

The Auditor-General  
Audit Report No.35 2006–07  
Performance Audit

# **Preparations for the Re-tendering of DIAC's Detention and Health Services Contracts**

**Department of Immigration and Citizenship**

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of Australia 2007

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Canberra ACT  
2 May 2007

Dear Mr President  
Dear Mr Speaker

The Australian National Audit Office has undertaken a performance audit in the Department of Immigration and Citizenship in accordance with the authority contained in the *Auditor-General Act 1997*. Pursuant to Senate Standing Order 166 relating to the presentation of documents when the Senate is not sitting, I present the report of this audit and the accompanying brochure. The report is titled *Preparations for the Re-tendering of DIAC's Detention and Health Services Contracts*.

Following its presentation and receipt, the report will be placed on the Australian National Audit Office's Homepage—<http://www.anao.gov.au>.

Yours sincerely



Ian McPhee  
Auditor-General

The Honourable the President of the Senate  
The Honourable the Speaker of the House of Representatives  
Parliament House  
Canberra ACT

## AUDITING FOR AUSTRALIA

The Auditor-General is head of the Australian National Audit Office. The ANAO assists the Auditor-General to carry out his duties under the *Auditor-General Act 1997* to undertake performance audits and financial statement audits of Commonwealth public sector bodies and to provide independent reports and advice for the Parliament, the Government and the community. The aim is to improve Commonwealth public sector administration and accountability.

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# Abbreviations

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APS	Australian Public Service
CEI	Chief Executives Instructions
CPG	Commonwealth Procurement Guidelines
DIAC	Department of Immigration and Citizenship
DIMA	Department of Immigration and Multicultural Affairs. On 23 January 2007 the Department's name changed to the Department of Immigration and Citizenship.
DIMIA	Department of Immigration and Multicultural and Indigenous Affairs. On 27 January 2006 the office of Indigenous Policy Coordination moved to the Department of Family, Community Services and Indigenous Affairs.
DSTSC	Detention Services Tender Steering Committee
EMC	Executive Management Committee
FMA Regulations	Financial Management and Accountability Regulations 1997
GSL	Global Solutions Limited
RFT	Request for Tender
SRO	Senior Responsible Officer
TEC	Tender Evaluation Committee
TEP	Tender Evaluation Panel
TRIM	Total Records Information Management System (an electronic document management system used by DIAC)

# **Summary and Recommendations**





# Summary

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## Background

1. The Department of Immigration and Citizenship (DIAC) seeks to 'enrich Australia through the well-managed entry and settlement of people'.<sup>1</sup> Key tasks include: entry, stay and departure arrangements for non-citizens; migrant and humanitarian settlement arrangements; border (immigration) control and security; citizenship; and ethnic and multicultural affairs.<sup>2</sup>
2. One of the Department's responsibilities is the administration of immigration detention under the *Migration Act 1958*. Global Solutions Limited (GSL) provides detention services under contract to DIAC.<sup>3</sup> The initial term of the contract with GSL ran from August 2003 to August 2007, with total costs for this period expected to exceed \$400 million.
3. In March 2006 an ANAO performance audit report was tabled in Parliament on DIAC's management of the tender process for the detention services contract with GSL.<sup>4</sup> The audit identified shortcomings in governance arrangements and project administration.
4. In response to that audit and other reviews critical of a number of aspects of its previous administrative practices, DIAC has commenced implementing substantial administrative reforms.<sup>5</sup> The department stated that it has 'implemented significant changes in our governance and client services areas, significantly strengthened professional development of our staff and other enabling areas of the department.'<sup>6</sup> The strategic aim is to make the

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<sup>1</sup> Department of Immigration and Multicultural Affairs, *Annual Report 2005–06*, p. 26. On 23 January 2007 the Department was renamed having been termed the Department of Immigration and Multicultural Affairs (DIMA) from 27 January 2006, and the Department of Immigration Multicultural and Indigenous Affairs (DIMIA) previously. In this audit the Department's current title is used, except in references and quotations, where the historical title is used.

<sup>2</sup> *ibid.*, p. 26.

<sup>3</sup> The tender bid for the Detention Services Contract was submitted under the name of Group 4 Falck Global Solutions. Subsequent to the signing of the Contract, Group 4 Falck changed its name to GSL Australia Pty Ltd (GSL). For ease of understanding, this report will refer to GSL.

<sup>4</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*.

<sup>5</sup> The reviews included the Palmer Report (MJ Palmer, *Inquiry into the Circumstances of the Immigration Detention of Cornelia Rau*, 2005) and the Comrie report (Commonwealth Ombudsman, *Inquiry into the Circumstances of the Vivian Alvarez Matter*, 2005), as well as Mick Roche, *Detention Services Contract Review*, February 2006.

<sup>6</sup> DIAC Secretary letter to the Auditor-General, 13 December 2006.

department: 'an open and accountable organisation; have well trained and supported staff; and ensure fair and reasonable dealings with clients.'<sup>7</sup>

5. As part of the aim to make the department a more accountable organisation, the DIAC Secretary wrote to the Auditor-General on 20 September 2006 requesting that the ANAO undertake a performance audit of the governance arrangements for the re-tendering of the detention and health services contracts. The Auditor-General approved a performance audit of the early stages of the re-tendering project on 26 October 2006.

6. The decision to re-tender the detention services contract and to provide associated health services under separate arrangements had been announced in March 2006. DIAC established a re-tendering project in early April 2006. The Project Plan envisaged release of Request for Tender (RFT) documents in November 2006 and finalisation of the new contract to coincide with the expiry of the GSL contract in August 2007. DIAC has engaged several expert advisors as well as a Probity Auditor and a contracted project manager to support the re-tendering project team.<sup>8</sup>

7. Following feedback provided by industry and consideration of a proposed Service Delivery Model, DIAC decided to delay the release of the RFT until April 2007, with a view to signing the new contract in December 2007. Transition to the new contract is expected to be completed by the end of March 2008.

## The audit

### Audit objective and scope

8. The audit objective was to assess whether the early stages of DIAC's preparations for the re-tendering of the detention and health services contracts were consistent with sound practice. The audit focused on governance arrangements, in particular the recordkeeping arrangements, roles and responsibilities of personnel, expert advisors and the probity auditor—matters raised in the previous audit report. The audit did not examine the RFT, which is not due to be issued until April 2007.

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<sup>7</sup> *ibid.*

<sup>8</sup> The expert advisors comprise: financial and commercial advisor; legal advisor; probity advisor; tender evaluation advisor; risk management advisor; and communications advisor.

## Conclusion

9. Overall, the ANAO concluded that the early stages of DIAC's preparations for the re-tendering project were sound, demonstrating a significant improvement in the practices identified by the earlier audit. In developing governance and project management arrangements for the re-tendering of detention and health services contracts, DIAC paid attention to the experiences gained and lessons learned from the previous tender process. Arrangements for key personnel, expert advisors and the probity auditor were appropriate. Detailed recordkeeping policies and systems had been established for the re-tendering project, but implementation of policies in respect of recording and timely reporting of some decisions and security classification of documents was not consistent.

10. The Detention Services Tender Branch was required to develop plans for the re-tendering of detention and health services contracts against tight timeframes. Initially, project management arrangements were underdeveloped, with gaps in project description, risk management, budgeting, project performance measurement and project close arrangements. During the early stages of the project, DIAC developed an adequate project management framework that addressed most of these deficiencies. However, DIAC is still to develop a whole of life budget for the project. Development of a whole of life budget would strengthen management assurance about the cost-effectiveness of the re-tendering project and enable more transparent project monitoring and cost control.

11. Having established a framework for the re-tendering of the detention and health services contracts, the challenge in going forward will be to implement consistently the re-tendering plans and arrangements.

## Key findings

### Planning

12. DIAC has established an extensive planning framework covering the re-tendering project, including an overarching Project Plan with a range of subsidiary plans and a Project Management Plan, that clearly seeks to address previous audit findings and recommendations for improvement.

13. The assurance framework developed by DIAC is generally sound. DIAC's plans incorporate a clear focus on assurance through:

- use of experts, including mandated sign offs;

- a hierarchy of committees with defined responsibilities;
- planned external and internal scrutiny;
- a performance reporting mechanism; and
- planned post-implementation evaluation and review.

14. The performance measurement framework for the project requires further clarification and more measurable performance indicators to provide greater assurance about the effectiveness of project administration. Also, the value of the planned post-implementation evaluation and review would be enhanced by DIAC collecting 'lessons learned' information for the project close (end) report during the course of the project and by clarifying the success measures for the project's 'business benefits' (outcomes).

## **Project management**

15. Approval for the re-tendering project to commence was not clearly documented, although it could be inferred from management documents.

16. The project also commenced without an approved budget. An allocation was later made to cover the expected costs in 2006–07 using standard internal DIAC budget processes. By the time of the audit, the project timeframe had been extended into 2007–08. The anticipated costs for the project had increased sharply due to scope changes during the course of the project. However, there was no approved revised budget for the life of the project that reflected the revised timeframe and costs. Internal management reporting of project costs had been inconsistent and incomplete.

17. The absence of an approved budget for the life of the project and inconsistent management reporting not only contributed to uncertainty within the project team about funding levels, but also reduced management assurance about cost control and value for money in project administration.

## **Recordkeeping**

18. DIAC was conscious of the need to improve recordkeeping from the outset of the re-tendering project and has sought to build better practices into its recordkeeping policies and practices.

19. In the absence of finalised corporate recordkeeping guidelines specific to tendering and procurement processes, DIAC had to develop policies and procedures specific to the re-tendering project. The ANAO considers that the

finalised policies and procedures provide a sound basis for recordkeeping for the re-tendering project.

20. Minutes of meetings were consistently recorded, agreed and maintained for the key decision making bodies examined by the ANAO. DIAC developed a version control protocol specifically for the project that was applied consistently to the key documents examined. DIAC has also taken steps to record instances where expert advice is not acted upon. However, the required reporting of departures from the Project Plan could have been more timely.

