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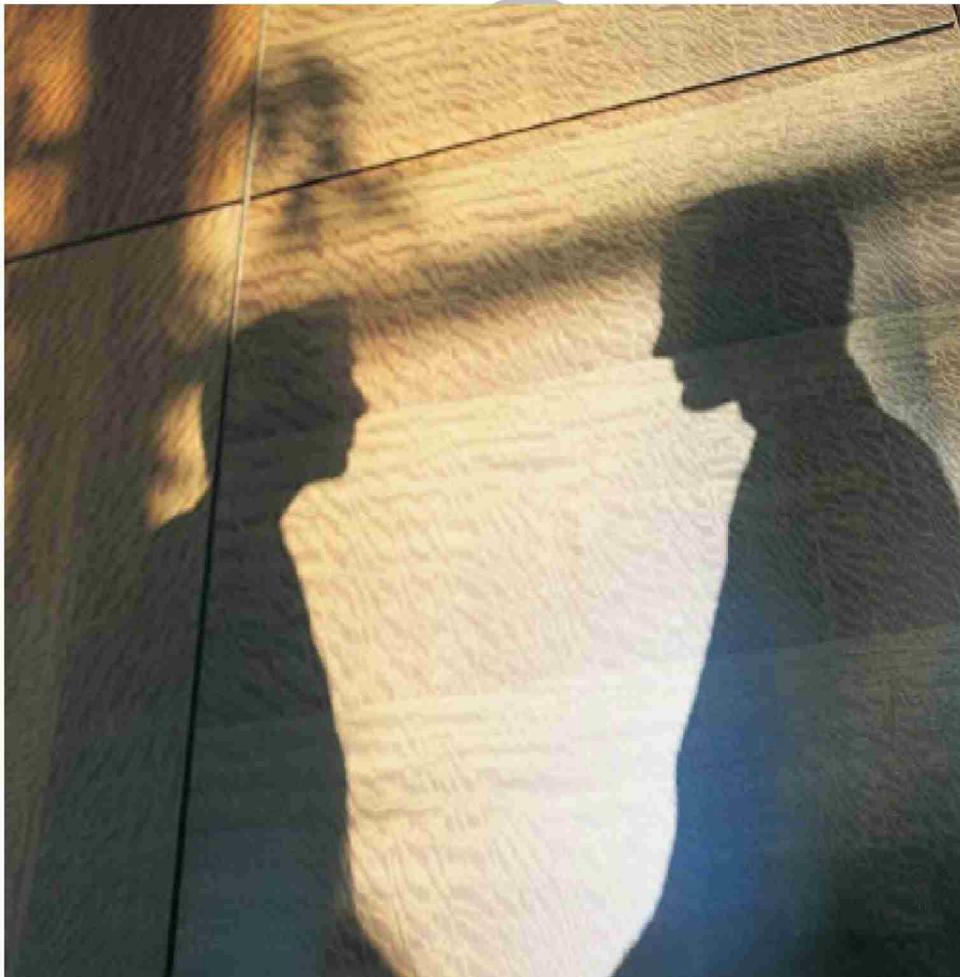
VICTORIA POLICE

Covert Services Division

Intelligence & Covert Support Command

HUMAN SOURCE STRATEGY
2018-2022 (draft v7)

A better way to manage risk



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1. Executive Summary

The management of human sources is broadly acknowledged as an essential law enforcement requirement in the fight against serious & organised crime and terrorism. However, the management of human sources comes with significant risks, including risk to life or serious injury to the source, risk of corruption and serious organisational reputation risk when things go wrong.

Victoria Police is in need of a fundamental change to the way it manages human sources¹. The current state is that compliance with policy is so poor that it necessitated a briefing to the Independent Broad-based Anti-Corruption Commission (IBAC). The briefing related registered human sources but it is known that there are members not following policy at all and running sources “off the books”. There are a number of factors as to why we are in the current state despite the multiple reviews of human source management over the years (IBAC, Mr Comrie, the Internal Audit Unit & CMRD). The previous audit results and the current state highlight the need to make a fundamental change and not tinker around the edges with minor incremental changes.

Victoria Police has a fundamental capability requirement to be able to actively gather human intelligence and protect those who covertly provide it as well as protect Victoria Police’s reputation. Effective use of human sources can achieve remarkable outcomes, as has been seen throughout 2017 and 2018 with [REDACTED]. Internationally it is recognised that investment and development of human source intelligence is critical for any law enforcement agency^{2,3}. However, continuation of the current state of poor compliance with human source policy is likely to seriously damage Victoria Police’s reputation.

