

Royal Commission into the Management of Police Informants

Back-O

Statement of

STATES:

1. I am making this statement in response to a request from the Royal Commission into the Management of Police Informants. This statement is produced in response to a Notice to Produce.
2. For the purposes of this statement the terms; informer, criminal informant, human source, community source and source are corresponding terms that describe an individual who discreetly provides information to Police.
3. In accordance with the Royal Commission (Exhibit 81) I have substituted the identity of those members with their approved pseudonym.
4. This response refers to registered human source 21803838, abbreviated to "HS3838", but was later changed to a different reference number of 11792958 for security purposes. For my response, I have referred to the human source as HS3838.
5. This statement is not complete due to the delays in access to relevant documents and the subsequent time to review the material. The scope and complexity of the material generated by Victoria Police into not just human source management, but specifically the Source Development Unit presents logistical challenges. However, in order to comply in a timely manner, I provide the following response.

Background and Experience (Questions 1 and 2)

Q1. *Detail your educational background and employment history, including progression through the ranks and roles assigned.*

Back-O

Statement of

This document has been redacted for Public Interest Immunity claims made by Victoria Police. These claims are not yet resolved.

6. In 1984, I successfully completed the Victorian High School Certificate and worked in the [REDACTED] industry.
7. On 16th September 1985, I joined Victoria Police and I continue to enjoy a career spanning 34 years. A summary of my career and roles are as follows:
 - 1985 to 1987 Joined Victoria Police – [REDACTED] (2 years training)
 - 1987 to 1989 General Duties – [REDACTED] Police Station ([REDACTED])
 - October 1988 Secondment – CIB [REDACTED] (3 months)
 - 1989 to 1991 General Duties – [REDACTED] Police Station ([REDACTED])
 - December 1990 Promoted to [REDACTED] of Police
 - 1991 to 1994 [REDACTED] at [REDACTED] CIB
 - 1991 to 1992 Secondment – [REDACTED] Task Force (18 months)
[REDACTED]
(National drug trafficking investigation)
 - 1994 to 1997 [REDACTED] at [REDACTED] Squad
 - 1997 to 2001 Promoted to [REDACTED] at [REDACTED] Police Station
 - 1998 to 2001 Secondment – [REDACTED] Task Force ([REDACTED])
(Investigation into [REDACTED])
 - 2001 to 2005 Promoted to [REDACTED] at [REDACTED] Squad
 - November 2004 Secondment – Dedicated Source Unit (DSU)
VicPol Pilot – Management of high-risk human sources
 - 2005 to 2006 Gazetted [REDACTED]
Dedicated Source Unit (Handler)
 - 2006 to 2009 Promoted to [REDACTED]
Source Development Unit (Controller)
 - 2009 to 2010 Gazetted Sub-Charge, [REDACTED] CIU
[REDACTED]
[REDACTED] Police Complex
 - 2010 to 2013 Gazetted Officer In Charge [REDACTED] CIU
[REDACTED]
[REDACTED] Police Complex
 - 2013 to 2016 Gazetted [REDACTED]

Human Source Management Unit

- 2016 to current Gazetted [REDACTED]
[REDACTED] Police Complex

8. I hold the following professional qualifications:

- a) 1990 – Detective Training School, Melbourne (Course 153);
- b) 1997 – Sergeants' Course, Melbourne (Course 166);
- c) 1999 – Special Constable NSW Police Service (Sworn);
- d) 2000 – Crime Management Detective Sergeant Training Course (DTS);
- e) 2004 – Human Source Management Course (PII [REDACTED]);
- f) 2005 – [REDACTED];
- g) 2006 – Australasian Human Source Management Course (PII [REDACTED]);
- h) 2009 – Discipline Investigation Course
- i) 2010 – Advanced Diploma of Police Management (21476VIC);
- j) 2014 – [REDACTED];
- k) 2016 – Certificate IV Training and Assessment (TAE40110).

9. I have received the following Police awards:

- a) Victoria Police Service Medal 4th clasp;
- b) National Medal 1st clasp;
- c) National Police Service Medal;
- d) 4 x Victoria Police Commendations.

10. I have never been charged or disciplined for any breach of law or policy throughout my [REDACTED] year career. I maintain my security clearances for both Victoria Police and the Australian Federal Police.

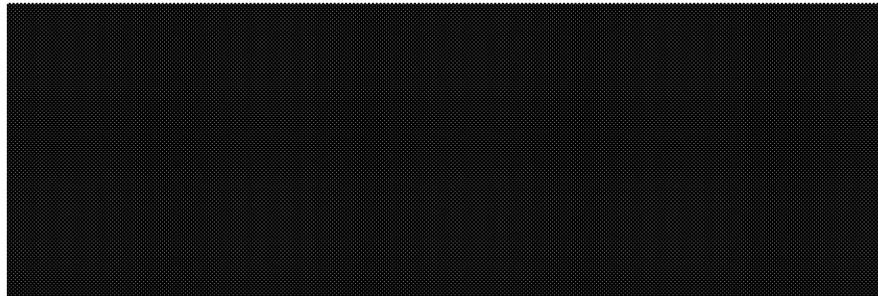
Q2. Detail your training and experience in respect to the handling and / or management of human sources.

11. I have spent a total of [REDACTED] years in the specialist field of crime investigation, from local crime investigation units, to the [REDACTED] Squad and assorted

Crime Department Task Forces. The experience of registration, handling, management and tasking of human sources is a very familiar aspect of policing to me. I registered my first human source in 1992 when I was a [REDACTED] at the [REDACTED] Criminal Investigation Branch.

12. This collective investigative experience is in addition to my 5 years dealing exclusively with high-risk human sources at the Dedicated Source Unit (DSU), Source Development Unit (SDU) and a further 3 years at the Human Source Management Unit (HSMU).
13. I have successfully completed the following human source training courses:
 - a) August 2004 Human Source Handling Program [REDACTED]
 - b) December 2006 Human Source Management Course [REDACTED]
14. What I have referred to as the [REDACTED] Human Source Management Course *(and will continue to do so throughout this statement)* was initially known in 2006 as the [REDACTED] Course. There were only [REDACTED] human source training at that time. With the commissioning of the SDU the [REDACTED] was renamed to the [REDACTED] Course which related to high-risk human source management. HSMU developed a new [REDACTED] Course to address the existing gap in training from [REDACTED]. The new [REDACTED] Course focussed on Handler and Controller duties. By 2007, Victoria Police had developed [REDACTED] of human source training.
15. My combined 29 years experience in dealing with all aspects of human sources has provided me a good understanding of their value and their inherit risk. My duties at the DSU, SDU and the HSMU exposed me to:
 - a) [REDACTED] of human source training;
 - b) duties at the DSU as a full time Handler of high-risk human sources from November 2004 to May 2006, which included human source 21803838 (HS3838);
 - c) interaction with other law enforcement agencies across Australasia;
 - d) proactive recruitment of human sources;

- e) duties at the SDU as a full time Controller of high-risk human sources from June 2006 to June 2009, which included HS3838;
- f) development of human source policy and procedures for Victoria Police
- g) governance and compliance of human source records across Victoria, from registration through to the reward process;
- h) identification of best practise in human source management and incorporating that into all levels of human source training for Victoria Police;
- i) participation on the Australasian Human Source Working Group (AHSWG) for the development of national standards;
- j) form working relationships with the Victorian Government Solicitors Office and the Office of Public Prosecutions relating to matters of Public Interest Immunity;
- k) delivery of human source training packages for Victoria Police and officers from all other jurisdictions across Australasia which included:



Development of SDU (Questions 3 to 6)

Q3. Provide details of your involvement, if any, in the development by Victoria Police of the SDU.

16. In late 2004, I was approached to undertake a secondment on a pilot regarding the management of high-risk human sources. The pilot was referred to as the Dedicated Source Unit (DSU). The unit was to be led by

Sandy White-O

and managed by

Detective Inspector Doug COWLISHAW.

17. I was briefed that the pilot was commissioned in response to the recent series of corruption matters involving the Drug Squad and a desire of Victoria Police to develop best practice in human source management. The identified corruption related to improper relationships between detectives and human sources. The corruption matters culminated in the May 2004 murders of Terrance and Christine HODSON.
18. I had no involvement in the preparation of the initial pilot, but I commenced duties at the DSU on 22nd November 2004 as a full time Handler on secondment from the Homicide Squad. At that time the operational strength of the DSU pilot consisted of:
- a) 1 x Controller [PII];
 - b) 4 x Handlers [PII];
 - c) 1 x Tactical Investigation Officer (TIO) – [PII].
19. The DSU pilot drove cultural change across Victoria Police and introduced assorted enhancements for the management of human sources:
- a) development of a risk assessment;
 - b) training for the management of high-risk human sources [PII];
 - c) proactive recruitment of individuals to become human sources;
 - d) joint development with HSMU of the existing Victoria Police Human Source instructions;
 - e) implemented many new concepts for Victoria Police addressing best practice in human source management:
 - i. sterile corridor concept;
 - ii. application of intrusive supervision;
 - iii. use of a human source as an organisational asset;
 - iv. roles and responsibilities like; Handlers and Controllers.
20. Human Source Management Unit (HSMU) had audit responsibility over all human source registrations, which included the SDU operations. HSMU had total access to all human source registrations, contact reports, information reports and risk assessments. The human source registration document required the human source's occupation to be stated. The HSMU and the

Central Source Registrar (CSR) Superintendent Mark PORTER had ultimate responsibility under Victoria Police Human Source Policy to ensure each human source was being managed in a professional, legal and ethical manner and in accordance with the human source policy.