21. Adherence by staff and expert advisors to the recordkeeping protocol in terms of security settings for documents stored in the DIAC records management system was inconsistent. Consequently, access to documents stored on the records management system by DIAC staff was much less restricted than intended. DIAC has now taken steps to remind staff of their record keeping responsibilities.

### **Key personnel, expert advisors and the probity auditor**

22. DIAC has put in place sound arrangements for personnel, expert advisors and the probity auditor for the current re-tendering project.

23. DIAC established robust administrative structures for the project team. Roles and responsibilities are clearly defined and well-understood, and staff have the relevant training and skill-set required for the re-tendering project.

24. DIAC has engaged seven expert advisors, including a probity auditor, to assist the project team. The ANAO considers that the contracts clearly define the roles, responsibilities and accountabilities of the expert advisors and their deliverables are regularly monitored. There is clear separation between the role of the probity advisor and the probity auditor. The contract for the probity auditor clearly stipulates his independence and the level of assurance he is to provide. Contracted sign-offs at each of the key milestones are clear and appropriate.

25. Appropriate approvals were obtained for the contracts with the expert advisors. However, there is a risk that some contracts may need to be extended beyond 2006–07 requiring different approvals in some cases. In considering the need to extend contracts, DIAC should not only review the necessary approvals but should also take the opportunity to review the impact of contract extensions on the final budget projections for the project.

26. The process to manage conflict of interest for the re-tendering project was sound. Participants in the project were aware of what constitutes conflict of interest, what steps to take when there was perceived or actual conflict, and probity issues relating to conflict of interest were appropriately discussed and documented.

## Recommendations

27. The ANAO made two recommendations which aim to strengthen DIAC's governance arrangements for the re-tendering of the detention and health services contracts.

## DIAC response to the audit

28. The department welcomes the ANAO audit related to preparations for the re-tendering of the department's detention and health services contracts. It provides the department with assurance that the framework for this strategic procurement activity is sound, as well as providing constructive suggestions to further improve its practices for the re-tendering of the detention and health services contracts.

29. The department agrees with the recommendations and is taking steps to ensure that these recommendations are addressed.

30. In response to the recommendations:

- The department is considering the project budget for 2007–08, during which the project will be finalised;
- The project team will conduct 'lessons learned' workshops at the end of key phases of the project for the purposes of collecting information to inform the project, and for the project close report;
- Project staff are undertaking further recordkeeping training to ensure they understand the functionality of TRIM;
- The project team are documenting key decisions to act upon them in a timely manner.

31. DIAC's full response is at Appendix 2.

# Recommendations

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*Set out below are the ANAO's recommendations which aim to strengthen DIAC's governance arrangements for the re-tendering of the detention and health services contracts. Report paragraph references and responses from DIAC are included.*

## **Recommendation**

### **No.1**

#### **Para 2.37**

The ANAO recommends that DIAC strengthen its governance arrangements for the re-tendering of detention and health services contracts by:

- ensuring that the project performance measurement framework is clear and that measurable performance indicators are developed, where practicable;
- collecting 'lessons learned' information for the project close report during the course of the project; and
- obtaining approval for a budget covering the life of the project and monitoring expenses against the approved whole of life budget.

*DIAC response: Agree.*

## **Recommendation**

### **No.2**

#### **Para 2.64**

The ANAO recommends that, in order to improve accountability and ensure that recordkeeping policies and procedures are implemented effectively, DIAC:

- ensures that staff have sufficient guidance and are adequately trained in the use and functionality of TRIM; and
- reinforces the need to report and record decisions clearly and in a timely fashion.

*DIAC response: Agree.*





## **Audit Findings and Conclusions**



# 1. Introduction

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*This chapter introduces the re-tendering of DIAC's detention and health services contracts.*

## Background

**1.1** The Department of Immigration and Citizenship (DIAC) employs more than 6 000 staff, located in offices around Australia and overseas. Projected expenditure in 2006–07 for DIAC is around \$1 466 million.<sup>9</sup>

**1.2** DIAC seeks to 'enrich Australia through the well-managed entry and settlement of people'.<sup>10</sup> Key tasks include: entry, stay and departure arrangements for non-citizens; migrant and humanitarian settlement arrangements; border (immigration) control and security; citizenship; and ethnic and multicultural affairs.<sup>11</sup>

**1.3** One of the department's responsibilities is the administration of immigration detention. This is performed under the *Migration Act 1958*. Global Solutions Limited (GSL) provides detention services under contract to DIAC.<sup>12</sup> The initial term of the contract with GSL ran from August 2003 to August 2007, with total costs for this period expected to exceed \$400 million.

**1.4** In March 2006 an ANAO performance audit report was tabled in Parliament on DIAC's management of the tender process for the detention services contract with GSL.<sup>13</sup> Shortcomings identified by the audit included:

- ambiguity in DIMIA's management of the roles and responsibilities of key advisors and personnel;
- deficient recordkeeping, impacting DIMIA's ability to demonstrate accountability and transparency in this procurement;

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<sup>9</sup> Department of Immigration and Multicultural Affairs, *Annual Report 2005–06*, pp. 25–26, 33.

<sup>10</sup> *ibid.*, p. 26. On 23 January 2007 the Department was renamed having been termed the Department of Immigration and Multicultural Affairs (DIMA) from 27 January 2006, and the Department of Immigration Multicultural and Indigenous Affairs (DIMIA) previously. In this audit the Department's current title is used, except in references and quotations, where the historical title is used.

<sup>11</sup> *ibid.*, p. 26.

<sup>12</sup> The tender bid for the Detention Services Contract was submitted under the name of Group 4 Falck Global Solutions. Subsequent to the signing of the Contract, Group 4 Falck changed its name to GSL Australia Pty Ltd (GSL). For ease of understanding, this report will refer to GSL.

<sup>13</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*.

- weaknesses in the conduct and documentation of contract negotiations; and
- deficiencies in the assessment of tender bids against the value for money criteria.<sup>14</sup>

**1.5** In response to that audit and other reviews critical of a number of aspects of its previous administrative practices, DIAC has commenced implementing substantial administrative reforms.<sup>15</sup> For example, in October 2005, DIAC established a review of the detention services contract with GSL, which was conducted by Mr Mick Roche (the Roche Review).<sup>16</sup> In response to one of the recommendations of the Roche Review, the Minister for Immigration and Multicultural Affairs announced on 1 March 2006 a decision to re-tender the detention services contract and that associated health services would be provided under separate arrangements.

**1.6** DIAC established a re-tendering project, and a Project Plan was put to the department's peak decision making body, the Executive Management Committee (EMC), in early April 2006. The Project Plan envisaged release of Request for Tender (RFT) documents in November 2006 and finalisation of the new contract to coincide with the expiry of the GSL contract in August 2007.

**1.7** Following feedback provided by industry at briefings held in September 2006, and consideration of a proposed Service Delivery Model, DIAC decided to delay the release of the RFT until April 2007, with a view to signing the new contract in December 2007. Transition to the new contract is expected to be completed by the end of March 2008.

**1.8** DIAC has engaged several expert advisors to support the re-tendering project team.<sup>17</sup> DIAC also engaged a Probity Auditor as well as a contracted project manager. Figure 1.1 illustrates the governance arrangements established for the re-tendering project.

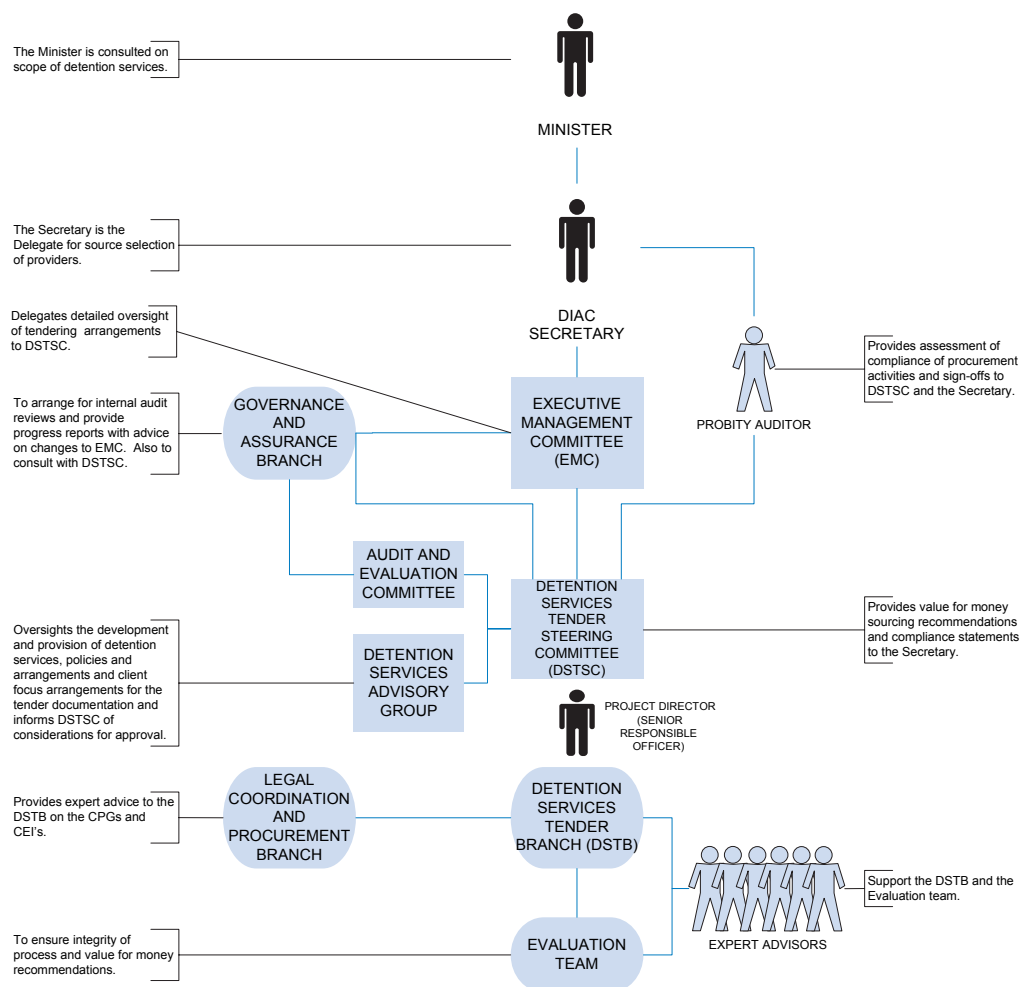
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<sup>14</sup> *ibid.*, pp. 36-37.