The problem

- The existing governance framework using divisional superintendents is not effective.
- Members involved in human source management roles, including handling, supervision and governance are not prioritising compliance with human source policy over other priorities.
- Current policy & processes treat every source as though they are high risk and the required governance is not in line with risk creating unnecessary bureaucracy.
- The current bureaucratic registration requirements result in members running sources “off the books”, especially for one off information.
- There is a blur of requirements for offender debriefing and using information provided in a confidential manner.
- The current risk assessment tool is not fit for purpose.
- Where members do follow policy and register sources there is generally poor compliance with the policy time frames, primarily due to competing priorities.
- There is a lack of alignment of source activity to regional or divisional priorities.
- Community sources pose a greater risk to Victoria Police than human sources under current policy due to the lower level of governance of not having the source commit to an acknowledgement of responsibility.
- Human source management skills are perishable and members are being trained in human source management who then do not use the skills once taught, primarily because they have reactive policing roles.
- Members running unregistered sources “off the books” is causing damage to Victoria Police reputation when the source expects a Letter of Assistance at court or self discloses their assistance.

¹ In this document the term “Human Source” will generally include a Community Source

² Australian Institute of Criminology 2017. Future of investigations capability, AIC Reports, p 12

³ Counter Terrorism Conference 2016, Melbourne, key note speaker, [REDACTED]

The way forward

- Recognition that human source management is a protective policing activity.
- Creating a framework with specific and dedicated resources to manage human sources including a governance framework separate from general policing⁴, releasing divisional superintendents from the governance responsibility of human sources.
- Refine the risk assessment approach and scale the risk assessment tool to the risk - the less risk the less questions, to reduce bureaucracy.
- Separate the risk assessment tools for initial assessment and ongoing assessment to provide a greater risk focus on the on-going relationship with police and the effectiveness of established mitigation strategies.
- Removal of one off information from the human source process, where appropriate, and create a "Confidential Contact" process for one off information.
- Remove community sources and treat all sources as human sources if there is to be an ongoing relationship with police.
- Align source management activities to regional/divisional priorities by inclusion in tasking & coordination processes.
- Recommendations on IT improvements to assist with governance in the short term (Interpose) and long term (BlueConnect).
- Ongoing capability for management of high risk high value sources by the establishment of [PII] within Intelligence & Covert Support Command.

Capability

Under the Capability Plan, human source management has been identified as a key enabling capability that is aligned to multiple core capabilities being Intelligence and Investigation of Offenders

Also, with the use of encrypted communications within serious and organised crime and the counter terrorism environment, the use of human source information is seen internationally as a critical capability for investigations and prevention of terrorism incidents and organised crime.

Benefits

The benefits of implementing this strategy should be that

- compliance with human source management policy should go from poor to very high
- Intelligence will be gathered in line with command/regional/divisional priorities
- higher levels of governance and intrusive supervision will be applied
- the human source management model would be in line with international [PII] and national [PII] best practice
- more efficient and effective investigations of high level crime and prevention of terrorism
- reduced reputational risk to Victoria Police.

Conclusion

This strategy will take time to implement and require a commitment to resource; however, this strategy will provide the fundamental change in approach required, rather than an incremental change of a system and process that has been found to provide ineffective governance. The strategy will provide a way

⁴ Consistent with international [PII] and Australian best practice [PII]

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forward in regards to compliance with policy, governance, training and intelligence gathering in line with the needs and priorities of Victoria Police, rather than opportunity. The result will be that a number of core capabilities will also be greatly enhanced.

The risk of not implementing the strategy is:

- high risk of damage to Victoria Police reputation should any further external examination occur
- continued risk of reputation damage from the courts due to sources being run off the books
- source registrations are likely to drop dramatically due to increased cancelation of sources not fully compliant with policy
- an increase in sources being run off the books
- no change in the level of regional governance due to competing priorities
- an increased chance of a poorly managed source being involved in an incident that results in external examination of Victoria Police human source management
- wasted resources training staff who do not use the training

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2. Introduction

Whilst the use of spies is considered the world's second oldest profession, the use of informers or human sources has been critical for policing since the days when the London Metropolitan Police was establishing the role of detectives in 1842⁵. The information provided by informers usually means the difference between success or failure and their uses are virtually unlimited⁶.