21. The DSU pilot was scheduled to operate for a 12 month period, however soon after May 2005 the Steering Committee, in conjunction with the Corporate Management Review Division (CMRD), approved the pilot. CMRD also supported several recommendations from a report compiled by ^{Sandy White-O}

^{Sandy White-O} which included, but not limited to:

- a) the establishment of a Source Development Unit;
- b) name change from DSU to SDU to better reflect the charter;
- c) Risk management training for all SDU members;
- d) Unsworn position to assist with administration;
- e) 3 x teams, each consisting of 1 x Controller, 4 x Handlers and a TIO.

22. The recommendations were accepted by Police Command and vacancies for the SDU were advertised in the Victoria Police Gazette on Monday 9th January 2006. However, due to budgetary constraints, Police Command only decided to fund 2 teams and failed to fund the unsworn administrative position for the SDU.

23. The final established strength of the SDU was:

- a) 2 x Controllers (PII [REDACTED]);
- b) 8 x Handlers (PII [REDACTED]);
- c) 2 x TIO (PII [REDACTED]).

24. The SDU was not provided with a full time Detective Inspector. It was decided that the existing Detective Inspector in charge of the Undercover Unit would also perform the role at the SDU.

Q4. Provide details of any national or overseas travel you undertook as part of the development of the SDU.

25. I undertook no national or overseas travel as part of the development of the DSU or SDU.

Q5. Provide details of your awareness of the involvement of officers of Victoria Police more senior in rank than you in the development of the SDU.

26. The DSU Project Steering Committee consisted of the following members of Police Command:

1. Deputy Commissioner Peter NANCARROW (Project Owner)
2. Deputy Commissioner Bill KELLY (Project Chair)
3. Assistant Commissioner Simon OVERLAND (Project Sponsor)
4. Commander Dannye MOLONEY (Steering Committee)
5. Commander Terry PURTON (Steering Committee)
6. Acting Commander Rod WILSON (Steering Committee)
7. Detective Superintendent Tony BIGGIN (Steering Committee)
8. Detective Inspector Doug COWLISHAW (Steering Committee)

27. Members of Police Command from Intelligence and Covert Support Division who were senior in rank than myself involved in the development of the SDU:

- a) Detective Inspector Doug COWLISHAW OIC DSU
- b) Superintendent Ian THOMAS LSR DSU State Intel Division
- c) Superintendent Mark PORTER Central Source Registrar
- d) Inspector Bruce THOMPSON Corporate Management & Review Division (CMRD)
- e) Detective Inspector Dean McWHIRTER Detective Inspector SDU
- f) Detective Superintendent Tony BIGGIN LSR Covert Support Division
- g) Detective Inspector Rob HARDIE Detective Inspector SDU
- h) Detective Inspector Andrew GLOW Detective Inspector SDU

Q6. Provide details of your awareness, if any, of any policies and procedures adopted in other states or countries in relation to the

management of human sources who are subject to legal obligations of confidentiality or privilege.

28. Prior to my secondment to the DSU, I had no awareness of any policies or procedures adopted in other States or countries in relation to the management of human sources who are subject to legal obligations of confidentiality or privilege.

29. However, during the DSU pilot, ^{Sandy White-O} had the responsibility to be the primary conduit between the DSU members, Detective Inspector COWLISHAW and the Steering Committee. At that time, ^{Sandy White-O} was our immediate supervisor and took responsibility for the operational decisions. ^{Sandy White-O} had been on a working party to implement a DSU within Victoria Police and had drafted several comprehensive reports that addressed:

- a) International best practice in human source management;
- b) Findings from recent research trips to England, Ireland, Canada & USA;
- c) Royal Canadian Mounted Police (RCMP) training program for Police who manage high-risk human sources;
- d) Recent learning from South Australia Police regarding human source management;
- e) Assorted recommendations to Victoria Police Command on the introduction of a DSU.

30. ^{Sandy White-O} will address Question 6 further in his statement.

Use of Ms Gobbo as a Human Source (Questions 7 to 26)

Q7. Provide details of any:

7a. contact you had with Ms Gobbo prior to your work at the SDU;

31. I had no contact with Ms GOBBO prior to my work at the DSU / SDU.

*7b. knowledge you had of Ms Gobbo's use as a human source,
prior to your work at the SDU.*

32. I had no knowledge of Ms GOBBO's use as a human source prior to my work at the DSU / SDU.
33. I find it grossly negligent that we at the DSU were never informed of the fact Ms GOBBO had previously been registered as a human source with Victoria Police. Given all of the high-risk circumstances surrounding her 2005 approach to Victoria Police and the series of murders occurring throughout Melbourne, I can't identify any lawful reason why her previous registration was never disclosed. Someone in Command must have made a conscious decision not to share that vital information with the DSU at the time the DSU registered Ms GOBBO.
34. The HSMU database operated on a computer program, where fixed parameters were entered which included the person's name, sex and date of birth. The software program would generate a corresponding human source registered number [REDACTED]. However, as a consequence of those set parameters, the software program would also identify any person who had been previously registered.
35. Having possession of that previous registration details and subsequent assessments would have assisted the DSU in making a thorough assessment of risk and Ms GOBBO's viability. If proper process had been followed by the Human Source Management Unit at the time the DSU registered Ms GOBBO in 2005, then I would expect that the Central Source Registrar (CSR) for Victoria Police, Superintendent Mark PORTER, would have been briefed on the previous registration.
36. In fact, I discovered the previous registration of Ms GOBBO when I was attached to the Human Source Management Unit (HSMU). On 21st October 2015, I received an email from Detective Inspector Monique SWAIN (D/I SWAIN) from the Clandestine Laboratory Squad of Crime Command. D/I SWAIN stated that she had been given a Force File on HS3838 and Detective

Superintendent Paul SHERIDAN, the current CSR and my Divisional Commander, recommended that I was the best person to assist her with the Force File.

37. I subsequently contacted D/I SWAIN and she informed me that she had been tasked to complete the reward application for HS3838, but was having difficulty understanding the SDU files, particularly the SDU minutes from the "██████████ Workshop". D/I SWAIN stated that she had been given access to the SDU files, but needed assistance to identify any material held by HSMU regarding any reward applications.
38. My initial advice was that HS3838 had never benefited from a cash reward from the SDU. However, a reward application was submitted to the Human Source Rewards Committee in 2006 to have 2 penalty notices withdrawn that had been incurred by HS3838. D/I SWAIN stated that she would forward me the Force File to address and then return to her.
39. On the 10th November 2015, I concluded my search of any such holdings. My electronic and physical search across the HSMU files identified:
- a) 9 x SDU documents outlining the assistance HS3838 had provided to Victoria Police during registration with the SDU;
 - b) 3 x hard copy management files located in one of the HSMU safes:
 - i. File 472 Management File 13-05-1999 to 23-09-2008;
 - ii. File 727 Management File 16-09-2005 to 12-01-2009;
 - iii. Witness 'F' Catalogue. Notation on file; "All HSMU physical files moved to A/C POPE on 13-08-2012."
40. I was very familiar with the human source registration file 727, which related to her activities with the DSU / SDU.
41. However, I was shocked to learn that Ms GOBBO had previously been registered with Victoria Police in 1999 per human source registration file 472. This vital fact had never been shared with the DSU or SDU. I had a cursory look at the file and noted it contained a rudimentary human source registration form with the nominated Handler as Jeff POPE.

42. Given the obvious sensitivity of the Force File, I attached my two page Briefing Note to the Force File and delivered it by hand to the current CSR, Superintendent Scott MAHONY, before any further dissemination of the Force File.
43. At minimum, the only conclusion that I can draw as to why the DSU / SDU was never informed of the 1999 human source registration of Ms GOBBO was at least gross negligence.

Q8. Provide details of the management of Ms Gobbo as a human source, including:

8a. the structure of that management;

44. The operational structure at the DSU pilot consisted of:
- a) 1 x Controller – Sandy White-O
 - b) 4 x Handlers – PII [redacted] Peter Smith-O Green-O
Paige-O and myself
 - c) 1 x TIO – PII [redacted] [redacted]
45. The management structure for the DSU pilot consisted of:
- a) 1 x Officer In Charge – Detective Inspector Doug COWLISHAW
 - b) 1 x LSR – Superintendent Ian THOMAS State Intel Division
 - c) 1 x CSR – Superintendent Mark PORTER Central Source Registrar
46. The first management structure for the SDU consisted of:
- a) 1 x Officer In Charge – Detective Inspector Dean McWHIRTER
 - b) 1 x LSR – Detective Superintendent Tony BIGGIN
Covert Support Division
 - c) 1 x CSR – Superintendent Mark PORTER Central Source Registrar
Intelligence & Covert Support Division

47. A general overview of source management is that a Controller and Handler would be nominated for each human source. The Handler would be responsible for the contact with the human source. The Handler would document the contact on a Contact Report which mostly related to phone contact. All face to face meetings were attended [REDACTED] [REDACTED]. Each such meeting was always pre-approved by the Controller. On occasions the Controller would also attend the face to face meetings. The Controller would then update the Inspector and the LSR of developments with the human source. This was the process as outlined in Victoria Police Instructions / Policies since 2003.