<sup>15</sup> The reviews included the Palmer Report (MJ Palmer, *Inquiry into the Circumstances of the Immigration Detention of Cornelia Rau*, 2005) and the Comrie report (Commonwealth Ombudsman, *Inquiry into the Circumstances of the Vivian Alvarez Matter*, 2005).

<sup>16</sup> Mick Roche, *Detention Services Contract Review*, February 2006.

<sup>17</sup> The expert advisors comprise: financial and commercial advisor; legal advisor; probity advisor; tender evaluation advisor; risk management advisor; and communications advisor.

**Figure 1.1****Governance arrangements for the re-tendering project**

Source: ANAO, based on DIAC documentation.

## The audit

**1.9** On 20 September 2006 the DIAC Secretary wrote to the Auditor-General requesting that the ANAO undertake a performance audit of the governance arrangements for the re-tendering of the detention and health services contracts. The Auditor-General approved a performance audit of the early stages of the re-tendering project on 26 October 2006.

**1.10** The audit was conducted during a period of substantial administrative reform in DIAC.<sup>18</sup> The department stated that it has ‘implemented significant changes in our governance and client services areas, significantly strengthened professional development of our staff and other enabling areas of the department.’<sup>19</sup> The strategic aim is to make the department: an open and accountable organisation; have well trained and supported staff; and ensure fair and reasonable dealings with clients.<sup>20</sup>

## **Audit objective and scope**

**1.11** The audit objective was to assess whether the early stages of DIAC’s preparations for the re-tendering of the detention and health services contracts were consistent with sound practice. The audit focused on governance arrangements, in particular the recordkeeping arrangements, roles and responsibilities of personnel, expert advisors and the probity auditor—matters raised in the previous audit report. The audit did not examine the RFT, which is not due to be issued until April 2007.

## **Audit method**

**1.12** The audit method comprised:

- development of audit criteria in consultation with the Department and with regards to better practice and previous audit findings and conclusions;
- interviews with DIAC managers and staff, including structured interviews with all re-tendering project team members;
- analysis of documentation; and
- testing of records kept on the DIAC records management system.

**1.13** The audit was conducted in conformance with ANAO auditing standards at a cost to the ANAO of \$238 500.

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<sup>18</sup> These reforms were announced in response to the Palmer Report (MJ Palmer, *Inquiry into the Circumstances of the Immigration Detention of Cornelia Rau*, 2005) and the Comrie report (Commonwealth Ombudsman, *Inquiry into the Circumstances of the Vivian Alvarez Matter*, 2005). During the audit, the Ombudsman brought out three further reports relating to the immigration detention of 20 people during the years 2000 to 2005 (Commonwealth Ombudsman *Reports of Referred Immigration Cases: Mr G*, 06-2006; *Mental Health and Incapacity*, 07-2006; and *Children in Detention*, 08-2006).

<sup>19</sup> DIAC Secretary letter to the Auditor-General, 13 December 2006.

<sup>20</sup> *ibid.*

## **Audit report**

**1.14** The following chapter assesses DIAC's approach to governance and project administration for the re-tendering of detention and health services contracts, specifically addressing: planning; recordkeeping; and arrangements in place for personnel, expert advisors and the probity auditor.

## 2. Governance and Project Administration

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*This chapter assesses the approach taken by DIAC in relation to governance and administration of its re-tendering of detention and health services contracts.*

### Introduction

**2.1** Sound governance arrangements are critical to successful project implementation. The previous ANAO audit of DIAC's tender process for the Detention Services Contract identified a number of areas where procurement practices employed by the department fell well short of sound practice. The audit identified shortcomings in governance arrangements and project administration particularly in the areas of: planning and management arrangements; recordkeeping; and arrangements for personnel, expert advisors and the probity auditor.<sup>21</sup> This chapter assesses the approach taken by DIAC in relation to these matters for the current re-tendering project.

### Planning and management arrangements

**2.2** In this audit, the ANAO assessed:

- DIAC's planning approach to the current re-tendering project and whether it took into account past tendering practices;
- whether DIAC's planning included a strategy for assuring itself that the project has been conducted consistently with its plans; as well as
- key aspects of project management.

### Planning

**2.3** The Detention Services Tender Branch was required to develop plans for the re-tendering of detention and health services contracts against tight timeframes. It established an extensive planning framework covering the re-tendering project, including an overarching 'Project Plan', a range of subsidiary plans to the Project Plan as well as a 'Project Management Plan.'

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<sup>21</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*, pp. 36, 67–72.



- The *Project Plan* was the initial project-planning document developed to give a high level view of DIAC's agreed approach to the detention services tender processes.<sup>22</sup>
- The *Project Management Plan* was created to provide a 'uniform and consistent approach to defining and agreeing project details prior to commencement of project work.'

**2.4** The overarching Project Plan was finalised in April 2006. The Project Management Plan was finalised in November 2006. Some of the subsidiary plans have taken longer to complete than initially expected. DIAC advised that 'as the project has evolved, plans have been developed where it is practical and appropriate to do so.'<sup>23</sup>

**2.5** The ANAO found that DIAC's planning documents contain an explicit focus on each of the areas of project governance identified in the previous audit as requiring improvement.<sup>24</sup> For example, the Project Plan explicitly addresses the probity plan and level of assurance given by the probity auditor in his sign-off to the delegate, specifies the roles and responsibilities of staff, expert advisors and the probity auditor, and identifies a process for improving recordkeeping practices.

## Assurance

**2.6** Sound project planning incorporates arrangements to give appropriate assurance that plans are being implemented as agreed, through reporting mechanisms to alert management to emerging implementation issues, and post-implementation evaluation and review.<sup>25</sup> The previous audit of the DIAC detention centre tender process identified substantial deficiencies in the implementation of the tender evaluation plan.<sup>26</sup>

<sup>22</sup> It was intended to 'provide a vehicle for the implementation of the tender processes for detention and health services by documenting the Executive Management Committee's objectives and requirements.'

<sup>23</sup> DIAC advised that 'for example, it is not possible to draft the Contract Management Plan prior to the contract, statements of requirement and governance structures being decided on.' DIAC Deputy Secretary letter to the ANAO, 12 February 2007.

<sup>24</sup> DIMA, Executive Management Committee Paper, *Detention Services Tender Project Plan*, 5 April 2006; and DIMA, Legal Co-ordination and Procurement Branch, *Governance structure for Detention Services Procurement*, 24 February 2006.

<sup>25</sup> ANAO Better Practice Guide, *Implementation of Programme and Policy Initiatives—Making implementation matter*, October 2006, pp. 51-53.

<sup>26</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*, p. 36.

## *Assurance framework*

**2.7** In the current re-tendering project, DIAC has sought to incorporate several levels of assurance aimed at ensuring that the project is conducted consistent with its plans and in a sound fashion.

**2.8** For example, one of the specified roles of the Department's Procurement Assurance Committee is to provide the Delegate (the DIAC Secretary) with a statement and brief on compliance with the Commonwealth Procurement Guidelines (CPGs) and DIAC Chief Executives Instructions (CEIs). This is to be done at the same time as the key decision-making body for the project, the Detention Services Tender Steering Committee (DSTSC), makes value for money and sourcing recommendations to the Delegate.<sup>27</sup>

**2.9** The Project Plan also identifies other sources of expert advice: the CPGs, CEIs and the procurement cycle framework; internal audit reviews; and records management for the project.

**2.10** The 'expert advisors' engaged for the re-tendering project meet regularly with the project team, both in formal 'all advisor' weekly meetings,<sup>28</sup> as well as ongoing informal contact with the project team. In addition, DIAC has engaged the services of a Communications Advisor and a Probity Auditor. As discussed at paragraphs 2.93 and 2.99 below, the contracts with the expert advisors and the probity auditor clearly specify a high level of assurance ('sign-off') they are to give to DIAC. For example:

- the Probity Auditor is to provide independent assurance to the Delegate in relation to: compliance with project plans and processes; compliance with CPGs and DIAC CEIs and procurement guidance; and whether or not the tender team and governance committees have acted upon advice received. There are no limitations on the scope of work to be undertaken by the probity auditor to provide this assurance.<sup>29</sup>

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<sup>27</sup> The DSTSC is a high level committee whose key role is to direct and control the work of the tender project team, including approving procurement-related documentation, and ultimately make the final sourcing recommendations to the Delegate. The DSTSC includes a representative of the Immigration Detention Advisory Group as a member, and is supported by a number of other advisory committees.

<sup>28</sup> A standing item at the meeting relates to whether advice provided by advisors conflicts in any way.

<sup>29</sup> DIAC has also planned several internal audits at various stages of the re-tendering project.

### *Reporting mechanisms*

**2.11** The ANAO assessed whether DIAC had considered performance reporting mechanisms for the re-tendering project in its planning, and had implemented planned reporting mechanisms.

**2.12** The Project Management Plan stipulates a hierarchy of management reports, their frequency and allocates responsibility for their preparation. The ANAO found that DIAC had substantively met its plan for preparing the specified reports.<sup>30</sup>

**2.13** The Project Plan also specifies DIAC's business objectives for the tender process and states that the 'project team is to develop a performance measurement framework to measure the achievements of these objectives. Achievements are to be monitored by DSTSC.' However, DIAC advised that:

Rather than develop another reporting mechanism for the project, these measures have been incorporated into the branch business plan's priorities and the key performance indicators developed to achieve these priorities.

