

## QUESTION TAKEN ON NOTICE

**SENATE LEGAL AND CONSTITUTIONAL REFERENCES COMMITTEE:  
8 November 2005**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

### **(3) Inquiry into the Administration of the Migration Act 1958**

Senator Ludwig (L&C 8) asked:

Could you provide the CV, the terms of reference, the cost of the consultancy in total, whether there are any specific requirements in terms of performance, the time of the contract and whether there are any terms of renegotiation of the contract [for Mr Roche].

*Answer:*

- (a) Please see CV attached.
- (b) Terms of Reference: The Contractor is required to provide advice in relation to Palmer Report recommendations 7.5, 7.6 and 7.7 by conducting a review of the current Detention Services Contract. The review will cover matters raised by both Palmer and by the Australian National Audit Office.
- The review is also to provide an outline strategy for implementing the recommendations.
- The Contractor is also to provide advice in relation to Recommendation 7.3 of the Palmer Report.
- (c) The maximum total value of the fees payable under the contract is \$198,000.
- (d) The contract describes in detail (covering several pages) the services and deliverables to be delivered by the contractor, including details of:
- The subjects to be advised on;
  - Persons or bodies to be consulted (but without limiting with whom the contractor may consult);
  - Project work to be undertaken.
- The contract specifies that the services are to be provided in accordance with applicable best practice.
- (e) Mr Roche commenced work in October 2005. The contract is to be completed no later than 31 December 2006 unless extended in writing by agreement between the department and the Contractor.
- (f) Other than for extension of time, the contract does not provide for renegotiation.

Michael Roche has more than 35 years experience in the Commonwealth Government in corporate and financial management, ICT systems and acquisition management. He has worked at the deputy secretary level in two departments and as Under Secretary in the Department of Defence.

## MICHAEL ROCHE BA (ACCOUNTING), FCPA, MACS

### Background

Michael is an independent consultant providing advice to government agencies and to companies dealing with government on a range of strategic management issues. He has a wide range of experience at senior levels in the Commonwealth Government in corporate and financial management, including dealing with ministers, parliamentary and government committees, and foreign government and international agencies. He has accounting and information technology system qualifications. He is a Fellow with the Certified Practising Accountants and a Member of the Australian Computer Society.

Prior to commencing his consulting practice, Michael was the Under Secretary for Defence Materiel. In this role he was responsible for the acquisition, support and disposal of all defence materiel. He had responsibility for a staff of more than 8000 civilian and military personnel in over 50 locations, and an annual budget of \$5bn.

His previous experience included five years as the Deputy Chief Executive of the Australian Customs Service where he was responsible for border control, intelligence, ICT and Internal Affairs.

He has worked as a deputy secretary in the Department of Health where he was responsible for corporate management (including a \$12bn budget), ICT and the Therapeutic Goods Administration.

He has also run the Cabinet Office in the Department of Prime Minister and Cabinet and has worked in operational, corporate and systems roles in the Departments of Immigration and Finance.

Key features of his experience include major roles in departmental restructuring and reform across a number of organisations, responsibility for major systems developments and industrial relations and experience in outsourcing and privatisation.

He has extensive experience in negotiating with central agencies, representing agencies before parliamentary committees and working on cross agency issues including high level whole of government approaches to ICT and financial management.

He has particular expertise in the management of major capital equipment acquisitions with a strong interest in innovative approaches to government purchasing.

He has high level security clearances.

### Consultancy projects

Michael has been undertaking management consulting projects since 2004. His clients to date include:

- ∂ Australian Customs Service
- ∂ Bilfinger Berger Concessions (Baulderstone)
- ∂ SAAB Systems

### Management Consulting Services

Michael is able to provide a range of strategic management consulting services to clients including;

- ∂ Organisational and process reviews
- ∂ Acquisition strategy
- ∂ Planning and oversight of acquisition processes
- ∂ Evaluation support
- ∂ Review of user requirements
- ∂ Oversight of system development processes (governance boards)
- ∂ Development of contractor performance management systems
- ∂ System reviews
- ∂ Assistance in the development of business cases
- ∂ Budget reviews
- ∂ Audit and internal governance committees

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### **(4) Inquiry into the Administration of the Migration Act 1958**

Senator Ludwig (L&C 9) asked:

- (a) I am happy for you to provide an overview of those projects relevant to GSL and then, if there is a spreadsheet or summary document of the current projects that you intend to let, how you are going to let them, whether they are going to be tendered or not for tender.
- (b) Then you might explain how Mr Roche was selected, the same as for any of those other contracts.