48. The management of HS3838 was conducted in line with the Victoria Police Human Source Policy at the time. However, given the DSU / SDU management of high-risk human sources, we then operated under an additional layer of governance as outlined in the DSU Standard Operating Procedures (SOP). These SOP were first published on 28th January 2005.

49. The process relating to the management of a high-risk human source by the DSU / SDU involved the following process:



- c) Controller would then allocate a Handler;
- d) designated Controller would also be nominated;
- e) checks of assorted Police databases would be undertaken by the Handler and the TIO to establish the viability of undertaking the management of the individual;
- f) RFA populated with our collective recommendations;
- g) RFA taken to the LSR for authorisation;
- h) if not authorised, then advise the investigator or manager
- i) if authorised, commence the registration process and assessment;
- j) implement a sterile corridor;

- k) intrusive supervision of Handlers and the human source relationship;
- l) ensure compliance with current policy and SOP;
- m) submission of a risk assessment, delivery of an acknowledgement of responsibility (AOR) and Source Contact Reports;
- n) review and approve the submission of sanitised Information Reports;
- o) the DSU Controller populated another internal form entitled "Source Management Log" (SML). This was another document developed by the DSU, in addition to Victoria Police Policy, to log the Contacts and any management decision on each high-risk human source;
- p) conduct weekly meetings with Handlers and debrief the viability of the human source
- q) Update the Inspector and the LSR on a regular basis.

50. It became apparent that the DSU / SDU was forced to develop new tradecraft for the management of HS3838. The volume and complexity of the contacts required a departure from the usual model of one designated Handler.

Sandy White-O

commenced to rotate the primary Handler of HS3838 to other Handlers at the office. Not only did this permit the Handler an opportunity to keep the records up to date, but a good risk mitigation strategy where other Handlers got the opportunity to assess the viability of HS3838.

51. In total HS3838 was exposed to a total of 6 Handlers whilst under the management of the DSU / SDU. These Handlers included, PII [REDACTED]

[REDACTED], Peter Smith-O, Green-O, [REDACTED], Fox-O, Wolf-O and myself. The change of Handlers were recorded in the SML and at HSMU.

8b. whether any procedures or processes were put in place to manage the use of information provided by Ms Gobbo

52. The procedures that were in place to manage the use of information provided by HS3838 were consistent with the relevant Victoria Police Human Source Policy at the time and in accordance with the relevant DSU / SDU SOP. This applied to all high-risk human sources being managed by the SDU.

53. However, like the innovation of rotating Handlers becoming a new procedure at the SDU, other innovations were developed by the SDU to better manage high-risk human sources and the information provided. These included the following 7 examples:

a) Modification of Informer Contact Report (VP1092A)

- i. The initial Victoria Police Human Source Policy stipulated that each contact with a human source had to be the subject of an ICR. The Victoria Police template was dated "New 08/04". It was quickly identified that the current ICR was not fit for purpose for the management of high-risk human sources. DSU Handlers were forced to record multiple contacts across multiple days on the one ICR to limit the volume of ICRs that would have had to have been submitted if the policy was strictly enforced by HSMU. No better demonstration that this needed to be amended was the volume of contact between HS3838 and the Handler. Multiple ICRs also presented difficulties not just keeping up with the paperwork, but tracking the events and tasking.
- ii. In October 2005, I drafted and had HSMU approve an ICR for the exclusive use by the DSU for the management of high-risk human sources. The ICR was published with specific notations like; "For DSU Use Only", "New 10/05" and permitted the ICR date range to cover a 10-day period. This addressed many of the issues identified with the original version of the ICR.

b) Certification Report of Human Source Based Information

- i. On 4th January 2006, I developed a certification report for use by the DSU in conjunction with the Special Project Unit (SPU). Mindful to maintain the accuracy of intelligence supplied to investigators and ensure the security of the human source warranted this innovation.
- ii. Any affidavit supplied to SPU, which contained intelligence arising from a human source under the management of the SDU, required certification from a DSU Controller. This provided assurance to SPU

that such affidavits from investigators seeking warrants for electronic surveillance devices were accurate and did not inadvertently compromise the DSU managed human source.

c) SDU Handler Work Sheet

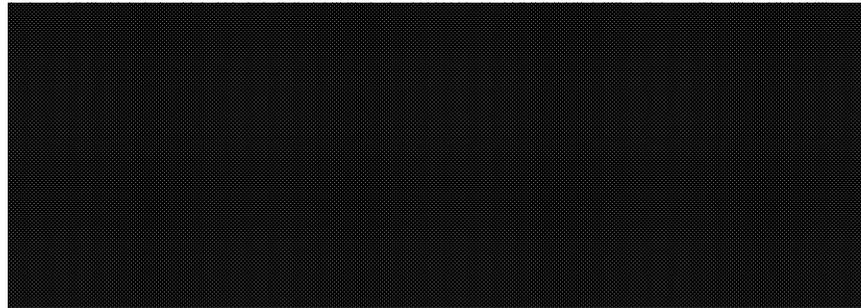
- i. The new SDU procedure of rotating Handlers between high-risk human sources was proving successful. However, changeover between Handlers required some standardised format to ensure continuity of documentation, management of human source issues, tracking of taskings and the recording of intelligence.
- ii. In 2006, I developed a SDU Handler Work Sheet that could assist Handlers with the recording of such information. There had been instances where Contact Report numbers had been accidentally duplicated and therefore copied over existing Contact Reports bearing the same IR number. This was largely because there was no method to computer generate these numbers, so a manual system had been relied upon. For those Handlers who chose to use the Handler Work Sheet, such administrative errors were made obsolete as the sheet tracked what Contact Report numbers had been allocated. The use of the Handler Work Sheet was not compulsory, but was on a case by case basis.
- iii. The Handler Work Sheet was allocated to the human source and not to the Handler, so the work sheet could be handed over to the next Handler as a standardised way of ensuring continuity and accuracy. It also acted as an executive summary of the major management issues relating to the human source.

d) Information Report Matrix

- i. The integrity of the information reports (IR) generated by the DSU / SDU was of utmost importance. This same quality control and integrity focus was reflected in the development of the Certification Reports and the Handler Work Sheet.

- ii. Again there had been instances where IR numbers had been accidentally duplicated or numbers skipped, as there was no method to computer generate IR numbers. In 2006, I created a matrix that recorded the following:
 1. Each IR number;
(Commenced at IR number 1, ran consecutively to IR 2265)
 2. The human source number that generated the IR;
 3. Dissemination history of that IR.
(This field was populated by the TIO outlining where the IR was sent and the date. However, TIO was unable to back capture the earlier dissemination history, so that aspect of the IR Matrix commenced from 21-09-2006).

- iii. An additional feature of the IR Matrix was it permitted Handlers to

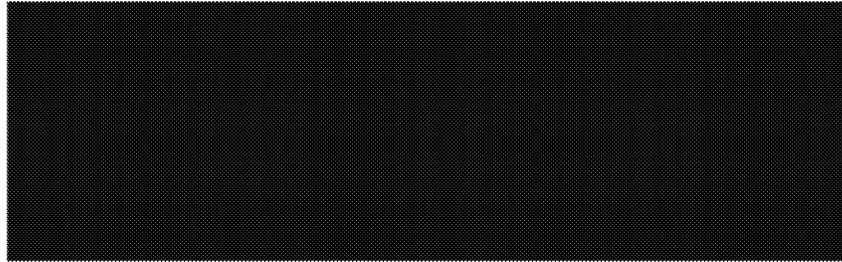


e) Electronic Diary

- i. The SDU identified vulnerabilities with maintaining traditional hard copy Victoria Police Diaries (PB13):-
 1. highly identifiable and unique to Victoria Police;
 2. bulky and difficult to manage when conducting covert human source meetings;
 3. each diary contained about 300 pages, so each diary would record numerous human source contacts and potentially compromise the identity of several human sources;
 4. a hard copy hand written diary had no ability to be encrypted or securely stored;
 5. each manual entry had to be duplicated onto a contact report, so the obvious duplication was not efficient use of time.