**2.14** The ANAO examined the Branch business plan and the tender objectives listed in the Project Plan. In response to initial audit findings, DIAC has sought to clarify the relationship between the key performance indicators in the business plan and the tender objectives. The ANAO considers that this is a sound first step and that the goal of measuring the achievement of the tender objectives would be strengthened by DIAC further clarifying the relationship between the key performance indicators and the tender objectives and developing more measurable performance indicators, where practicable.

### *Post-implementation evaluation and review*

**2.15** Post-implementation evaluation and review can assist in determining the extent to which the approach taken to project implementation contributed to achieving the project objectives and collect 'lessons learned' for future similar projects.<sup>31</sup> Clear and measurable performance indicators support effective post-implementation evaluation and review arrangements.

**2.16** The initial Project Plan did not address the matter of post-implementation evaluation and review. However, the later Project Management Plan provides for a 'project close report' and a 'post

<sup>30</sup> DIAC advised that some reports had been prepared less frequently than initially expected, due to changes in corporate reporting processes.

<sup>31</sup> ANAO Better Practice Guide, *Implementation of Programme and Policy Initiatives—Making implementation matter*, October 2006, p. 53.

implementation review' as part of the transitional arrangements for the re-tendering project.

**2.17** The project close report would use a standard pro-forma to capture lessons learned, wrap up administrative issues such as filing and schedule the post implementation review, and would seek formal clearance to 'close' (i.e. end) the project. The ANAO found that DIAC does not have a systematic process for collecting lessons learned data during the course of the project. The ANAO considers that collecting such data at particular phases of the project would give valuable baseline information and overcome the risk posed by the passage of time and potential staff turnover affecting adequate recall of the lessons learned during the course of the project.

**2.18** The aim of the post implementation review is 'to review whether the business benefits identified in this plan have been achieved by the department.' The 'business benefits' (outcomes) were foreshadowed in the initial Project Plan and clearly outlined in the Project Management Plan. However, the ANAO observed that DIAC's 'measures of success' for the business benefits were generally unmeasurable and often unclear. DIAC acknowledged that the measures of success 'require further development' and advised that they will be reviewed.

**2.19** Overall, the ANAO considers that the assurance framework developed by DIAC is sound. DIAC's plans incorporate a clear focus on assurance through:

- use of experts, including mandated sign offs;
- a hierarchy of committees with defined responsibilities;
- planned external and internal scrutiny;
- a performance reporting mechanism; and
- planned post-implementation evaluation and review.

**2.20** However, the performance measurement framework for the project requires further clarification and more measurable performance indicators to provide greater assurance about the effectiveness of project administration. Also, the value of the planned post-implementation evaluation and review would be enhanced by DIAC collecting 'lessons learned' information for the project close report during the course of the project and by clarifying the success measures for the project's 'business benefits' (outcomes).

## Project management

**2.21** Sound project management can support the achievement of project and organisational goals, as well as give assurance to stakeholders that resources are effectively managed.<sup>32</sup> Moreover, all projects need a plan. Project plans document project objectives to guide implementation, give a baseline scope, as well as the cost and schedule against which to assess project achievement. The plan is usually the key document supporting the decision by management to proceed with the project.<sup>33</sup>

**2.22** At the time of the audit, there was no standard approach to non-IT projects within DIAC.<sup>34</sup> However, DIAC advised that the widespread change projects resulting from the Palmer and Comrie reports required a more consistent approach to project management than in the past. Consequently, DIAC started to develop a corporate project management approach, and prepared draft project management tools, including templates for: getting project approval; project management plan; communications and stakeholder plan; post implementation review and evaluation; and project variation.

**2.23** The initial Project Plan for the re-tendering of detention and health services contracts had a strategic rather than project management focus. The Project Plan and its subsidiary plans outlined some project management elements, such as the overall objective and governance arrangements for the project. However, the ANAO found that many project management elements were not settled or documented at the time the re-tendering project started.

**2.24** DIAC subsequently recognised the need for more structured project management arrangements, and developed a Project Management Plan using the draft project planning template, which was finalised around six months after the project commenced. Table 2.1 shows that the Project Management Plan addressed most of the elements not covered in the initial Project Plan.

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<sup>32</sup> ANAO Better Practice Guide, *Management of Scientific Research and Development Projects in Commonwealth Agencies*, 2003, pp. 3-4.

<sup>33</sup> *ibid.*, p. 29. The contents of a project plan will vary according to the scale, complexity and risk of the project. In large projects, there may be justification for breaking the plan into several component plans, for example individual plans for managing risk, or realising identified benefits.

<sup>34</sup> DIAC did have a standardised approach to IT project management, using the Project Management Body of Knowledge approach. This formed the basis for the broader project management methodology.

**Table 2.1****Key project management elements**

	In place at project commencement (April 2006)	In place at time of audit (Nov 2006)
Project approval	✓	✓
Objectives	✓	✓
Scope	✗	✓
Deliverables/Outputs	✓	✓
Outcomes	✗	✓
Governance arrangements	✓	✓
Whole of life budget	✗	✗
Timeframes	✓	✓
Performance measures and reporting arrangements	✗	✓
Risk management plan	✗	✓
End of project process	✗	✓
Project variation process	✗	✓

Source: ANAO analysis.

***Risk management plan***

**2.25** The initial Project Plan (April 2006) for the re-tendering project did not include an explicit risk management plan, or a high level risk management overview of the project. However, the later Project Management Plan (November 2006) incorporated a risk management plan (see Table 2.1).

**2.26** The ANAO considers that the risk management plan was generally sound in that it considered the context of the re-tendering project, its major functions (for both detention and health services) and the major threat groups in the life of the project. The plan addressed each risk in its context, and identified its relative likelihood and consequence, as well as overall risk and proposed mitigation action.

**2.27** The ANAO found that the risk management plan did not expressly address the risk of fraud for the re-tendering of detention and health services

contracts.<sup>35</sup> This risk is addressed in DIAC's *Output integrity risk project* report. However, the project risk management plan does not refer, or link, to the corporate risk report. The ANAO suggests that DIAC would obtain greater assurance about management of the risk of fraud in the re-tendering project if the risk management plan addressed this risk or expressly linked to the corporate risk report. The ANAO considers that DIAC would have benefited from having a high level risk management plan at the outset of the re-tendering project, particularly in light of the significant project risks arising from strict timelines and budgetary constraints.

### *Recording formal project approval*

**2.28** A key step in commencing a project is in seeking and obtaining formal approval prior to commencement. A formal record of project approval is an important element in accountability arrangements.

**2.29** DIAC's Executive Management Committee (EMC) considered the re-tendering Project Plan on 5 April 2006. Although approval for the project could be inferred from DIAC management documents, the Department was unable to provide evidence that EMC had formally approved the project as requested at that time.

**2.30** DIAC stated that 'the EMC minutes do not explicitly state that the EMC paper was 'approved'. However that was clearly the intention of the EMC.' The ANAO considers that it would be better for key decisions, such as project approval, to be properly documented for management and accountability purposes.

### *Whole of life budget*

**2.31** It is better practice in project management for a budget to be prepared to cover the life of a project and for this budget to be formally approved at the outset, including any subsequent budget variations. In order to be complete, the budget should include the costs of contractors.<sup>36</sup> These figures should be recorded and reported against consistently.

**2.32** The ANAO found that the re-tendering project incurred costs during 2005–06. The project commenced in April 2006 without an approved budget.

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<sup>35</sup> The risk of 'theft by service provider' is included in the detailed risk assessment table that forms part of the risk management plan. However, theft generally relates to tangible assets. Fraud can include both tangible and intangible benefits dishonestly obtained by deception or other means.

<sup>36</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*, pp. 59-60.

DIAC advised that in May 2006 the team was allocated resources for 2006–07 through standard internal DIAC budget processes.<sup>37</sup> At that time the project was expected to be concluded in 2006–07.

**2.33** By the time of the audit, the project team had identified that the initial planning timeframes for the project were insufficient and had received approval to extend the life of the project into 2007–08. The anticipated costs for the project had also increased sharply. DIAC advised that this was due to scope changes during the course of the project including decisions to change the business model and to redesign the service delivery model, and to conduct more tenders than initially expected (health, major detention centres and smaller detention facilities). The project team was also required to commence the re-tendering project against tight timeframes. Consequently, more emphasis has been placed on external advisors and their contribution to this process.

**2.34** However, the ANAO found that there was no approved budget for the life of the project that reflected the revised timeframe and costs, and some aspects of internal management reporting of project costs had been inconsistent and incomplete (see example below).

#### **Example: whole of life budget**

DIAC has prepared several budget estimates for the project—these have increased over time. In March 2006, the initial cost of the entire project was estimated to be around \$4.9 million spread over 2006–07 and 2007–08.<sup>38</sup> Later budgets for 2006–07, including budgets for \$5.938 million (August 2006)<sup>39</sup> and \$8 million (January 2007), differ substantially from the initial estimate.<sup>40</sup>

The growth in estimated costs was primarily driven by changes to the project scope (see paragraph 2.33). DIAC advised that it is still working on determining the final 2007–08 funding requirement.

Notwithstanding the statement in the Project Management Plan that the \$5.938 million budget reflects the ‘life of the project’ the ANAO found that this budget only included anticipated costs for 2006–07. Neither the initial nor subsequent budgets clearly included costs incurred during 2005–06. Only the initial budget included costs for 2007–08.

The ANAO found that internal management reporting of project budget figures, was inconsistent and incomplete. For example, at the time of the audit different management documents referred to \$4.012 million, \$4.689 million, and \$5.938 million as the project budget or allocation, which vary by over \$1.9 million. All of these figures were estimates for 2006–07 rather than for the life of the project.