Victoria Police has learnt much from the past in regards to human source management and the two external reviews into the management of a specific high risk human source. These reviews resulted in reputational damage to Victoria Police externally and damaged the brand of human source management within Victoria Police. Over time the human source registration process has become more complex, from placing a name in an envelope into a safe, to the current Interpose process. This increase in registration complexity has led to a lack of policy compliance, which was identified in the 2015 Internal Audit Unit review of human source management.

However, it needs to be noted that well managed human sources can be the most affordable and efficient way to obtain information and subsequently evidence, but a poorly managed human source can be a significant risk for the organisation. Human source management in the United Kingdom suffered extreme reputation damage over the year resulting in an inquiry in 2005 by the Police Ombudsman for North Ireland.⁷ This was followed by a restructured approach to human source management.

For an organisation to reduce the risks presented by human sources, an effective policy and governance process framework is required that protects the organisation. If police do not adhere to policy then risk is amplified. As such, Victoria Police needs a human source strategy that is an enabler to ensuring that human sources are being managed according to policy. It should ensure there is intrusive supervision, and that the policy strikes the right balance between bureaucratic management process and risk, so it does not become a barrier to registering a human source.

3. Why do we need a Human Source Strategy?

The case for adopting a human source strategy has never been greater. Traditional evidence and intelligence gathering techniques are now far less effective for organised and high level crime with the ubiquitous use of encrypted communications⁸.

The [REDACTED] has highlighted the critical role that human source intelligence plays in investigation capability⁹. The Future of Investigations Capability report by the Australian Institute of Criminology¹⁰ recommended further investment in human source development.

The current framework is failing Victoria Police with a July 2018 audit of active human source registration finding 56% not fully compliant with policy. Whilst the vast majority of these files were non-compliant due to policy time frames for actions not being met, they indicate a systematic failure of appropriate local governance. In 2016, a series of one on one interviews with regional LSRs highlighted that they rarely check the Interpose file after recommending the registration for approval and there is a low level of focus on human sources as part of their role as a divisional superintendent.

⁵ Origins of the Metropolitan Police, International Centre for the History of Crime, Policing and Justice (<https://www.open.ac.uk/Arts/history-from-police-archives/Met6Kt/MetHistory/mhOppPol.html>)

⁶ The Use Of Informers: An Essential Tool In The Fight Against Crime? Southern African Journal of Criminology, Acta Criminologica 24 (3) 2011, Anthony Minnaar,

⁷ Refer <https://www.policeombudsman.org/PONI/files/74/74915bd7-7342-4705-8299-c90930501f3b.pdf>

¹⁰ Australian Institute of Criminology 2017. Future of investigations capability, AIC Reports, p 12.

3.1. Current state



As stated, the current state of human source management in Victoria Police is poor and represents an ongoing risk to the organisation. Current policy and processes are seen by some members as cumbersome and they choose not to register human sources but rather run sources "off the books", which creates ethical risks. This occurs most where police consider the human source a low to medium risk or when it is not likely that there will be an ongoing relationship with the source.

For those sources that are registered, the current lack of governance reporting from Interpose means that many supervisors are not aware when policy is being breached. There is also a general lack of focus on human source management by divisional superintendents, due to competing priorities, which is contributing to poor levels of human source file governance.

Further, there is also an inconsistent approach to human source management across Victoria Police with some divisions running a dedicated source team (DST), some using human source liaison officers, others having human source management as a portfolio and some divisions doing nothing. Some divisions expect all their detectives to manage human sources whilst others focus on members of the divisional response and tasking units to undertake this task. The lack of consistent approach means that there is also a lack of alignment between human source recruiting and the divisional, regional or organisational priorities. When source management is not aligned to priorities it creates additional unnecessary workload and contributes to resourcing issues rather than assisting to reduce reactive service demand.

The view that every detective should be registering human sources is a common perspective from senior managers who were detectives ten or more years ago: however, the role, pattern of work and workload of a detective is now dramatically different. The role of the divisional detective within the region is now nearly 100% reactive investigations with no time available for the proactive management of human sources. Also, the culture of current investigators is that they rely far more on support services and technical methods to conduct investigations; such as, prospective information warrants, call charge records, telephone intercepts, tracking devices and listening devices. [REDACTED]

[REDACTED] This reliance on technology means that the tradecraft of recruiting and managing human sources is becoming more specialised within policing. The problem that this presents is that technological investigative techniques like telephone interception are becoming less effective due to the ubiquitous use of encryption, so there has never been a greater reliance on HUMINT.