- ii. In mid-2007, ^{Sandy White-O} and myself devised a computer generated template of an electronic diary that closely resembled a traditional PB13, without any of the identified vulnerabilities. This initiative was supported and approved by SDU Command.
- iii. Furthermore, with the introduction of the new computer notebooks and wireless 3G network cards, Handlers and Controllers were able to maintain a fortnightly diary in an electronic format. Not only was the document encrypted, but it provided Handlers the ability to copy their relevant diary entry directly into a Contact Report.
- f) [REDACTED]
- i. All DSU / SDU face to face meetings [REDACTED] [REDACTED] Not only were [REDACTED] assist with the preparation of Contact Reports, but they provided the Handlers a level of insurance [REDACTED]
- ii. The SDU [REDACTED] were [REDACTED] that simultaneously [REDACTED] This ensured the integrity [REDACTED] to prevent unauthorised access. Most of [REDACTED] were [REDACTED]. Handlers would [REDACTED] from the [REDACTED] onto a [REDACTED]
- g) Sanitised Information Reports
- i. Each IR was assessed for accuracy and suitability for dissemination. The IR was either disseminated to an investigator who had an active interest in the information or added into the intelligence holdings of Victoria Police. However, no SDU IR would be disseminated without the approval of a Controller.
- ii. The IR was written in a style to ensure the origin of the intelligence could not be ascertained. This process was called sanitisation. The

SDU developed a process to ensure strict compliance with this objective as:



8c. whether any procedures or practices were put in place to manage the risks arising from the use of information provided by Ms Gobbo.

54. As I have previously stated, there were occasions when a SDU Controller would not authorise the release of information contained on a particular IR. This was particularly important with any information generated by HS3838:

- a) the information may identify the presence of a human source;
- b) the information may identify Ms Gobbo as a human source;
- c) the information may be subject to legal professional privilege;
- d) other operational priorities meant that there were no available investigators to action the intelligence;
- e) the intelligence was too unreliable to warrant dissemination.

55. Given the developing Victoria Police Human Source Policy and the SDU application of international best practice, the SDU were constantly driving cultural change in Victoria Police towards human sources. Some of the identified best practice principles assisted in the management of risk associated with actioning information from any human source, particularly those identified as high-risk. No greater challenge was dealing with the information from HS3838. Some of the new tradecraft that was applied and enforced included:

- a) Member List for HS3838

The SDU commenced a computer based log of all members, external to the SDU, who knew or became aware of the identity of HS3838.

b) Sterile Corridor

The sterile corridor is a controversial philosophy which calls for the management of a source to be separated from the management of an investigation. There is natural reluctance for investigators to embrace the concept because many fail to identify the strength that the separation provides. The sterile corridor protects the human source from being identified and keeps them out of the evidentiary chain. Safer decisions are reached with the imposition of a sterile corridor because the welfare and security of the human source becomes one of the main priorities.

c) Point Of Liaison

The identification of one single member at an investigative unit as the SDU "Point of Liaison" officer. This member would be the nominated person to receive the disseminated intelligence relevant to their particular investigation. The Point of Liaison officer is briefed by the SDU in regard to the management of the intelligence and how it should be utilised. This protocol ensures consistency in information management both during an investigation and during any subsequent court discovery process relating to Police diaries and the like.

d) Risk Assessment

- i. In 2004, work commenced by ^{Sandy White-O} and later with the DSU Pilot members resulted in a risk assessment model being developed for the Australasian Human Source Working Group. With the assistance of Sergeant Glenn OWEN from the HSMU, the DSU developed the first risk assessment model for human source management. This was based on the risk assessment framework in accordance with the Australian & New Zealand standard (AS/ANZ4360:2004). This standardised system of objectively identifying the level of risk attached to the management of a particular human source, provided a

framework from which control measures could be implemented to minimise or eliminate risk.

- ii. The risk assessment document categorised risks in five categories, these being:
 - 1. Risk to the source;
 - 2. Risk to the information;
 - 3. Risk to Victoria Police;
 - 4. Risk to the community; and
 - 5. Risk to the Handler.

- iii. The DSU / SDU commenced implementing a human source risk assessment for each registration. In order to develop a meaningful risk assessment it was necessary to assess potential human sources several times. 


e) SDU Unit Meetings

- i. Each fortnight all SDU members, and depending on the availability of the Detective Inspector, would risk assess all the human source operation. This process commenced at the DSU and became a standing fortnightly event at the SDU. The Unit meeting would be chaired by a Controller and every high-risk human source under the SDU management was discussed. These meetings became more formalised from an entry in the Controller's diary through to an operational update document that addressed each human source and later also included RFA.

- ii. Each human source was subject of a discussion that included:
 - 1. assessment of the risks;
 - 2. level of risk;

3. determination of the value of the source;
 4. recommendation whether to continue with the management.
- iii. As the Unit meetings developed, the fortnightly reviews and risk assessments became copied into each of the relevant SML. These entries were recorded as a management activity and essentially the SML evolved into a standing risk assessment for each human source under management of the SDU.

f) Change of Human Source Registered Number

The continued management of HS3838 was presenting an additional risk to compromising the human source. The most significant risk to HS3838 was if the assistance was ever disclosed, some of the individuals HS3838 was associating with had a proven capacity to commit murder. Consequently a risk mitigation strategy was implemented to have HS3838 registered number changed. A report was submitted by ^{Sandy White-O} to the CSR, Superintendent Mark PORTER, who approved the strategy. On 24th January 2008, HS3838 became identified as human source 11792958.

56. All of these new principles and tradecraft were successfully deployed during the time HS3838 was under the management of the SDU as a high-risk human source. Each aspect contributed to managing the risks arising from the use of the information provided by HS3838.

Q9. Provide details of the involvement or oversight by senior officers who had management, oversight or control of the SDU of the SDU's use of Nicola Gobbo as a human source.

57. I believe that the following senior officers had management, oversight or control of the SDU, or the SDU's use of Nicola Gobbo as a human source:

1. Assistant Commissioner Simon OVERLAND

- DSU/SDU Project Sponsor & Steering Committee
 - Unit Commander – Purana Task Force
 - Assistant Commissioner Crime
2. Commander DANNYE MOLONEY
 - Commander – Intelligence & Covert Support Division
 - DSU/SDU Project Steering Committee Member
 3. Commander TERRY PURTON
 - DSU/SDU Project Steering Committee Member
 4. Acting Commander ROD WILSON
 - DSU/SDU Project Steering Committee Member
 - DSU LSR
 5. Detective Inspector DOUG COWLISHAW
 - DSU/SDU Project Steering Committee Member
 - Officer In Charge DSU
 - State Intelligence Division
 6. Human Source Governance Committee
 - Assistant Commissioner Intel & Covert Support Command
 - Assistant Commissioner Crime Command
 - Assorted other members of Police Command
 7. Human Source Rewards Committee
 - Assistant Commissioner Intel & Covert Support Command
 - Assorted other members of Police Command
 - Officer In Charge, Human Source Management Unit
 8. Detective Inspector ROBERT HILL
 - Officer in Charge Major Drug Investigation
 - Submitted the RFA for the DSU assessment of Ms GOBBO
 9. Superintendent IAN THOMAS
 - LSR for DSU
 - CSR for DSU
 - State Intelligence Division
 10. Superintendent MARK PORTER
 - Central Source Registrar for Victoria Police
 - Approved all human source registrations for Victoria Police

- Manager of all human source registrations for Victoria Police
 - Divisional Commander – Intelligence & Covert Support Division
11. Acting Inspector Geoff McLEAN
- Officer In Charge HSMU
 - State Intelligence Division
 - Governance and audit of all human source registrations
 - Policy and training development for human source management
12. Detective Superintendent Tony BIGGIN
- Divisional Superintendent Covert Support Division
 - DSU/SDU Project Steering Committee Member
 - Unit Commander – SDU
 - Approved all human source operations at the SDU
13. Detective Inspector Dean McWHIRTER
- Officer In Charge SDU
 - Covert Services Command
14. Detective Inspector Jim O'BRIEN
- Officer in Charge Purana Task Force
15. Detective Inspector Rob HARDIE (deceased)
- Officer In Charge SDU
 - Covert Services Command
16. Detective Inspector Andrew GLOW
- Officer In Charge SDU
 - Covert Services Command
17. Assistant Commissioner Luke CORNELLIUS
- Briars Task Force – Board of Management
18. Acting Commander Rod JOURNING
- Briars Task Force – Board of Management

Q10. Provide details of person(s) you believe were involved in the authorisation, and continued authorisation, of the use of Ms Gobbo as a human source, including the name of the person(s); the role of those person(s); and the basis of your belief.