<sup>37</sup> The allocation for the re-tendering project was set as a component of its parent DIAC Division.

<sup>38</sup> The Government was initially advised that the re-tendering project was expected to cost \$4.9 million.

<sup>39</sup> Budget first prepared in August 2006 and later part of the Project Management Plan (November 2006).

<sup>40</sup> The previous tendering process cost around \$3.3 million, however DIAC advised that the current ‘tendering activity is significantly different for the previous process—the department does not see this process as a mere re-tendering of the existing business. ... Therefore the use of the previous process as a benchmark is not necessarily appropriate.’



**2.35** The ANAO considers that the absence of an approved whole of life budget for the re-tendering project and some inconsistent management reporting not only contributed to uncertainty within the project team about funding levels, but also reduced management assurance about cost control and value for money in project administration.

**2.36** Overall, the ANAO concludes that DIAC's approach to governance and planning for the re-tendering project is sound, but, there is room to strengthen the project management arrangements. Use of a more disciplined program management approach from the outset would have ensured that approval for the project was appropriately documented, and a whole of life budget was prepared and approved enabling consistent monitoring and cost control.

## Recommendation No.1

**2.37** The ANAO recommends that DIAC strengthen its governance arrangements for the re-tendering of detention and health services contracts by:

- ensuring that the project performance measurement framework is clear and that measurable performance indicators are developed, where practicable;
- collecting 'lessons learned' information for the project close report during the course of the project; and
- obtaining approval for a budget covering the life of the project and monitoring expenses against the approved whole of life budget.

### *DIAC response*

**2.38** Agree.

## Recordkeeping

**2.39** Sound recordkeeping is an essential part of good business management and accountability. In recent years, recordkeeping in DIAC has been the subject of widespread criticism from both internal and external review and audit activity.<sup>41</sup> The previous ANAO audit of DIAC tender process for the

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<sup>41</sup> Reports identifying recordkeeping problems in DIAC include: MJ Palmer, *Inquiry into the Circumstances of the Immigration Detention of Cornelia Rau*, 2005; Commonwealth Ombudsman, *Inquiry into the Circumstances of the Vivian Alvarez Matter*, 2005; ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*; and National Archives of Australia, *Recordkeeping In DIMIA: A Strategic Review*, February 2006. A number of internal reports and audits have highlighted deficiencies in recordkeeping in relation to contracting and tendering.

Detention Services Contract identified deficiencies in recordkeeping, impacting on the department's ability to demonstrate accountability and transparency in the procurement process.<sup>42</sup> Specifically, the audit identified problems in relation to:

- poor version control of project documentation;
- failure to record adequately meeting agendas, discussions and outcomes; and
- failure to record requests made of the department's advisors.<sup>43</sup>

**2.40** In response to the audit findings and the related recommendation,<sup>44</sup> the department noted that a 'wide range of measures to improve administration within the department were announced by the Minister as part of the Government's response to the Palmer and Comrie reports' and that it:

will develop new recordkeeping guidelines specific to tendering and procurement processes. Improved records management processes will also be mandated through IT systems changes.<sup>45</sup>

**2.41** In this audit, the ANAO assessed the recordkeeping systems, policies and processes developed for the re-tendering project, and the practices developed in implementing the policies and processes.

## **Recordkeeping systems**

**2.42** DIAC's recordkeeping environment has been described as a 'hybrid' — combining hard and electronic records.<sup>46</sup> The latter are generally stored either in shared or local computer drives or the department's Total Records Information Management system, TRIM (see Figure 2.1).

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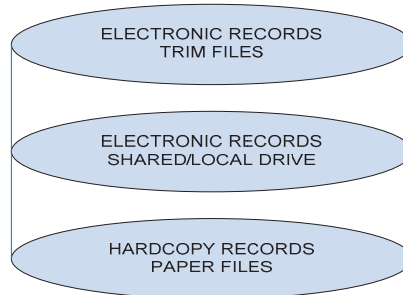
<sup>42</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*, p. 36.

<sup>43</sup> *ibid.*, pp. 70–72.

<sup>44</sup> *ibid.*, p. 72. DIAC agreed that, as part of DIAC's review of recordkeeping systems, 'procedures for the documentation of tender processes be developed, to facilitate accountability and transparency in outsourcing and to ensure compliance with Commonwealth Procurement Guidelines.'

<sup>45</sup> *ibid.*, p. 37.

<sup>46</sup> National Archives of Australia, *Recordkeeping In DIMIA: A Strategic Review*, February 2006, pp. 77–78.

**Figure 2.1****Record types**

Source: ANAO.

**2.43** The current version of TRIM ('TRIM Context') was introduced in July 2006. DIAC advised that this was an 'interim' solution, pending the implementation of broader system changes under DIAC's 'Systems for People' initiative. The re-tendering project prefers to store files electronically on TRIM rather than on the shared computer drive or in hardcopy.<sup>47</sup>

**2.44** The ANAO interviewed all staff within the re-tendering team about recordkeeping, including TRIM. Views about the TRIM varied widely from broadly positive to very negative, with most staff highlighting a range of problems they perceived with the system. Main problems identified related to the structure of the TRIM database, difficulty in searching the TRIM database, stability of the TRIM system and staff training in TRIM.

**2.45** The ANAO discussed these perceptions with the DIAC records management area. The ANAO found that some of the staff comments reflect unmet training needs. However, other comments reflect shortcomings in the TRIM system currently in use in DIAC. For example, staff currently can conduct a word search in a document's title only and not in the body of the document. The ANAO considers that this poses particular risk when documents are poorly titled—the ANAO observed that titling of emails stored on TRIM was particularly variable in quality. DIAC advised that it would introduce document content search functionality in 2007. DIAC also reminded re-tendering project staff that 'titles for emails must be more meaningful when stored in TRIM.'

<sup>47</sup> DIMA, *Detention Services Tender Recordkeeping Protocol*, 20 November 2006, p. 4. There is no documented corporate policy on this preference.

## Recordkeeping policies

**2.46** At the time of the re-tendering project commencement, the planned DIAC-wide recordkeeping guidelines specific to tendering and procurement processes were being prepared.<sup>48</sup> Consequently, DIAC specifically addressed the need to develop a records management framework, procedures and training in the re-tendering Project Plan. The aim of the framework was to:

facilitate the documentation of all decisions of the project team, the DSTSC and delegate, the basis to those decisions, when and how they were considered, and allow for effective version control, the easy retrieval of project documents and the identification of the 'authority' of the document.<sup>49</sup>

**2.47** DIAC's Information Services Branch developed a recordkeeping framework for the re-tendering team in mid-May 2006.<sup>50</sup> This was a high level document and more detailed procedures were required. The re-tendering team drafted procedures with the assistance of the Information Services Branch.<sup>51</sup> Although draft guidance was available to project staff, the final protocol was not finalised until November 2006.<sup>52</sup>

**2.48** The recordkeeping framework and protocol addresses such issues as: security of documents; version control and naming conventions; treatment of e-mails and other correspondence; recording of decisions; and training.

**2.49** The ANAO found that, in the absence of finalised corporate recordkeeping guidelines specific to tendering and procurement processes, DIAC had to develop policies and procedures specific to the re-tendering project. These policies and procedures were completed with the support of DIAC's Information Services Branch, although finalisation was slow. The ANAO considers that the finalised policies and procedures provide a sound basis for recordkeeping for the re-tendering project.

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<sup>48</sup> During the audit, DIAC advised that the corporate guidelines are expected for completion in 2007.

<sup>49</sup> DIMA, *Detention Services Tender Project Project Plan*, April 2006 p. 7.

<sup>50</sup> DIMA, *Detention Services Tender Recordkeeping Framework*, 15 May 2006.

<sup>51</sup> DIMA, *Detention Services Tender Recordkeeping Protocol*, 20 November 2006. The Project Plan had envisaged that DIAC's Information Services Branch would develop the framework by the end of April 2006.

<sup>52</sup> A one-page summary document for re-tendering project staff had been available since September 2006. The document was created to assist staff with recordkeeping, particularly in terms of electronic records.

### *Administrative support*

**2.50** The re-tendering project team includes a unit that has primary responsibility for supporting records management for the project. The unit supports the creation of files (hard copy and electronic), the filing of e-mails and the filing of documents on the shared network computer drive into TRIM.<sup>53</sup>

**2.51** The ANAO considers that the creation of the support unit is a pragmatic response to the clear desire, evident in planning documents, to ensure improved recordkeeping for the project. However, this pragmatic solution raises a risk of perpetuating behavioural problems identified by the National Archives of Australia, namely that 'many staff did not accept individual responsibility for the creation, capture and management of records.'<sup>54</sup> The challenge for DIAC will be to ensure that project staff do not become over-reliant on administrative support staff to perform their recordkeeping duties. In response to this audit finding, DIAC reminded re-tendering project staff of the provisions in the recordkeeping protocol that all project staff are responsible for complying with the corporate requirements in records management.

### **Recordkeeping practices**

**2.52** It is not enough to have sound policies and procedures for recordkeeping. The key issue for accountability and good governance is in ensuring adherence to the procedures over time.

**2.53** One of the main shortcomings of the previous tender process was the quality of records kept, particularly in relation to meetings, decisions and in version control.<sup>55</sup> The ANAO examined a selection of the project team's records to assess recordkeeping practices.

**2.54** The ANAO examined meeting Minutes for most of the key decision making bodies and found that, for these bodies, Minutes were consistently recorded, agreed and maintained.<sup>56</sup> DIAC was also conscious of the need for

<sup>53</sup> Under policy, emails between team members and incoming emails that are relevant to the project, should be copied to the re-tendering team mailbox.

