. Was the position/contract advertised and/or tendered? If so:
 - i. Where and on what date was the position/contract advertised and/or tendered? Can the department provide a copy of these advertisements and/or tenders?
 - ii. Did other applicants approach the department with respect to the contract? Who were these applicants? What were their names, positions, and qualifications? Can the department provide the details of each applicant? Why did the department choose Ms Walsh over these other applicants?
- g. Did the department make an effort to ensure that anyone who knew Ms Walsh on a personal level was not making the overall decision on whether or not she was selected to undertake the contract?
- h. What are the normal departmental processes for employing contractors and consultants to undertake work? Is there an independent and objective process in place to avoid nepotism? Is the department concerned that its current processes could give rise to nepotism?
- i. Could the process through which Ms Walsh was employed have been improved to make it more objective and independent?
- j. Can the department advise as to improvements it is making to the system of employing contractors and consultants in order to avoid nepotism, to ensure that the people employed have the commensurate skills to undertake the required work, and that the process is independent and objective?

Answer provided over the page

Answer

- a) Ms Walsh was first approached on 24 August 2012 by the Secretary of DPS, via telephone.
- b) Key considerations in the appointment of Ms Walsh were ability to complete a quality review with sensitivity, familiarity with the parliamentary environment, and ability to analyse and report on complex security arrangements. The terms of reference for the review are attached.
- c) A selection panel was not used in the selection of Ms Walsh. One other potential contractor was considered.
- d) No professional qualifications were specified in the terms of reference.
- e) The specified payment rate negotiated with Ms Walsh was \$2,200 per day (ex-GST). This rate was negotiated prior to the appointment of Ms Walsh.
- f) The contract was not advertised. Ms Walsh was engaged via a limited tender process.
- g) The Secretary, DPS, directly approached Ms Walsh because of Ms Walsh's known ability to fulfil the key considerations noted in the answer to part b) above.
- h) DPS observes the Commonwealth Procurement Rules (CPRs), which apply to open tender processes of \$80,000 and above for these types of services. Below the value of \$80,000, DPS's procedures provide guidance as to the factors that officials need to consider when procuring services. These include the estimated value of the procurement, the nature of the services being procured and the risk involved in the procurement. In addition, delegates are provided with guidance on how to identify and manage conflicts of interest. DPS is satisfied that appropriate processes are in place to avoid nepotism and promote merit in the selection of the contractors.
- i) & j) Given the value of the engagement and the very tight timeframe for selection, DPS is satisfied that the process for the appointment of Ms Walsh was appropriate. DPS does not currently have a panel arrangement for such services.

In order to better prepare the Department for short- and medium-term contractual engagements for a range of services, DPS has recently established a panel of HR specialised consultants and will shortly commence processes to establish several other panels of specialised consultants to meet DPS's needs—including consultants with skills in physical security, IT security and personnel security. The panel arrangement will assist in ensuring that DPS meets best practice standards, secures value for money and can secure skilled advice in a timely fashion.

Given her experience, it is likely that Ms Walsh would nonetheless have been engaged had she been on such a panel at the time.

(Terms of Reference over the page)

Terms of Reference: Review of security incident of 23 August 2012

The purpose of this engagement is to independently establish how the events of 23 August 2012 happened and review related security policies and procedures to strengthen arrangements and prevent a reoccurrence of such a serious breach of security in the future.

The Consultant will undertake the review in two phases and produce two separate reports as follows.

Part 1: Review of the causes and implications of the incident of 23 August 2012

The purpose of this review is to identify and analyse the causes behind the failure of the PSS to roster security staff to the committee area of Parliament House on 23 August 2012. The review is to include but not be limited to an examination of:

- Co-ordination between the Parliamentary Security Service and users of committee rooms in relation to security requirements;
- Committee room booking arrangements and advice to Parliamentary Security Service; and
- PSS staffing levels and criteria for allocating security presence to an event.

The findings of this review are to focus on any measures that can be implemented to prevent a repeat of the events, and to propose matters for further review.

Part 2: Review of arrangements for the prevention of unauthorised access to the private areas of Parliament House.

The purpose of this review is to identify areas for improved detection, monitoring and response to the unauthorised movement of people in the private areas of Parliament House, with particular emphasis on:

- Previous incidents of security breaches arising from access to public hearings in committee rooms;
- Current arrangements for all visitors to committee rooms, including witnesses and the general public;
- Scope for electronic access control at public — private area cross over points;
- Mechanisms for identifying unauthorised entry into private areas including the current CCTV policy in the House of Representatives and Senate wings, and scope for 24/7 recording as per Ministerial Wing and entry points;
- The effectiveness of communication arrangements (between the Australian Federal Police, the Department of Parliamentary Services, the Serjeant-at-Arms, the Usher of the Black Rod and the Presiding Officers) when an incident occurs; and
- Ensuring effective coordination of roles with regard to security services to the Prime Minister and other occupants of the Ministerial Wing.