58. I believe that the following persons were involved in the authorisation, and continued authorisation, of the use of Ms Gobbo as a human source, including the role of those persons:

1. Assistant Commissioner Simon OVERLAND
 - DSU/SDU Project Sponsor & Steering Committee
 - Unit Commander – Purana Task Force
 - Assistant Commissioner Crime
2. Commander Danyne MOLONEY
 - Commander – Intelligence & Covert Support Division
 - DSU/SDU Project Steering Committee Member
 - Later promoted to the Assistant Commissioner I&CSC
3. Commander Terry PURTON
 - DSU/SDU Project Steering Committee Member
4. Acting Commander Rod WILSON
 - DSU/SDU Project Steering Committee Member
5. Detective Inspector Doug COWLISHAW
 - DSU/SDU Project Steering Committee Member
 - Officer In Charge DSU
 - State Intelligence Division
6. Superintendent Ian THOMAS
 - LSR for DSU
 - State Intelligence Division
7. Superintendent Mark PORTER
 - Central Source Registrar for Victoria Police
 - Approved all human source registrations for Victoria Police
 - Manager of all human source registrations for Victoria Police
 - Unit Commander – Intelligence & Covert Support Division
8. Acting Inspector Geoff McLEAN
 - Officer In Charge HSMU
 - State Intelligence Division
 - Governance and audit of all human source registrations
 - Policy and training development for human source management
9. Detective Superintendent Tony BIGGIN

- Divisional Superintendent Covert Support Division
 - DSU/SDU Project Steering Committee Member
 - Unit Commander – SDU
 - Approved all human source operations at the SDU
10. Detective Inspector Dean McWHIRTER
- Officer In Charge SDU
 - Covert Services Command
11. Detective Inspector Rob HARDIE (deceased)
- Officer In Charge SDU
 - Covert Services Command
12. Detective Inspector Andrew GLOW
- Officer In Charge SDU
 - Covert Services Command

Q11. Provide details of your understanding of Ms Gobbo's motivations for becoming a human source, including:

- a) her initial motivations for assisting Victoria Police; and*
- b) her motivations for providing ongoing assistance to Victoria Police in that manner.*

59. My understanding of HS3838 motivations for becoming a human source are captured within the audio recordings, contact reports and risk assessments.

60. This is particularly evident during the assessment phase of the DSU in determining HS3838 value and viability. HS3838 speaks in great detail about the reasons why the assistance is being offered. The first four face to face assessment meetings in 2005 and subsequent risk assessment documents her motivations:

- a. Wants to remove herself from the MOKBEL cartel;
- b. Claims her health issues were caused from the stress of acting for the MOKBEL cartel;
- c. Accepted that she had become too close to some of her clients;.....

- d. HS3838 was becoming conscious that most of her friends were in fact organised crime identities of Melbourne;
- e. HS3838 claimed to have been threatened, intimidated, and almost blackmailed by the MOKBEL cartel to act for their drug trafficking activities;
- f. HS3838 identified that assisting Police may be a "way out";
- g. HS3838 also spoke of being altruistic and "doing the right thing";
- h. The pressure from the MOKBEL cartel was forcing HS3838 to do things against her moral standards and almost committing criminal offences;
- i. HS3838 spoke of her frustration with high level criminals receiving poor sentences or just not being apprehended;
- j. HS3838 was driven by her ego. She always wanted to prove that she was the smartest person in the room;
- k. Not long into the registration, it was clear that HS3838 enjoyed the contact with the Handlers, but at times used the Handlers as an emotional 'crutch'.

61. I also suspect that HS3838 holds some culpability in regards to the murders of the HODSONS. I have been unable to determine whether HS3838 committed a conscious act to assist in the murders of the HODSONS or acted recklessly with information that ultimately led to their murders. HS3838 relationship with Paul DALE and Carl WILLIAMS remains of great concern to me.

Q12. Provide details of any conversations you had with Ms Gobbo relevant to and / or dealing with:

12a. her Legal Professional Privilege (LPP) and confidentiality obligations or other duties in respect of her clients;

62. The SDU Handlers and Controllers were very mindful of HS3838 obligations regarding legal professional privilege (LPP). I was not aware of a lawyer previously being registered as a human source with Victoria Police, so matters of LPP were in the forefront of our contacts and subsequent reporting of HS3838. ^{Sony White-O} : reinforced this fact during his Controller

meetings with HS3838. It was an agreed set of terms that the SDU was not going to discuss or actively seek information on her current clients who she was currently representing in active matters before the Courts.

63. There were occasions when HS3838 would raise such issues during assorted phone or face to face meetings. However, SDU staff well understood the boundaries and our obligations not to break LPP. Whilst we could not control what HS3838 chose to talk about, we certainly could control what was reported on an Information Report and disseminated to investigators. Many of such conversations were simply HS3838 discussing the activities of her day and SDU staff were there to support her and build rapport.

64. Another aspect of conversations raised by HS3838 were matters that had been raised by a client regarding other serious criminal offences that the client was engaged in. This was a moral issue for HS3838 whether she disclosed this information to Police. Such matters related to separate serious criminal offending, not subject of prosecution or active matters before Court. No better example was [REDACTED] actively engaging in unreported serious crime, being [REDACTED] whilst dealing with unrelated charges before the Court.

65. The first conversation I had with HS3838 regarding her LPP obligations was during a phone contact as the Handler. This is documented in Contact Report 009, dated 28-11-05 at 0818 hours. I discussed this very issue during this call where HS3838 replied that she, "is not clear on his (client's) intentions." HS3838 then stated that she, "sees no legal or ethical barrier from speaking with this client."

66. The analysis of all physical meetings between SDU members and HS3838 continues. In just face to face meetings with HS3838 there were 56 such meetings that generated in excess of 185 hours of covert audio recordings. Until recent weeks, none of the audio recordings have ever been transcribed. In the past two weeks, the SDU have just been provided hard copies of all the SDU Contact Reports and both Source Management Logs relating to

HS3838. There are a total of 172 Contact Reports that need to be carefully reviewed and this work continues.

12b. acknowledgement by of her responsibilities as a Human Source;

67. Like all human sources, Victoria Police Human Source Policy requires the delivery of an Acknowledgement of Responsibility (AOR). This was a new Victoria Police form, referred to as a VP1093. It was first published and used in human source management from September 2003. It was my belief this was the same version we used during the SDU Pilot.
68. The essence of the AOR was a mutual contract between a human source and Victoria Police. It was a single page document that was designed to prevent human sources from committing crime whilst under the management of a law enforcement agency. The AOR outlined 5 points that must be agreed to by the human source in order for the confidential relationship with Victoria Police to proceed. These points included:
- i. My relationship with the Victoria Police Force will not protect me from prosecution if I commit an unlawful act;
 - ii. The responsibility of Victoria Police Force extends only to those acts by me which are expressly authorised by Victoria Police;
 - iii. I am aware that the Victoria Police Force will make every effort to protect my identity;
 - iv. I am not an employee of the Victoria Police Force;
 - v. The restrictions placed upon my contact with the Victoria Police have been explained to me.
69. The AOR was to be delivered by the Controller to the human source and in the presence of the Handler. It was my understanding that ^{Sandy White-O} completed this task with HS3838 and Handler ^{Peter Smith-O}
70. The first conversation I had with HS3838 regarding her AOR was during a phone contact as the Handler. This is documented in Contact Report 009, dated 27-11-05 at 1722 hours. I reinforced with HS3838 her safety and

avoiding compromising issues. I specifically outlined the AOR to HS3838 in a later phone call on 28-11-05 at 2041 hours. This is also noted in the same Contact Report.

12c. assessment of risks associated with her use as a Human

Source;

71. Handlers were expected to document any issues of risk in the Contact Report and immediately discuss such issues with the Controller. Particularly in the case of HS3838, this was almost a daily event. Such matters were also discussed at office meetings to encourage input from all SDU personnel. Risks were identified and documented in the SML by the Controller and taken to the LSR as needed.
72. On 23-11-05, I was upgraded as the Controller as ^{Sandy White-O} was on recreational leave. I reviewed the risk assessment for HS3838 as prepared by ^{Peter Smith-O}. I added my Controller comments and signed the document. The assorted risks had been identified and suitability mitigated with appropriate control strategies to enable safe management of HS3838. At 1545 hours that same day I hand delivered the completed risk assessment to Detective Acting Superintendent Doug COWLISHAW at the St. Kilda Road Police Complex.

12d. her motivations to act as a human source;

73. Refer to my response at Question 11, which addresses motivations.

12e. indications of criminal conduct or other adverse motivations on her part;

74. I have no evidence to suggest HS3838 was involved in any criminal conduct or adverse motivations whilst under the management of the SDU.

75. However, I believe that HS3838 had placed herself in such a position with assorted criminals that she was being manipulated as a conduit and unwittingly placed herself in danger of possibly aiding or abetting serious criminal offending. I am of the belief that HS3838 assistance to Victoria Police was a way to extract herself from that professional dilemma. There were occasions where criminals tasked HS3838 to pass on messages to other criminals or in fact "hold" documents for safe-keeping.

12f. matters of concern as to the use of Ms Gobbo as a human source such as her mental or physical health;

76. HS3838 was very open regarding her assorted health issues. It was no secret that prior to the relationship with the SDU she had been hospitalised for a heart condition. These medical issues were recorded in assorted Contact Reports and had been discussed by her with assorted Handlers. A repeated theme from HS3838 was that the demands of her from the MOKBEL cartel were causing her unnecessary stress.
77. On 20-12-06 and 24-01-07 the SDU arranged for HS3838 to visit a consultant psychologist; Dr. [REDACTED]. This was to assist HS3838 with the stress in her life and to commence building some resilience for HS3838 to exit the relationship she currently had with the SDU. The total cost for these two consultations was \$3,324.20.
78. ^{Sandy White-O} [REDACTED] briefed Dr. [REDACTED] on the circumstances of HS3838 and sought the independent medical assessment of HS3838. HS3838 did attend the appointments with Dr. [REDACTED] but unfortunately HS3838 failed to embrace the objectives of the intervention and claimed no personal benefit from the appointments.
79. At no time did I ever think that HS3838 was ever in a medically compromised position to the point where her health was in danger. I do not believe that Ms GOBBO medial issues ever negatively impacted on her judgement or

reliability as a human source. A large portion of her stated stress was that she was a workaholic. Other than her enormous ego, HS3838 had a very small family / friendship group outside of the criminals she spent an unusual amount of social time with. This is inconsistent with the activities of a traditional criminal lawyer. It is also apparent HS3838 is very well educated, highly motivated and had a very well developed sense of situational awareness.