<sup>54</sup> National Archives of Australia, *Recordkeeping In DIMIA: A Strategic Review*, February 2006, p. 47. The Review stated that: 'tacit approval of this culture is pervasive in the department and is one of the main causes of its recordkeeping problems—DIMIA staff seem to believe that they can choose whether or not they are going to fulfil a fundamental responsibility of Australian Public Service employment'.

<sup>55</sup> ANAO Report No.32 2005–06 *Management of the Tender Process for the Detention Services Contract*, pp. 71-72, 86-87.

<sup>56</sup> Minutes examined included the: Detention Services Tender Steering Committee; Detention Services Advice Group; Weekly All Advisors; Senior Strategy Team; Section Heads; and Branch Meetings.

robust version control processes from the outset of the re-tendering project, and developed a version control protocol specifically for the project.<sup>57</sup> This version control process was applied consistently to the key documents examined. Finally, the ANAO also found that DIAC has taken steps to record instances where expert advice is not acted upon. For example, the Probity Auditor is required to give independent assurance to the DIAC Secretary, as Delegate, on the extent to which advice received from the expert advisors has been acted upon.

**2.55** However, the ANAO found that at the time of the audit:

- some key decisions were not well documented. For example, as discussed, there is no clear documented approval for the project;
- there were a number of departures from the Project Plan, which, although they may have been made for sound business reasons, had not been reported in a timely fashion.<sup>58</sup> The departures were subsequently reported to the EMC; and
- the quality of hardcopy files held by the re-tendering team was variable—some were empty, or missing, or contained documents that were not related to the file.<sup>59</sup>

### *Securing TRIM records*

**2.56** Many documents relating to the re-tendering project will be commercially sensitive and, therefore, adequate document security is an important consideration. Document security measures ensure that access to sensitive documents is appropriate and authorised.

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<sup>57</sup> The protocol specifies numerically the version of the document on a standardised front page for key documents. For example, draft documents use the version 0.X, final documents use the version 1.X (X being the particular version).

<sup>58</sup> The Project Plan requires that 'any deviation from this plan is to be reported to EMC.'

<sup>59</sup> The project team prefers to store files electronically on TRIM rather than on the shared computer drive or in hardcopy. However, there may be instances where documents may not be available electronically or where hardcopy versions contain important annotations and signatures. In these instances, and when TRIM is unavailable, it is important that hardcopy files are accurate and well maintained.

**2.57** DIAC was conscious of the need for document security. For example, the re-tendering project recordkeeping protocol states that:

All documentation developed should include the appropriate security markings. This includes emails and correspondence. Containers in TRIM<sup>60</sup> should also be appropriately access controlled to ensure no unauthorised access is gained.<sup>61</sup>

**2.58** The recordkeeping protocol does not define what constitutes 'appropriate' security markings and access controls for TRIM 'containers' (electronic files), referring instead to departmental internal website and security instructions, which in turn refer the reader to the Commonwealth Protective Security Manual 2005. The ANAO considers that the Manual is, necessarily, very high level and found that re-tendering team members had been given little practical guidance on 'appropriate' security marking and access controls for TRIM records. Consequently, DIAC does not have a sound basis on which to assure itself about the appropriateness of container-level security measures. There is a need to provide a clearer practical guidance on appropriate security markings and access control.

**2.59** The re-tendering project recordkeeping protocol states that in most cases 'Commercial-in-Confidence markings [will be required] on all communications' and that 'advisors corresponding with the project should ensure that emails are marked Commercial-in-Confidence.'<sup>62</sup> The ANAO examined a range of documents to assess the extent to which documents had been marked consistently with this policy (see Table 2.2).

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<sup>60</sup> TRIM stores documents in electronic files or 'containers'. Security measures can apply to the container and to the documents stored within the containers. Documents with security classifications up to and including 'In Confidence' may be stored on TRIM.

Within TRIM, access to records can be set using: *hierarchy control*, such as security levels (e.g. 'unclassified' or 'In-Confidence')—documents cannot be assigned to a container that has a lower security level than itself; *privacy control*, such as security caveats (e.g. 'Commercial-in-Confidence' or 'Audit-in-Confidence')—staff members must have been allocated a particular caveat on the system to see records with that caveat; and *access controls*—users can limit access to particular records. Restrictions can apply to the kinds of actions that are allowed (e.g. view, modify, delete) and to who may perform these actions (e.g. particular users/workgroups). DIMA, *TRIM Context User Guide 2006*, pp. 121-130.

<sup>61</sup> DIMA, *Detention Services Tender Recordkeeping Protocol*, 20 November 2006, p. 1.

<sup>62</sup> DIMA, *Detention Services Tender Recordkeeping Protocol*, 20 November 2006, p. 1.

**Table 2.2****Security markings on TRIM documents**

Documents	Total	Security marking? (e.g. <i>Commercial-in-confidence</i> ) (%)
Advisor contract documents	23	91
Staff Conflict of Interest declarations	148	5
Probity Advice documents	111	62*
Advisor emails	155	17**

Source: ANAO analysis of TRIM documents.

Notes: \* Includes 10 documents had no TRIM security caveat applied, but had an indication of confidentiality in the title (indicated by marking such as 'Sec=In-Confidence: commercial').

\*\* 18 documents (12 per cent) had an indication of confidentiality in the title. None of the emails from expert advisors contained both an In-Confidence security caveat and marking in the title.

**2.60** Table 2.2 shows that there was substantial variation in the security measures applied to documents in TRIM examined by the ANAO. Adherence by staff and expert advisors to the recordkeeping protocol in terms of security markings for documents in TRIM was inconsistent. Consequently, DIAC staff access to documents stored by the re-tendering team on TRIM is much less restricted than intended under the protocol.

**2.61** The ANAO considers that poor adherence to the recordkeeping protocol may have been affected by project staff misunderstanding the way TRIM security measures operate by expecting that a document placed within a TRIM container would automatically 'inherit' the security caveat placed on the container, whereas this is not the case. In response to this audit finding, DIAC advised re-tendering project staff that 'individual document security caveats must be set to 'Commercial-In-Confidence' for all TRIM project documents' and that 'emails to and from project staff including Advisers must have a security caveat of 'Commercial-In-Confidence' specified.

**2.62** Overall, the ANAO considers that the audit findings reinforce the need for ongoing discipline in documenting and reporting key decisions in a timely fashion for accountability purposes and for DIAC to ensure that project staff have sufficient guidance and are adequately trained in the use and functionality of TRIM.

**2.63** In this context, the ANAO notes the statement in the project team's recordkeeping protocol that it plans to conduct 'an external audit through the Information Services Branch to ensure compliance with this protocol and



corporate guidelines.’<sup>63</sup> The ANAO suggests that, in deciding to conduct such an audit, DIAC should consider both its costs and benefits, and also quality assurance processes for recordkeeping across the department and the role of Information Services Branch in these processes.

## Recommendation No.2

**2.64** The ANAO recommends that, in order to improve accountability and ensure that recordkeeping policies and procedures are implemented effectively, DIAC:

- ensures that staff have sufficient guidance and are adequately trained in the use and functionality of TRIM; and
- reinforces the need to report and record decisions clearly and in a timely fashion.

### *DIAC response*

**2.65** Agree.

## Arrangements for key personnel, expert advisors and probity auditor

**2.66** Effective governance arrangements, particularly a well-constructed administrative structure supported by a system of oversight and review underpinned by a strong project team, help ensure the integrity of the re-tendering process and promote quality outcomes.

**2.67** One of the findings in the previous audit report was the lack of clarity around the roles and responsibilities of the various committees, individual members and the probity advisor.<sup>64</sup>

**2.68** In this audit, the ANAO assessed: the roles and responsibilities of key decision making bodies, the project team including the senior responsible officer, expert advisors and the probity auditor; and the management of conflict of interest.

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<sup>63</sup> *ibid.*, p. 7.

<sup>64</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*, pp. 61-63.

## **Key decision making bodies**

**2.69** The Project Plan for the re-tendering project set out the governance arrangements. The ANAO found that the Project Plan also clearly specifies the roles and responsibilities of the key decision making bodies. Appendix 1 of this report sets out the roles and responsibilities of the various committees and advisory groups as specified in project documentation in more detail.

## **The project team**

**2.70** The main responsibility of the project team for the re-tendering project is the implementation of DIAC's framework and policies for detention and health services. The project team is not responsible for deciding on strategic aspects of the agency's framework.

### *Senior Responsible Officer*

**2.71** Effective program implementation requires a Senior Responsible Officer (SRO) who is accountable for the success of its implementation and to whom the executive can turn for progress reports and details of emerging risks. The SRO plays an important role in giving visibility to the strength of executive-level support to implementation of the initiative, considering funding issues that are relevant, providing delegations to the appropriate levels and considering whether the right people have been engaged.<sup>65</sup>

**2.72** The ANAO considers that the Project Director fulfils the role of the SRO for the re-tendering of detention and health services contracts. The Project Director has leadership of the overall process with responsibilities that include: achievement of outcome; producing project plans and staffing plans; representation; lead negotiations; and recruitment.

### *Project team roles and responsibilities*

**2.73** Well-documented and clearly-specified roles and responsibilities assist in ensuring quality outcomes. Specific roles need to be unambiguous to delineate functions that seem to overlap with one another.

**2.74** The ANAO found that responsibilities of the project team, including that of the SRO, were well-documented in the individual's job profile and clearly stipulated in the team member's individual performance agreements.

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<sup>65</sup> ANAO Better Practice Guide, *Implementation of Programme and Policy Initiatives*, 16 October 2006, p. 13.

## *Skills and training*

**2.75** One of the most common challenges in the implementation of a project is the availability of personnel with the skills and knowledge to implement initiatives. Training needs for successful implementation are an important consideration, to ensure the required skills are available at the time needed.<sup>66</sup>

**2.76** Re-tendering project team members were selected within DIAC and complemented by external expertise. The team members were intended to be flexible in their roles in order to meet particular project priorities, and changing nature of the 'business' as the project progresses.<sup>67</sup>

**2.77** The ANAO found that most of the team members, particularly the team leaders, had extensive training and have relevant skills for their specific roles.