*Answer:*

- (a) There are approximately 60 Palmer related projects which are in the process of being implemented by the Department of Immigration and Multicultural and Indigenous Affairs. Of these, the main one with impact on GSL is the review of the Detention Services Contract. Of the remaining projects, many will have an impact on how we operate and, therefore, an impact on GSL.
- (b) Mr Roche was selected from a field of four potential service providers that were invited by select tender for the provision of advisory services on 22 August 2005.

On 20 September 2005, the Secretary of the Department of Immigration and Multicultural and Indigenous Affairs approved the proposal of the evaluation team that Mr Michael Roche be contracted for the delivery of the advisory services.

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### **(7) Inquiry into the Administration of the Migration Act 1958**

Senator Ludwig (L&C 14) asked:

Do you know what are the maximum hours a detainee might work or perform an activity?

*Answer:*

Participation in the meaningful activities program provides opportunities for the detainee to be actively engaged during detention and is strictly voluntary. While there is no upper limit to the number of hours a detainee may put into the program, DIMIA would be concerned to ensure this was consistent with the best interests of the detainee.

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### **(8) Inquiry into the Administration of the Migration Act 1958**

Senator Ludwig (L&C 14) asked:

Do you monitor it?

*Answer:*

The Meaningful Activities program at each detention centre is managed by GSL. Like all other activities there is a regular audit.

Audits cover areas such as:

- suitability of the activities made available through the program;
- detainee access to the program;
- the allocation and redemption of 'merit points' by detainees; and
- training and OHS issues arising from detainees participating in the program.

Any issues arising from these audits are raised directly with GSL to ensure that they are addressed.

DIMIA would also use the complaints process in a positive way to identify any potential concerns in this area. This could include complaints to the Office of the Ombudsman, Members of Parliament, and the Office of the Human Rights Commissioner.

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### **Mothballed Detention Centres - Inquiry into the Administration of the Migration Act 1958**

Senator Nettle asked:

- (1) Provide a list of detention facilities (onshore and off-shore) that are mothballed, including when they were mothballed and the ongoing cost of these facilities?
- (2) When were they mothballed?
- (3) Who makes the decision to mothball a facility?
- (4) Why are detention centres mothballed rather than closed down?
- (5) How quickly can a mothballed centre be re-opened?
- (6) What companies are contracted to maintain mothballed facilities?

*Answer:*

- (1) The mothballed immigration detention facilities are:

<b>Facility</b>	<b>When mothballed</b>	<b>Ongoing cost</b>
Woomera IRPC	April 2003	\$2.6 million per annum, including the RHP*
Woomera RHP	April 2003	Included with cost of Woomera IRPC
Port Hedland IRPC	June 2004	\$3 million per annum, including RHP*
Port Hedland RHP	June 2004	Included with cost of Port Hedland IRPC
Christmas Island IRPC (Phosphate Hill)	Facility vacated August 2005 (unoccupied), but not mothballed. (Re-activated on 17 November 2005)	\$6,275 per day standby cost
Singleton	Available to DIMIA from Department of Defence, but not mothballed	NA

\* These cost figures comprise mothball operational costs plus facilities depreciation costs. Out of the \$5.6 million (combined costs for Woomera and Port Hedland Immigration Reception and Processing Centres) reported to Senate Estimates on 1 November 2005, a total of \$3.6 million is depreciation, \$0.5 million is for one-off refurbishment works after hand-back, and the remainder is cost for mothball operational costs (security and maintenance), plus utility costs, rates, taxes, and departmental costs.

- (2) Answers are included in (1) above.
- (3) The decision to mothball an immigration detention facility is taken by the Minister for Immigration and Multicultural and Indigenous Affairs.

- (4) These immigration detention facilities are not closed down permanently in case they are required for a sudden surge in unauthorised arrivals, as occurs from time to time.
- (5) All mothballed immigration detention facilities can be partially made operational at short notice (within less than 2 weeks), and can be substantially made operational within one month. The Christmas Island (Phosphate Hill) Immigration Reception and Processing Centre can be made operation in 48 hours.
- (6) The companied contracted to maintain the mothballed immigration detention facilities are:

<b>Facility</b>	<b>Company</b>
Woomera IRPC	Tempo (Aust) Pty Ltd
Woomera RHP	Tempo (Aust) Pty Ltd
Port Hedland IRPC	GSL (Australia) Pty Ltd
Port Hedland RHP	GSL (Australia) Pty Ltd
Christmas Island (Phosphate Hill) IDF	GHD Pty Ltd
Singleton	None – the facility is in current use by the Department of Defence.