4. What are the key issues?

4.1. Ineffective Governance Framework

The current governance framework relies on regional managers to provide the required supervision. This includes ██████████ (Controllers), the Officer in Charge (OIC) of the unit where the handler is stationed and the local Superintendent as the Local Source Registrar (LSR). The primary responsibility sits with the LSR; however, it has been established through one on one interviews with LSR's that they rarely have anything to do with human source management other than making a recommendation on the registration file to approve the source and then a recommendation for a reward or to deregister. Nearly a hundred percent of LSR's stated they do not review the registration file during the period of registration unless something happens that requires them to do so.

This approach to governance is critically flawed, as issues only come to the attention of the LSR once it is too late to prevent. The LSR's rely heavily on the OIC and Sergeant Controller to apply the required supervision. However, it has been found these role holders are very often not providing the level of supervision required.

Another issue that weakens the current governance framework is the reliance by Victoria Police on upgrading staff into roles. Nearly 100% of Divisional Superintendents agreed that discussion of human sources is not part of their hand over. Most Acting Superintendents have had no training in regards to the role of the LSR, despite offers to train being made regularly to the regions.

4.2. Competing Priorities

Victoria Police is primarily a reactive organisation where the public expects police to respond to incidents as they occur and investigate crimes that have been reported. All divisions struggle to allocate resources to undertake proactive operations and investigations to reduce the re-active service demand on the organisation. Divisional managers often shuffle their resources as the reactive service demands change and resources allocated to proactive operations are always the first to suffer. As such, members who are engaged in human source management are often advised that responding to the reactive service demand must take priority.

It is the issue of competing priorities that that makes the current governance framework ineffective with LSR's not allocating the time to provide the required governance, as they prioritise other work. The same occurs with OIC's and Controllers, which leads to a failure to provide appropriate governance and supervision resulting in a failure to comply with policy.

It has been identified within Victoria Police that some policing roles are specialist and require dedicated teams for that role to be completed effectively and efficiently. Examples of this include sex offender management, crime scene investigation and family violence. Human source management is no different in terms of tradecraft, governance and supervision. There are unique issues to human source management that do not exist in general duties policing or investigation. These are based around understanding the risk involved in the use of information, source motivations, the effect on court processes, safety of the source and knowing who should not be engaged as a source.

The Offender Management Project has also identified a need to move away from theme base teams, such as a burglary team, to an offender based approach. The Offender Management Project has identified a cross over between the proposed direction of the Offender Management Project (targeting specific offenders) and the development of increased human source management expertise.¹¹

4.3. Policy compliance

Human source management risk exists where police members do not register sources but maintains a relationship or take information with a commitment to keep the source of the information confidential. This is still occurring without the organisation having any formal record and it is Victoria Police's greatest risk around human source management. The current policy is framed so that every human source is

¹¹ Personal conversation 1 August 2018, between (a) Assistant Commissioner Scott Mahony and Superintendent Bernard Jackson.

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managed as though they are a high risk source, when in reality the vast majority are low-medium risk. The risk assessment document currently has fifty eight questions with a number repeated.

In order to create an environment where members are encouraged to comply with policy, the registration and risk assessment processes need to be streamlined so that it is not a barrier to registration but also provides appropriate risk management and governance. This issue was identified in the 2015 Internal Audit Unit review.

For those members who do the right thing and register sources there are still issues with policy compliance. The biggest issue is when information from a source is disseminated prior to registration approval. This is particularly problematic when the source has provided information on the basis of [REDACTED] matter they have pending. [REDACTED]

The problem is that, if police act on the information provided by a source then case law provides that the source is automatically entitled to a sentencing discount, regardless of the approval status of the source. There are a number of times when registrations have not been approved because it is not in the public interest that they are provided a sentencing discount. An example of this would be when a person is facing serious family violence assault charges and they provide information on a low level drug dealer. This risk is primarily driven by a lack of holistic understanding of the human source process by members who do not regularly engage with human sources and find themselves with a source willing to offer information. The current offender debrief process exacerbates this issue.