Q13. *Provide details of any knowledge you had of Ms Gobbo providing information or intelligence to any person or organisation outside the SDU.*

80. During the SDU management of HS3838, we had become aware that HS3838 had dealings with the OPI, but ^{Sandy White-O} and ^{Fax-O} are best to elaborate on those particulars.

Q14. *In relation to the (20) names of persons listed in Schedule A:*

- Faruk Orman
- Tony Mokbel
- **Mr Bickley**
- Zlate Cvetanovski
- 
- Rob Karam
- Pasquale Barbaro
- Saverio Zirilli
- Salvatore Agresta
- Pasquale Sergi
- Francesco Madaferri

- Giovanni Polimeni
- John Higgs
- Sharon Ropa
- Tony Sergi
- Ken Tang
- Carmelo Falanga
- Pino Varallo
- Jan (John) Visser

Q15. Provide details of:

- a) information received from Nicola Gobbo in respect of those people;*
- b) the dissemination of any such information including the method of dissemination and the persons to whom it was disseminated.*

81. All information received from HS3838 is contained in diaries and Contact Reports. Any information disseminated is recorded on the Contact Report and SML. The IR records the information disseminated.

82. Refer to the 2019 SDU spreadsheets being compiled by ^{FOI-O} and referenced in his statement per Annexure (1) & Annexure (2).

Q15. Provide details of your knowledge or understanding during the time you were dealing with Ms Gobbo at the SDU of a lawyer's duty or obligation;

- a) of LPP;*
- b) confidentiality; and / or*

c) to act in the best interests of his or her client.

83. Legal Professional Privilege (LPP) protects communications between an engaged lawyer and their client regarding disclosure of legal advice for matters before the Courts.
84. LPP cannot be applied to communications regarding the ongoing or future commission of serious crime.
85. I understand the concept of confidentiality, but the legal concept of confidentiality as applied by a lawyer to a client is something I was not familiar with. I have not been trained in this specific field and I still revert back to my understanding of LPP.
86. There is a common expectation that a lawyer will always act in the best interests of their client within the bounds of the law.

Q17. Provide details of your knowledge or belief as to whether any advice was obtained from hereinafter a legal practitioner or more senior officer in relation to lawyers' duties regarding Ms Gobbo, or more generally, human sources, during your time in the SDU.

87. I did not seek any legal advice during my time at the SDU or dealing with HS3838.
88. The SDU had a good understanding of LPP and of HS3838 obligations to her clients. However, it was clear to us at the SDU that the information we were disseminating was not subject to LPP. HS3838 was reporting to Police the probable commission of serious criminal offences not subject to judicial proceedings.

Q18. Provide details of your knowledge or belief as to whether LPP or obligations of confidentiality or a lawyer's duty to act in the best interest of her or his client, were breached by Ms Gobbo, in respect to each of the people listed in question 14.

89. I do not believe that LPP or obligations of confidentiality or a lawyer's duty to act in the best interest of their client, were breached by HS3838 in respect to each of the 20 people listed in question 14.

Q19. Provide details of your knowledge or understanding, during the period that you were in the SDU, of the obligation on the part of Victoria Police to disclose to courts, the prosecution and the accused, any and what information obtained during the course of an investigation that was not included in a brief served on an accused.

90. Our duties at the SDU were primarily intelligence based and given our primary function was to manage high-risk human sources, we deliberately avoided being directly involved in any evidentiary matters which included the preparation of briefs of evidence.

91. All SDU Handlers and Controllers were from investigative backgrounds and subsequently had extensive experience in the Court process.

92. Some of our main priorities at the SDU was the imposition of the sterile corridor and providing investigators with reliable intelligence to initiate or advance an investigation into serious criminal offences. SDU initiatives like; [REDACTED] SML, IR Matrix, Certification Reports of Human Source Based Information are just some of the added initiatives introduced by the SDU to protect the integrity of the information generated from any high-risk human source under the management of the SDU. HS3838 was no different.

93. The only occasion when Victoria Police would disclose that information had been provided by a human source, would be within a sworn affidavit before the Court. Since the failed prosecution of former Detective Sergeant Dennis TANNER in about 2003, Victoria Police has required that any information that has been included in an affidavit must be attributed to the origin of that information. As an example it may be the observations of a witness, footage from CCTV or information from a human source. In the case of a human source, the affidavit would contain the registered number of the human source and the information provided.
94. However, disclosure has always been an ongoing responsibility of Police particularly during the preparation of a brief of evidence or during the prosecution phase. Now with the introduction of the Criminal Procedure Act (2009) it is very clear that Police must disclose all matters to the Defence, including exculpatory matters. The onus of disclosure rests with Police within the bounds of public interest immunity.

Q20. Provide details of your knowledge or understanding, during the period that you were in the SDU, of the operation of the doctrine of public interest immunity (PII), concerning information provided by Ms Gobbo, and whether any advice was obtained or discussions were had in relation to this matter.

95. I am well aware of the obligation on the part of Victoria Police to disclose all matters that are relevant to a prosecution, particularly those matters that may be exculpatory. I am also aware of the doctrine of public interest immunity. I have experienced claiming public interest immunity to protect the identity of a human source and on occasions protecting covert Police methodology. I have an understanding of the competing public interest principles of fairness to the accused balanced against protecting such Police investigative strategies.

96. If any SDU members became aware of exculpatory evidence this would, as a matter of course, be raised with the HSMU and LSR for further action. In those cases where such disclosure may compromise a human source, Victoria Police had the option of:
- a) informing the defence;
 - b) discontinuing the prosecution;
 - c) briefing counsel to prosecute the claim of PII.

97. The issue of Public Interest Immunity claims, relevant to human source operations, were managed centrally by the HSMU. This was outlined in the Victoria Police Human Source Policy and such claims were regularly addressed by HSMU.

Q21. Provide details of your awareness as to whether any concerns were raised at any time by members of Victoria Police (or other policing or law enforcement agencies for example the AFP, the Office of Public Prosecutions, the Commonwealth Director of Public Prosecutions) as to the use of Ms Gobbo as a human source, including in relation to each of those concerns:

- a) who raised the concern, with whom it was raised and by what means (written or oral);*
- b) when the concern was raised;*
- c) what the concern was;*
- d) whether the obtaining of legal advice was raised; and*
- e) what, if anything, was done about the concern.*

98. At no time did any member of Victoria Police, other law enforcement agency or any Prosecution authority ever raise any concern as to the use of Ms GOBBO as a human source during her time under the management of the SDU. Many members of Police Command were well aware of her registration but at no time did anyone raise any concern.

99. Two major concerns that were constants for the SDU were the safety of HS3838 and ensuring she was not compromised. Both objectives were achieved until Ms. GOBBO's involvement with the Petra Task Force from January 2009 at the direction of Assistant Commissioner Simon OVERLAND. Just 6 weeks later, Simon OVERLAND was promoted to Chief Commissioner of Victoria Police and Ms. GOBBO became a Crown witness for the Petra Task Force.

Q22. *Provide details of your awareness of any Victoria Police Standard Operating Procedure for the management of human sources, including:*

- a) *details of what that procedure was;*
- b) *whether the conduct of members of Victoria Police in relation to the use of Nicola Gobbo as a human source resulted in any failures to comply with that Standard Operating Procedure;*
- c) *whether any breaches of that Standard Operating Procedure as detailed at sub-paragraph (b) placed Ms Gobbo in a position of unacceptable risk to:*
 - i. *her personal safety;*
 - ii. *the individual rights of others by consequence of her position as a legal practitioner.*

100. The very nature of the duties undertaken by the SDU made it one of the highest risk units within Victoria Police. Consequently, Police Command not only established a Steering Committee, but also formed a Human Source Governance Committee and a Human Source Reward Committee. I would expect the Agendas and Minutes of all such meetings would be readily available from Intel & Covert Support Command.

101. In addition to those three Police Command Committees, management of human sources was governed by assorted instructions and policies. These rules evolved from:

- a. Chief Commissioner Instruction 06/04 (Issued: 22 September 2004);
- b. Chief Commissioner Instruction 03/05 (Issued: 20 September 2005);
- c. Victoria Police Manual 111-3 (Issued 2007 through to 2010).