**2.78** Overall, the ANAO considers that DIAC established robust administrative structures for the project team. Roles and responsibilities are clearly defined and well-understood, and staff have the relevant training and skill-set required for the re-tendering project.

## **Expert advisors**

**2.79** In February 2006 DIAC's Legal Coordination and Procurement Branch developed proposed governance structures for the re-tendering project that identified, among other things, the need for expert advisors to assist in providing assurance regarding the detention procurement process.

**2.80** The Project Plan for the re-tendering project (April 2006) clarified the expert advisors required to support the project team: (a) probity; (b) legal; (c) commercial and financial; (d) tender evaluation; and (e) risk management. The Project Plan also identified the need for a probity auditor, independent from the probity advisor.<sup>68</sup>

**2.81** The ANAO found that an additional expert advisor had been engaged to provide specialist advice in the development and implementation of the

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<sup>66</sup> *ibid.*, p. 43.

<sup>67</sup> DIMA, *Detention Services Tender Project – Project Plan*, April 2006, p. 7.

<sup>68</sup> Probity advisors and probity auditors provide different services. A probity advisor provides advice on issues which may arise before and during the procurement. The advisor is likely to have a level of direct interest in the project and will generally be under the direction of the client. However, it is essential that a probity advisor remains independent of the project team and other advisors. A probity auditor's role is to provide a review of the procurement process, or a review of key phases, after completion. The probity auditor should be largely self directing and, as a result, will have a higher degree of independence than the probity advisor (see: Independent Commission Against Corruption (ICAC), *Probity and probity advising – guidelines for managing public sector projects*, November 2005, pp. 13, 15).

communications and consultation plan for the detention services tender project. DIAC advised that the communications advisor was engaged to fill a skills gap in available DIAC staff and that, since December 2006, this advice has been provided by departmental staff.<sup>69</sup>

**2.82** In April–May 2006 DIAC, in an open approach to the market through a request for tender, sought expert advisors to assist in the re-tendering processes.<sup>70</sup> A Tender Evaluation Committee (TEC) and the Tender Evaluation Panel (TEP) evaluated the tenders against the evaluation criteria. The scope of this audit did not include an assessment of the tender process and value for money considerations for the expert advisors. However, the ANAO found that the TEC and the TEP operated in accordance with their stipulated functions. For example, both the TEC and TEP followed the general principles of the Tender Evaluation and Management Plan for the ‘Appointment of Expert Advisers for the Detention Services Tender Project’.

### *Financial approvals*

**2.83** The *Financial Management and Accountability Regulations 1997* (FMA Regulations) set out requirements for approval or authorisations for Commonwealth contracts. The precise requirements vary according to a Department’s appropriations and the contract’s anticipated term.

**2.84** The ANAO found that the contracts for expert advisors and the probity auditor for the re-tendering process were appropriately authorised under the FMA Regulations for the initially anticipated project timeframes. However, as discussed at paragraph 1.7, the project is expected to take longer than initially anticipated. Consequently, the likely extensions to some of the expert advisor contracts may require new approvals under the FMA Regulations.

**2.85** The ANAO notes that contract extensions may give rise to additional costs. These should be clearly specified and monitored to ensure that:

- additional contractual costs are included in the overall financial costs/projections; and
- management can make informed decisions on value for money considerations.

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<sup>69</sup> The role of the Communications Advisor was not included in the Project Plan, but was included in the later Project Management Plan which aligned the role of the Communications Advisor with the other expert advisors in the project.

<sup>70</sup> An *approach to the market* is when an agency issues a notice inviting potential suppliers to participate in a procurement. *Open approaches* to the market include requests for tender, requests for expression of interest and requests for application for inclusion on a multi-use list which are published on AusTender.

**2.86** The ANAO considers that the expert advisor contracts should be monitored for the risk that they may extend beyond 2006–07. In considering the need to extend contracts, DIAC should not only review the necessary approvals but also take the opportunity to review the impact of contract extensions on the final budget projections for the project.

***Roles and responsibilities of expert advisors***

**2.87** The ANAO examined whether contract documentation clearly specified the roles and responsibilities of expert advisors and whether advisors had been acting in accordance with these roles.

**2.88** The *Tender Request* and *Tender Evaluation Management Plan* include a ‘Statement of Requirement’ that specifies the services to be provided by the expert advisors.<sup>71</sup> The individual contracts also prescribe the obligations and accountabilities of all advisors. Roles and responsibilities are also specified which allow for clear separation of duties and independence.

**2.89** The ANAO found that the advisors had acted in accordance with the specified obligations, roles and responsibilities. For example, meetings were minuted and decisions were recorded and monitored reflecting most of the advisors’ obligations.

**2.90** Similarly, the ANAO found that deliverables submitted to date reflect the expected outcomes from the individual contractors. This confirms that the expert advisors have a good understanding of what they are supposed to deliver. For example, the risk management advisor has developed the risk management plan, and continues to maintain the risk registers that include internal and external risks to the re-tendering process.

**2.91** Overall, the ANAO considers that the contracts clearly define the roles, responsibilities and accountabilities of the expert advisors, and all obligations (i.e. deliverables) are regularly monitored.

***Assurance arrangements for expert advisors***

**2.92** Agencies should ensure that all expert advisors clearly understand the level of sign-off they will be required to provide, and agencies should understand what information they will be required to provide to achieve this.

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<sup>71</sup> DIMA, *Tender Evaluation and Management Plan – Appointment of Expert Advisers for the Detention Services Tender Project*.

A good way to ensure that this occurs is to document these requirements in an agreement. In the case of external advisors, this may be in the contract.<sup>72</sup>

**2.93** The ANAO found that contracts of all, except one, of the expert advisors include a specific clause relating to ‘sign off at key milestones’.<sup>73</sup> Each advisor must provide a level of assurance (sign-off) in writing in a format specified by DIAC at each of their key milestones.

**2.94** Overall, the ANAO considers that assurance arrangements and sign-offs as specified in the contracts of the expert advisors are sound.

## **Probity Auditor**

**2.95** Generally, probity auditors are self-directing and independently establish a program of audit testing based on identified criteria. Probity auditors seek to report an objective opinion on probity issues, generally after the process has been completed. They are not called in during a process to remedy problems, but provide assurance that probity requirements have been met and that it is appropriate to continue with the process.<sup>74</sup>

### *Independence, role and responsibilities of the probity auditor*

**2.96** Initial planning documents for the current re-tendering of DIAC’s detention and health services contracts state that the Probity Auditor’s main task is to ‘review the compliance of the processes to the project plans, and other supporting plans, and to provide an assessment of compliance procurement activities to the Secretary’.<sup>75</sup>

**2.97** The Probity Auditor is also required to provide assurance to the DSTSC that agreed protocols and processes, as set out in the project plan and other supporting plans have been followed at each milestone.<sup>76</sup>

**2.98** The ANAO found that the probity auditor’s contract clearly specifies his roles and responsibilities in the re-tendering project. The probity auditor’s

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<sup>72</sup> Department of Finance and Administration, *Guidance on Ethics and Probity in Government Procurement*, January 2005, p. 20.

<sup>73</sup> The Communications Advisor was not required as part of his engagement to provide a sign-off, similar to the one required from the other expert advisors engaged in the project. The Communications Advisor role, although a specialist authority, does not require the same level of assurance, as his contract expired on 15 December 2006, before the actual tender for detention and health services contracts.

<sup>74</sup> Department of Finance and Administration, *Guidance on Ethics and Probity in Government Procurement*, January 2005, p. 19.

<sup>75</sup> DIMA, *Detention Services Tender Project—Project Plan*, April 2006, p. 9.

<sup>76</sup> In addition, assurance will be provided at other times where significant matters should be reported by exception.

obligations and accountabilities are unique and distinct from the other expert advisors, particularly the probity advisor.<sup>77</sup>

### *Assurance arrangements*

**2.99** The Probity Auditor's contract specifies a high level of independent assurance he is to provide to the DIAC Secretary, as Delegate, in relation to:

- compliance with project plans and processes;
- compliance with CPGs and DIAC CEIs and procurement guidance; and
- whether or not advice received by the tender team and governance committees have been acted upon.

The contract makes it clear that there are no limitations on the scope of work to be undertaken by the probity auditor to provide this assurance.<sup>78</sup>

**2.100** The ANAO found that the sign-offs at each of the key milestones are sufficient, clear and appropriate to the task required of the probity auditor. For example, sign-offs include obtaining, analysing, interpreting and documenting information to support the outcomes of the audit.<sup>79</sup>

**2.101** The ANAO considers that the contract clearly stipulates the probity auditor's independence and the level of assurance he is to provide.

### *Probity plan*

**2.102** A probity plan can be a useful tool to ensure that probity issues are considered prior to the start of procurement, and will promote good probity management in a procurement process.<sup>80</sup>

**2.103** The probity plan for the detention services tender was developed to ensure that the re-tendering project was conducted in accordance with applicable laws and policies in a manner that a reasonable person would

<sup>77</sup> The probity advisor's responsibilities include: developing the probity plan to monitor procedural aspects of the procurement; maintaining the probity plan, monitoring compliance and monitoring conflicts of interest; and providing advice on probity issues that arise.

<sup>78</sup> DIMA, *Contract between Commonwealth Of Australia And Sir Laurence Street AC KCMG QC in relation to Services as Probity Auditor for the Detention Services Tender Project*, 29 September 2006, Schedule Item B.

<sup>79</sup> *ibid.*, Item D, p. 24.

<sup>80</sup> Department of Finance and Administration, *Guidance on Ethics and Probity in Government Procurement*, January 2005, section 7, p. 17.

consider fair. One of its key components includes the roles and responsibilities of the probity advisor and the probity auditor.<sup>81</sup>

**2.104** The ANAO found that the roles of the probity auditor and probity advisor as included in DIAC's probity plan clearly delineate the duties of these two functions. Both have independent roles whose responsibilities are clearly separated.