The most common human source policy compliance issues are a failure for source handlers or controllers to complete tasks and actions within the timeframes required by policy. The most common ones relate to a failure to review the risk assessment, failure to have a face to face meeting with the source, failure to check the contact report within time or the failure for a controller meeting within time. Feedback is that the cause of this inability to meet timelines is due to competing priorities.

4.4. Managing risk

Human source management can be a very high risk activity and it is essential that the framework for human source management creates a platform for ethical engagement with human sources. The lessons from the past need to be considered to prevent damage to the Victoria Police reputation, due to poor high risk source management, supervision and governance. Management of true high risk sources is literally a life and death matter and police engaged in managing high risk human sources need to be appropriately trained, supported and supervised to ensure the safety of the source and the reputation of Victoria Police is not in danger. However, the reward from proper management of a high risk source can be exceptional and has previously resulted in seizures of military grade weapons and munitions along with large amounts of drugs. Intelligence gained from high risk human sources is one of the most cost effective investigative strategies, costing far less than surveillance and other covert investigative techniques and is critical to high level investigations. Managing high risk sources also requires after hours availability, given the hours kept by the sources and targets. It is not something that can be done during business hours or on a casual basis.

4.5. Aligning human source management to divisional or regional priorities

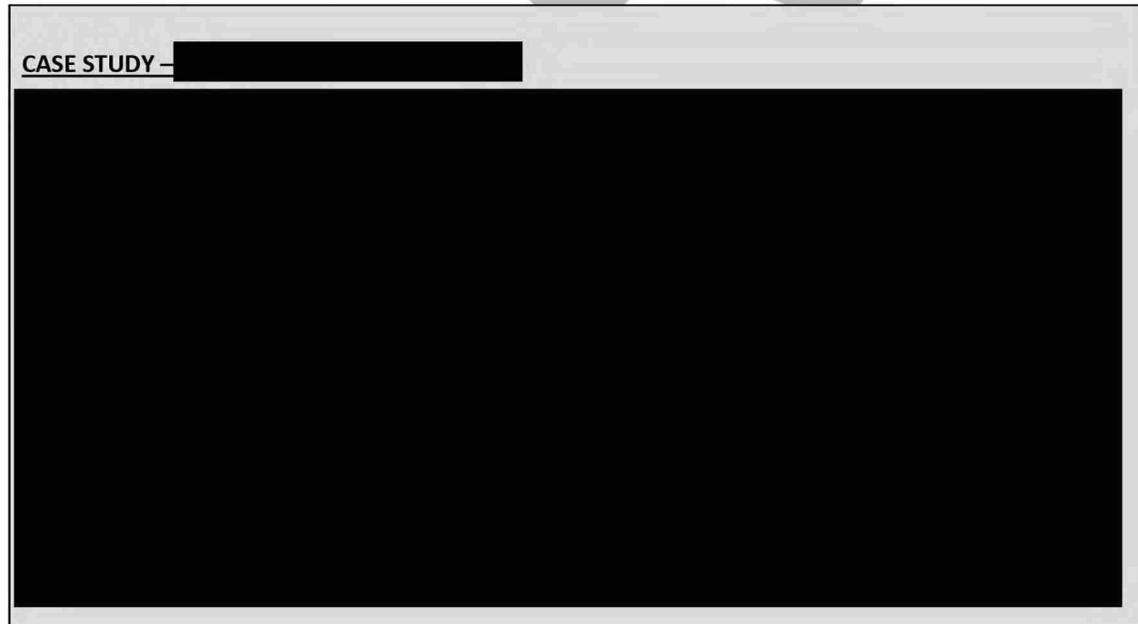
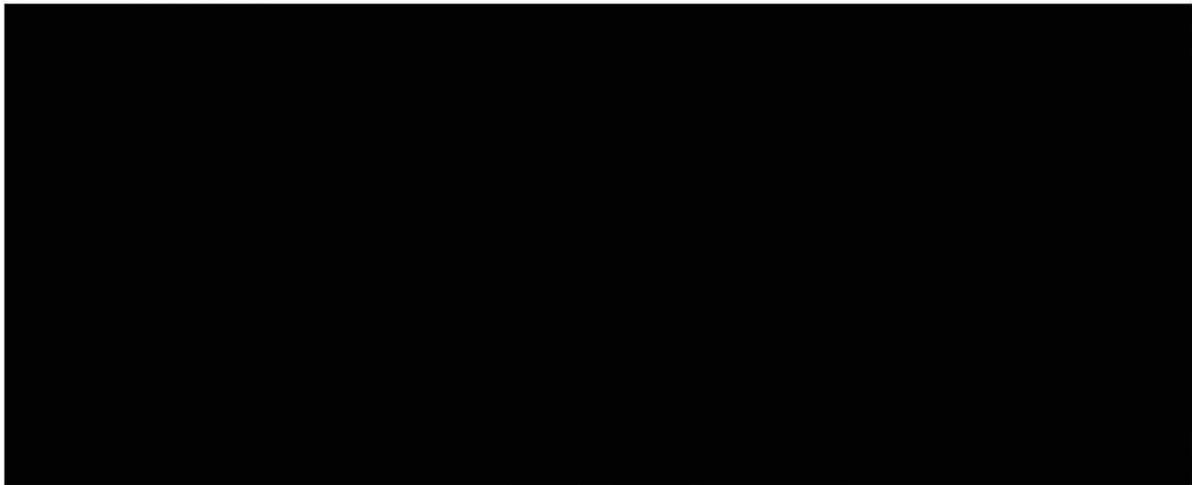
It has been identified, through direct consultation with divisional superintendents, that formal discussion of human sources as part of the tasking and coordination process at divisional level is nearly non-existent. This also applies at the regional level. There are only a couple of divisions that actively consider how human sources can assist in achieving the divisional or regional priorities. This lack of alignment of human source intelligence to priorities creates a number of issues. The first is that it makes it difficult for human source handlers to find an investigator to follow up on intelligence due to their existing workloads, if it is not aligned to a priority. If the intelligence does relate to a divisional priority then it will generally be aligned with detective's workload and priorities, resulting in far greater degree of interest in acting on the intelligence.