102. The DSU and the SDU also developed their own internal operating / governance manual entitled Standard Operating Procedures (SOP). The SOP's were derived from international best practice and other internal Victoria Police policies. Both sets of SOP were signed and authorised by the CSR:

- a. Dedicated Source Unit SOP (Dated 28-01-2005);
- b. Source Development Unit (Dated 26-10-2006).

103. The HSMU and the CSR had the responsibility to audit all human source files in Victoria. The SDU was subject to this auditing process as required under human source policy.

104. Victoria Police Command are in possession of all the relevant human source policy documents and both sets of SOP that operated during the time HS3838 was being managed by the SDU.

105. My experience at the DSU as a Handler, then at the SDU as a Controller, gives me the confidence to state that the conduct of members at the DSU or SDU relating to the use of HS3838 did not breach any of the CCI, VPM or SOP.

106. There were no Victoria Police policies or procedures breached that placed HS3838 in a position of unacceptable risk to either her personal safety or the individual rights of others by consequence of HS3838 position as a lawyer.

Q23. *Provide details of your awareness as to whether any concerns were raised at any time by members of Victoria Police (or other policing or law enforcement agencies for example the AFP, the Office of Public Prosecutions, the Commonwealth Director of Public Prosecutions) as to the transition of Ms Gobbo from a human source into a witness, including:*

- a) *who raised the concern, with whom it was raised and by what means (written or oral);*
- b) *when the concern was raised;*
- c) *what the concern was;*
- d) *whether the obtaining of legal advice was raised; and*
- e) *what, if anything, was done about the concern.*

107. All members attached to the SDU were strongly against the transition of Ms GOBBO from a human source to a Crown witness. Our LSR, Detective Superintendent BIGGIN held the same view. My concerns were:

- i. International best practice strongly discourages turning human sources into Crown witnesses due to the obvious risk of compromise;
- ii. A SDU objective was to collect intelligence not evidence;
- iii. The AOR stated that Victoria Police Force will make every effort to protect a human source's identity;
- iv. If Ms. GOBBO's role as a human source was publically discovered:
 - a. the human source methodology would be exposed and a powerful investigative technique for use against organised crime figures would be severely compromised;
 - b. Ms GOBBO would be murdered by those who had been subject of her informing.

108. I raised my strong objections to the transition of HS3838 to becoming a Crown witness on many occasions. This was first raised in 2008 regarding the Petra Task Force and again in 2009 regarding the Briars Task Force. I have documented many of these instances in my diary. I will address each of those objections in the next two questions; Petra Task Force (Question 24) and Briars Task Force (Question 25).

Q24. Provide details of your awareness as to any discussions within the SDU or Victoria Police more generally regarding the use of Nicola Gobbo as a witness for the criminal prosecution of Paul

Noel Dale in relation to the murders of Terrence and Christine Hodson, including:

- a) what that assistance would be;*
- b) whether there were any concerns raised as to the use of Ms Gobbo as a witness in that proceeding;*
- c) who raised that concern; and*
- d) whether anything was done about that concern.*

109. The investigation into the murders of Terrence and Christine HODSON was code named "Petra" Task Force. Former member of Victoria Police, Paul DALE was a suspect in that investigation.

110. My belief of the broad proposition of the proposed assistance of Ms GOBBO was for her to exploit her existing contact with Paul DALE in order to gather evidence against him. The Petra Task Force had every intention of then taking a witness statement from Ms GOBBO thus making Ms GOBBO a Crown witness.

111. I have already addressed the general concerns about this proposed activity in my response to Question 23.

112. I have documented all instances in my diary where I objected to this proposal by the Petra Task Force. I am aware that Detective Superintendent BIGGIN and ^{Sandy White-O} had previously been engaged by other members of Victoria Police about Ms GOBBO becoming a Crown witness. However, I have summarised my involvement below:

a. 05-12-08 at 0730 hours Meeting & Diary

Present: OVERLAND, BIGGIN, ^{Sandy White-O} ^{Peter Smith-O} & myself

Subject: Breakfast meeting at [REDACTED] re HS3838.

A/C OVERLAND requested a breakfast meeting to discuss the strategic planning for HS3838. A/C OVERLAND briefly visited the breakfast meeting whilst he was on his morning jog. A/C OVERLAND stated words to the effect that he had listened to the concerns of the

SDU, but then left a clear direction that HS3838 would be transitioning to a witness for the Petra Task Force.

b. 31-12-08 at 1230 hours Briefing Note & Diary

Present: BIGGIN & myself

Subject: HS3838 making a statement to Petra Task Force.

I was tasked by Detective Superintendent BIGGIN to compile a risk assessment on the direction that HS3838 will become a Crown witness for the Petra Task Force. I met with all available SDU staff and compiled a risk assessment in the form of a 3 page SWOT analysis (strengths, weaknesses, opportunities and threats).

The full document is held and available from Victoria Police.

I have reproduced the strategic analysis below:

Strategic Analysis

The SDU has undertaken a strategic analysis of that objective and the implications are outlined below:-

(a) Strengths

- Information / evidence is critical to support serious charges
- Possible prosecution against Paul DALE and others
- Disengagement of the SDU from the management of that individual

(b) Weaknesses

- Possible OPI / Government review into legal / ethical implications
- Disclosure of the long term relationship with SDU
- Time sensitive for HS – Medical condition / medication, no time to plan
- HS relationship with Vicpol could be adversely affected
- HS credibility – Acquaintances, criminal associates & sexual relationships
- Damage to HS business reputation – likely that source will lose reputation and business as a consequence of giving evidence
- HS prior inconsistent statements (verbal) – SDU re relationship with DALE and failure to disclose the bogus mobile phone numbers

- SDU are not aware of all intel held by Petra Task Force - Carl Williams, Rodney COLLINS [REDACTED]
- SDU should not be seen giving advice on this issue. Decision to be reached by HS regarding making a statement
- HS assistance to VicPol is known to numerous investigators (passage of time)
- Costs incurred as a consequence of making source a witness could be substantial:-
 - o Loss of income arising from loss of business/occupation (unlikely to be able to continue working in legal fraternity);
 - o Relocation costs if the Source's entire role became known.

(c) Opportunities

- Consider deactivation as a HS, as the individual is now a Witness
- HS to seek legal advice – Undertaken by HS at previous hearings (Ian HILL)
- Vicpol – Finalise of the relationship with HS and the settlement of the substantial cash reward owed to HS
- HS could be forced to attend a Hearing:-
 - o DALE attended a recent Hearing and lied about meeting WILLIAMS;
 - o Surveillance corroborates WILLIAMS using bogus mobile phones;
 - o Corrupt relationship between DALE and WILLIAMS.
- Witsec – Possible relocation only

(d) Threats

- Disclosure of HS role may result in death or serious injury
- At this stage, HS does not want to enter the full Witsec program
- Witsec – Adherence to policy against HS 'special' circumstances
- If HS makes a statement – Duty of care owed to the now Crown witness
- Status of the individual – Witness or Source?

- Exposure of the Source as a consequence of becoming a Crown witness
- Judicial review of police actions in tasking and deploying one of their own
- Petra has tasked HS to record a meeting with DALE on Sunday 07-12-2008
- HS has never admitted criminal activity to SDU
- SDU suspects that part of the motivation of HS to assist is a guilty conscience
- Public Interest Immunity – HS well connected in the Victorian legal fraternity
- HS Health – Source uses prescribed assorted medication (up to 180 mg of morphine a day) for chronic pain and is possibly suffering depression (not diagnosed). Source has, over the course of the last two years, suffered significant weight loss and lack of appetite
- Source has spoken of suicide but states she would not seriously contemplate such a course of action
- HS suffered a stroke in 1995
- HS concerned about the safety and welfare of relatives
- Unknown motivation for HS to make a statement
- SDU Source Contact Reports (SCR) and covert recordings being disclosed
- Time sensitive – Unknown issue to Petra Task Force & VicPol Command?
- HS role in the Petra Task Force is still not known by SDU
- OPI Review – Serving barrister assisting Police; Consideration of unsafe verdicts & possible Appeals; Prosecutions current (MOKBEL) & future?
- OPI Investigation – Implications of HS involvement with [REDACTED]
- Media attention on SDU – Methodology and tradecraft being exposed
- SDU staff exposure – Likelihood during any associated court processes
- Financial Damages – Action brought against VicPol by HS

•Risk versus Benefit – True value of a statement from this individual to any prosecution when balanced against the identified risks to Victoria Police.

113. By this time, Assistant Commissioner Simon OVERLAND had been promoted to the position of Deputy Commissioner, but appeared to maintain responsibility of the Petra Task Force.

114. It was quite apparent that D/C OVERLAND discarded our advice and chose to make Ms GOBBO a Crown witness for the Petra Task Force.

Q25. Provide details of your awareness as to any discussions within the SDU or Victoria Police more generally regarding the use of Nicola Gobbo as a witness for the criminal prosecution in relation to the murder of Shane Chartres-Abbott, including:

- a) what that assistance would be;*
- b) whether there were any concerns raised as to the use of Ms Gobbo as a witness in that proceeding;*
- c) who raised that concern; and*
- d) whether anything was done about that concern.*

115. The investigation into the murder of Shane CHARTRES-ABBOTT was code named "Briars" Task Force.

116. My belief of the broad proposition of the proposed assistance of Ms GOBBO was to exploit her existing associations with several of the persons of interests in order to gather evidence. The Briars Task Force appeared to be prepared to make Ms GOBBO a Crown witness.