**2.105** Overall, the ANAO considers that the administrative structures developed for the probity auditor are robust. Roles and responsibilities are clearly defined, there is assurance of independence, the level of sign-off is clearly specified, and the probity plan clearly delineates the probity auditor's role from that of the probity advisor.

## **Conflict of Interest**

**2.106** A conflict of interest arises where an official or advisor has an affiliation or interest that might prejudice, or be seen to prejudice, his or her impartiality. Contractors or external advisors involved in any form of procurement process with the Government should have regard to the Commonwealth's ethical requirements and are bound by the Australian Public Service (APS) Values and Code of Conduct.

**2.107** Measures need to be developed to manage conflicts of interest in case they do arise, despite reasonable steps having been taken to avoid them. Documentation should identify measures to manage conflicts of interest within each process.<sup>82</sup>

### ***DIAC approach to conflict of interest***

**2.108** DIAC's administrative circular relating to the APS Code of Conduct contains general information with regards to conflict of interest,<sup>83</sup> and in DIAC's APS Code of Conduct training for new and ongoing staff.

**2.109** At the time of audit, a DIAC-specific conflict of interest policy was still in draft form and was awaiting approval. The ANAO found that, although a DIAC-specific conflict of interest policy had not been finalised, information about conflicts of interest and how to manage it was included in most of DIAC's database or materials relating to values, conduct or ethical behaviour.

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<sup>81</sup> DIMA, *Detention Services Tender—Probity Plan*, 27 November 2006.

<sup>82</sup> *ibid.*, p. 16.

<sup>83</sup> DIMA, *Administrative Circular No. 1045 - Code of Conduct*, 25 August 1999.



### *Management of conflict of interest for the re-tendering project*

**2.110** One of the recommendations in the previous ANAO report was to give attention to the separation of people and functions to ensure that conflicts (actual or perceived) do not develop.<sup>84</sup>

**2.111** The ANAO found that DIAC staff, managers and external advisors who are involved in the re-tendering project were required to complete a conflict of interest declaration at the commencement of their participation, and at other times as required by the probity plan, and had to execute a deed of confidentiality at the start of their engagement. A conflict of interest register is also maintained.

**2.112** The ANAO found that the current re-tendering process made a deliberate effort to make conflict of interest and related issues a matter of priority particularly at the onset of the project. For example, all 16 project team members interviewed by the ANAO understood what conflict of interest was, and the importance of making declarations when there are perceived or actual conflicts of interest.<sup>85</sup>

**2.113** The ANAO also found that the requirement to inform the probity advisor in writing if any participant in the project had any perceived or real conflict of interest concerns had been adhered to. Probity issues and advice discussed in meetings were appropriately documented and stored.

**2.114** Overall, the ANAO considers that the process to manage conflict of interest for the re-tendering project is sound. Participants in the project are aware of what constitutes conflict of interest, what steps to take when there is perceived or actual conflict, and probity issues relating to conflict of interest are appropriately discussed and documented.

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Ian McPhee  
Auditor-General

Canberra ACT  
2 May 2007

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<sup>84</sup> ANAO Report No.32 2005–06, *Management of the Tender Process for the Detention Services Contract*.

<sup>85</sup> Based on ANAO interviews with all members of the Detention Services Tender Branch.



# Appendices



## Appendix 1: Main Responsibilities of Key Decision Making Bodies, Personnel and Advisors

DIAC committees		Main responsibilities
<i>Executive Management Committee (EMC)</i>		<p>Consideration &amp; approval of the project plan;</p> <p>Integration of plan with other DIAC objectives;</p> <p>Assigning resources to the project; and</p> <p>Monitoring the tendering process.</p>
<i>Steering Committee: Detention Services Tender Steering Committee (DSTSC)</i>		<p>Advise and guide the project team during tendering activities;</p> <p>Agree supporting detailed plans and monitor outcomes;</p> <p>Monitor process against project plan and schedule;</p> <p>Monitor risks and issues and accept mitigation strategies for each;</p> <p>Monitor benefits achievement; and</p> <p>Provide progress reports to EMC.</p>
<i>Advisory Board: Detention &amp; Offshore Services Board</i>		<p>Monitor the key strategic and priority issues emerging from business and project initiatives; and</p> <p>Support the initiatives introduced by the DPMC and support their responsibilities.</p>
<i>Advisory Group: Detention Services Advice Group</i>		<p>Oversee the development and provision of detention services, policies and arrangements;</p> <p>Ensure client focussed approaches are incorporated into tender; and</p> <p>Inform DSTSC of their considerations and approval of tender.</p>
DIAC personnel		Main responsibilities
<i>Project Director: Assistant Secretary, Detention Services Tender Branch</i>		<p>Leadership for overall process;</p> <p>Achievement of outcome; and</p> <p>Produce project plan, staffing plan, preliminary schedule and benefits.</p>
<i>Project Manager: Program Manager, Program Management and Support</i>		<p>Progress reporting to the Project Office, Project Owner and Project Steering Committee;</p> <p>Managing the day-to-day activities of the project; and</p> <p>Developing and managing the project schedule.</p>
<i>Team Leader: Procurement Activities &amp; Evaluation</i>		<p>Design processes aligned with CPGs and CEIs for detention services market engagement and appointment of advisers and probity auditor;</p> <p>Monitor and ensure processes' integrity with CPGs and CEIs; and</p> <p>Produce final tender documentation (based on responsibilities below), inclusive of a statement of the department's objectives.</p>
<i>Team Leader: Service Definition, Service Levels &amp; Bundling</i>		<p>Benchmark current services and best practice;</p> <p>Consult and identify planned services to be procured through the process;</p> <p>Consult and identify detention services, network operational model which will impact on services to be procured through the process, bundling options, and single vs. multiple provider options; and</p>

DIAC personnel (cont'd)		Main responsibilities
		Consult and identify client focus approaches, detention services operational model, procedures, policies and obligations.
Team Leader: <i>Contract, Pricing Service Levels, Performance Monitoring &amp; Compliance</i>		Produce the draft contract, together with service level and performance monitoring regimes; Consult and identify market capacity to provide options; and Identify strategies to build market (as may be necessary) and options for the contracting of service providers.
Team Leader: <i>Consultation &amp; Communication</i>		Produce communications plans – for the processes and future service delivery; and Produce communication issues management plan.
Contracted advisors/auditors		Main responsibilities
Advisor: <i>Probity</i>		Develop the probity plan to monitor procedural aspects of the procurement; Maintain probity plan, monitor compliance and monitor conflicts of interest; and Advise on probity issues that arise.
Advisor: <i>Legal</i>		Attending meetings and undertaking and contributing to project processes as required; Drafting contract terms and conditions for Detention Services, Health Care and Compliance Escort; and Assisting with drafting of RFT and supporting documentation and reviewing those documents as required.
Advisor: <i>Commercial &amp; Financial</i>		Undertake market research and provide advice on provider model, alliance and partnership, or alternative contract governance model, contracting service provider options and market forming; Document and translate departmental objectives, standards, frameworks and policies into service level agreements and a supporting performance monitoring framework; and Develop the contract management plans.
Advisor: <i>Tender Evaluation</i>		Support the development of the tender evaluation plans and design the overall evaluation processes; and Provide supporting evaluation tools.
Advisor: <i>Risk Management</i>		Develop and maintain risk management plan including internal and external risks to the tender processes and the execution and operation of the contracts; and Monitor risk mitigation strategies.
Probity Auditor		Undertake probity audits to provide independent monitoring of the detention services and health care tender processes; and Review and assess how well DIAC has met its probity obligations in developing, monitoring, reviewing and managing the tender processes, in accordance with the Tender Project Plan, supporting plans and overarching obligations.

Source: DIAC

## Appendix 2: DIAC's Full Response to s19 Proposed Report

The department accepts the recommendations of the report.

Preparations for the re-tendering of the department's detention and health services contracts commenced in April 2006 with the approval of the Project Plan by the department's Executive Management Committee. The project has tight timeframes to ensure improvements in detention arrangements are delivered as quickly as possible.

The tender processes will drive change in the way the department provides services to people in detention, through the implementation of a service delivery model, which provides a greater focus on how services are delivered in exercising the department's duty of care to people in detention, and is an integral part of the department's wider reform agenda.

The ANAO's audit of the preparations to date concluded that the early stages of the department's preparations for the re-tendering project were sound, but highlighted some areas in relation to project management and recordkeeping that could be improved.

The department has been diligent in addressing issues raised in the previous ANAO report on detention services procurement, and, for example, has taken substantial steps, in particular, to improve governance and assurance arrangements related to this task. ANAO recommendations made in this report will be reflected throughout the department's other strategic procurement processes.

The department has already begun to implement the ANAO's recommendations and findings and is currently undertaking the following activities in order to address them:

- The project will review its project performance measurement framework to ensure performance indicators are measurable and relevant to both the project and department requirements;
- The budget for the re-tendering project was allocated to the Detention and Offshore Services Division as part of the departmental budget setting process for 2006-07. The department is developing the project budget for 2007-08, during which the project will be finalised;
- The project team will conduct 'lessons learned' workshops at the end of key phases of the project for the purposes of collecting information to inform the project and for the project close report. The first workshop is scheduled for April 2007 to coincide with the completion of the pre RFT release phase of the project;

- Project personnel are undertaking further recordkeeping training to ensure they understand the functionality of the department's electronic recordkeeping system, TRIM. In addition, the Information Services Branch has commenced a Records Management System Improvement Project which is addressing the key issues of performance and usability of TRIM;
- The project team are documenting key decisions to act upon them in a timely manner. The department acknowledge that this will require significant commitment from all parties to ensure adequate training is available to staff to achieve a comprehensive understanding of recordkeeping requirements.

The department considers that these measures will address the key concerns of the ANAO's recommendations.



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