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### **Contract Breaches - Inquiry into the Administration of the Migration Act 1958**

Senator Nettle asked:

Please provide a list of the times and reasons GSL has been breached/sanctioned as per the contract.

*Answer:*

The tables below outline the type and nature of sanctions imposed on GSL in the previous four financial quarters.

#### Quarter Ending December 2004

Immigration Detention Standard (IDS)	Standard Breached
2.1.2	Detainee Property
6.1	General Security
6.4	Use of Force
6.5	Screening and Searching of detainees
6.6	Contraband
6.8	Assaults- Detainees are Protected from Assaults by other Detainees, Detention Officers and Others
7.1	Competency Requirements
9.1	Monitoring and Reporting

#### Quarter Ending March 2005

Immigration Detention Standard (IDS)	Standard Breached
2.1.2	Detainee Property
2.2	Care Needs
2.3	Release and Removals
4.4	Communicating in Languages the Detainees understand
6.1	General Security
7.1	Competency Requirements



Quarter Ending June 2005

Immigration Detention Standard (IDS)	Standard Breached
1.3.1	Duty of Care
1.4.1	Dignity
2.1.2	Detainee property
2.2.1.3	Individual Health
2.2.2	Food and Beverages
4.4	Communicating in Languages the Detainees Understand
6.1	General Security
6.2	Operational Procedures
6.6	Contraband
6.7	Transport of Detainees
7.1	Competency Requirements
7.2	Training
9.1	Reporting and Monitoring

Quarter Ending September 2005

Immigration Detention Standard (IDS)	Standard Breached
1.3.2	Duty of Care
2.1.2	Detainee Property
2.2.1.3	Individual Care
2.2.2.1	Food and Beverages
2.2.3.4	Self Harm
3.3	Self-help Programs
4.4	Communicating in Languages the Detainees Understand
6.1.1	General Security
6.2	Operational Procedures
7.1	Competency Requirements
9.1	Monitoring and Reporting

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### **(15) Inquiry into the Administration of the Migration Act 1958**

Senator Fierravanti-Wells (L&C 21) asked:

Could you give a global description of the sorts of services that these contracts contained going back, if it is at all possible. I appreciate that we are going back some time. This is just to give us an idea of the historical context of these detention service contracts as they have evolved from the start of the period of detention to now.

*Answer:*

Prior to 1997, detention services were managed by the department using a range of government and non-government agencies to provide specific services ie:

- Security services were provided by the APS;
- Catering was provided under contract by a private catering company;
- Medical services were sourced from the local area medical service on an as and when required basis;
- Repairs and maintenance was carried out on an ad hoc basis.

On 22 December 1997 the department entered into a contract with Australasian Correctional Services Pty Ltd to provide a broad range of specified services that were appropriate for the detention conditions envisaged at the time. The contract with ACS was signed on 27 February 1998. Their role was as prime contractor provide guarding, interpreter and translation services, catering, cleaning, education, welfare, health services, escort or transport services and any other services as required.

The Contract introduced:

- 115 Immigration Detention Standards;
- A sanctions regime which put at risk 3% of the revenue;
- This sanctions regime included 48 measures of performance.

On 27 August 2003 the department entered into a Detention Services Contract with a new provider, Global Solutions Limited. This contract was an improvement on the previous contract and contains:

- 12 schedules, including a comprehensive Schedule 2 outlining the expectations of the Service Provider;
- 148 Immigration Detention Standards;
- 245 measures of performance;
- A sanctions regime which puts at risk 5% of the revenue;
- A significant focus on Facilities Management supported by appropriate Standards(for

- improved management of government assets);
- Transition Out Plans;
- Business Plan.

To meet its contractual obligations in the new contract, GSL has developed a software platform known as the Immigration Services Information System (ISIS) to capture and disseminate information pertaining to detention. The department has invested in and retains intellectual property rights to enhancements in the functionality of ISIS developing a powerful contract monitoring and information gathering tool.

In addition, considerable effort has also been placed in departmental staff development to ensure that they have relevant skills to manage the provision of detention services.