117. I have already addressed the general concerns about this proposed activity in my response to Question 23.

118. I have documented all instances in my diary where I objected to this proposal by the Petra Task Force. I have summarised my significant objections below:

- a. 29-05-09 at 1730 hours Meeting & Diary
Present: D/S/Sgt IDDLES (Briars) & myself
 Subject: Briars decision to approach HS3838 for a statement. Asked to delay the decision as BIGGIN on leave and SDU needs to risk assess decision.

- b. 01-06-09 at 1545 hours Meeting & Diary
Present: CSR Sup't PORTER, ^{Peter Smith-O} & myself
 Subject: Briefed PORTER (CSR) that Briars is wishing to make HS3838 a Crown witness as well, just like Petra. Direction of Rod JOURNING (Sup't at Briars). Warned re safety of HS and disclosure. Sup't PORTER to follow up.

- c. 03-06-09 at 0712 hours Email & Diary
To: BIGGIN, GLOW, ^{Sandy White-O} and myself
 Subject: Request SDU Command to risk assess Briars Task Force

- d. 03-06-09 at 1500 hours Meeting & Diary
Present: PORTER (CSR), ^{Peter Smith-O} IDDLES + WADDELL (Briars), GLOW, & myself
 Subject: Outline request from JOURNING that HS3838 will make a statement to Briars Task Force. Warned already used for Petra and now Briars = Unsafe. Reinforced SDU concerns re safety of HS and disclosure. Sup't PORTER to follow up with Assistant Commissioner (Crime) MALONEY to ensure the Briars decision had been reached with all facts considered.

- e. 15-06-09 at 0905 hours Meeting & Diary
Present: PORTER (CSR), ^{Peter Smith-O} BIGGIN, GLOW, ^{Sandy White-O} ^{Fox-O} & myself
 Subject: Reviewed evidentiary value of HS3838 statement for Briars Task Force. Briars Board of Management now directing for the

statement to be taken, primarily Assistant Commissioner Luke CORNELLIUS. Decision for Sup't PORTER to persuade BOM that this option of HS3838 making a statement is a dangerous decision.

119. It is my belief that Police Command in charge of the Briars Task Force decided to use Ms GOBBO as a Crown witness.

Q26. Provide details of the disbanding of the SDU, including your understanding of:

- a) the reasons for its disbandment;*
- b) the procedures undertaken to disband it.*

120. I performed duties at the DSU / SDU from 22nd November 2004 to 6th June 2009. This was a period over 4½ years.

121. I successfully applied for a merit-based vacancy at the newly created [REDACTED] Investigation Unit based at the [REDACTED] Police Complex. The reason for my decision to leave the SDU was to further develop my career. On 8th June 2009, I commenced duties as the second [REDACTED] [REDACTED] at [REDACTED]

122. Consequently, I was no longer at the SDU when the unit was closed by Police Command. I was shocked to hear the announcement, given the very reasons for the establishment of such a unit in the first place. Furthermore, the decision seemed in complete contradiction to the myriad of positive reviews, audits and successful human source reward applications in my time at the SDU.

123. I was also concerned regarding the duty of care Victoria Police had to all of the active and deactivated high-risk human sources that were under the management of the SDU.

124. Key objectives of law enforcement is to prevent crime and protect the public from harm. The closure of the SDU left a service delivery gap in this specialist high-risk area of policing with no alternative.
125. What I am most surprised about was that in about the middle of 2014, the HSMU commenced a pilot that essentially was a re-formed SDU that continues to operate to this day. The pilot operates with members on temporary assignments positions.
126. In regards to the reasons for the closure of the SDU, I can only speculate why Police Command reached that decision. It may have been one or a combination of the following reasons:
- a. Budget
A view of Police Command is that the closure of the SDU would be a perceived cost saving of over \$600,000 per year.
 - b. Reputational Management
The commissioning of the secret COMRIE Report and the anticipated adverse findings, led to a proactive measure of closing the SDU. This may have been viewed by some in Police Command as a legitimate strategy to isolate them from the sanctioned use of HS3838.
 - c. Maximum Time in Position
The closure of a unit within Victoria Police is a management strategy to 'spill' positions and then permit Police Command to re-allocate resources. Most members at the SDU had no maximum time in position (MTIP) attached to their positions. Consequently, Police Command either had to wait for the member to transfer at their own choosing or under-performance manage that member out of the position they occupy. This may have been a strategy used by Police Command to close the SDU.

Other relevant matters (Questions 27 to 29)

Q27. Provide details of any other human source who, to your knowledge, has provided information or assistance to Victoria Police who were subject to legal obligations of confidentiality or privilege, including:

- a) the name of the human source;
- b) if registered, the number of the human source;
- c) the nature of the legal obligations of confidentiality or privilege;
- d) the nature of the information or assistance provided by the human source.

127. I have knowledge of two other individuals who were subject to legal obligations of confidentiality or privilege:

a. In 2005, [REDACTED] was assessed for registration by the SDU, but the registration did not proceed. [REDACTED] was a qualified lawyer, [REDACTED]. The full particulars are contained in a SDU [REDACTED]. Victoria Police has possession of that SDU document.

b. In 2008, ^{Mr MacCallum} [REDACTED] was assessed for registration by the SDU, but the registration did not proceed. ^{Mr MacCallum} [REDACTED] was a qualified lawyer. The full particulars are contained in the SDU [REDACTED]. [REDACTED]. Victoria Police has possession of that SDU document.

c. In 2014 ^{Mr MacCallum} [REDACTED] was registered by the Security and Organised Crime Investigation Unit (SOCIU). The registration was referred to me for assessment during my duties at HSMU. Interpose human source registration number: [REDACTED] refers. I met with investigators at the direction of the then CSR, Detective Superintendent Paul SHERIDAN. After my assessment of the registration, I determined that the registration will not be authorised as

Mr MacCallum
 it was not viable. [redacted] was a qualified lawyer, but unrelated risks were too significant. The full particulars are contained in the Interpose Record [redacted]. Victoria Police has possession of the Interpose record.

Q28. Detail any training, including any retraining, you have received in relation to:

- a) *your obligation of disclosure to accused persons, prosecution agencies and the courts;*
- b) *the right of an accused person to silence;*
- c) *the right of an accused person to a legal practitioner;*
- d) *LPP;*
- e) *public interest immunity; and*
- f) *professional and ethical decision making.*

128. Throughout my [redacted] year career in Victoria Police, I have received training in all of those topics at:

- i. Victoria Police Constable's Course;
- ii. Senior Constable examinations;
- iii. Detective Training School;
- iv. Sergeants' Course;
- v. Crime Management Detective Sergeant Training Course (DTS);
- vi. Human Source Management Course [redacted];
- vii. Australasian Human Source Management Course [redacted];
- viii. Discipline Investigation Course;
- ix. Advanced Diploma of Police Management;
- x. Certificate IV Training and Assessment (TAE40110).

129. My [redacted] years of specialist crime investigation duties has afforded me the experience of giving evidence in all jurisdictions of Victorian Law Courts, including Coronial matters, Appeal Courts and the High Court.

Q28. Are there other matters relevant to the Commission's terms of reference about which you are able to provide assistance to the Commission?

130. In September 2013, upon my transfer to the HSMU, I was shocked to discover that the entire SDU directory had been moved from the purpose built Victoria Police SDU secure server, known as the "I" Drive onto the HSMU server, known as the "G" Drive. This meant anyone working at the HSMU, including the Detective Inspector, LSR and CSR, all had unrestricted access to the entire SDU holdings.

131. From memory, the only files missing were the audio recordings and some of the files on the SDU standalone computer, known as the 'Z' Drive. However, most of the other restricted SDU material had been placed on the HSMU 'G' Drive. This included, but not limited to:

- a. SDU Office Minutes;
- b. Electronic diaries;
- c. Source Management Log;
- d. Risk assessments;
- e. Management reports;
- f. DSU Pilot Reports;
- g. Contact Reports;
- h. Information Reports;
- i. HS3838 Management Files.

132. All of this SDU material was easily discoverable and available for anyone with the appropriate level of access. It seems to me that this had been the case since at least September 2013.

133. My point is, that most of the SDU material was secured, easily available and included the SDU human source records relating to HS3838. However, no one bothered to ask.

134. I fail to understand the decision to commence the COMRIE review, not only in secret, but fail to afford those directly affected their opportunity to procedural fairness or natural justice. Furthermore, the mere fact that after Police Command received the COMRIE Report, no one bothered to ask the most obvious question, "Did that really happen?"

135. Given my recent access to the COMRIE Report and the subsequent release of assorted other material that has previously been kept secret from us (SDU), I will provide a further statement to the Royal Commission with a critical analysis of the unfounded allegations and flawed belief relating to the use of HS3838 by the SDU.

Back-O

05-06-2019