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The second aspect is that if human source information is not aligned to divisional priorities then the effort required by DIU analysts to process the information and add value is wasted effort as the information report will usually be filled without being acted upon. A measure of success in source management is the number of information reports generated that are acted upon or associated to current investigations/operations. The case study on page 8 shows how aligning source recruitment to priorities can achieve positive results and save Victoria Police thousands of dollars in resource costs.

Human sources have also been shown to be very effective for locating known offenders who are avoiding police but who continue to offend. However, this requires integration of source management to local priorities. An effectively tasked source management team should be able to target the right offenders which will result in a reduction in the reactive service demand for investigators, crime scene officers and uniform members. Also a well tasked team should reduce the time that fugitives are at large and continuing to commit offences.

4.6. Going Dark



¹² Refer CTC - Operation Velcro

5. What is the Human Source Strategy

5.1. Recognition of HS Management as a Proactive Activity

The fundamental principle underlining this strategy is recognising that human source management is a specialist proactive activity and then developing a governance and resource framework that supports this principle. Managing human sources requires time and effort and, due to the need to maintain a sterile corridor, the members handling the human source will not be the members investigating the information. It is separate from reactive policing activity, such as responding to requests for assistance from the public or investigating reported crimes. As such, human source management needs to be recognised as a proactive activity.

This recognition then allows a better understanding of who should be engaging in human source management based on capacity for proactive activity. For example, currently some CIUs are fully engaged in responding to reported crime and have almost no capacity for proactive activity; therefore, to require those detectives to engage in human source management would reduce their reactive service delivery capacity and extend investigation time frames. Statistics show that the Divisional Response Units register far more human sources than CIUs, which is indicative of their capacity to undertake the proactive activity.

RECOMMENDATION 1 – That human source management is recognised as a proactive activity

5.2. Recognition of Human Source Management as a Specialist Policing Role

A fundamental change to the approach of managing human intelligence is needed that designs out as many of the causal factors for non-compliance, poor governance, tradecraft risk and inefficiency as possible. It is proposed that:

1. Human source management is recognised as a specialist policing discipline, as much as a detective is for crime investigation, a HWP for road policing or even FVUs for family violence.
2. To have all resources involved in on-going human source management within one central chain of command within the Intelligence & Covert Support Command as an integrated human source management and governance framework. This would include embedded teams within the regions and commands, such as Crime & CT.
3. The governance and management of all of these teams would be removed from the regions and other commands and managed solely by the ICSC governance structure. This would provide managers whose job is solely focused on human source governance.
4. The embedded teams will be linked to the T&C process via dedicated regional/command supervisors within the governance framework to ensure close alignment and accountability to local divisional and regional priorities.

This approach would provide Victoria Police with a consistent approach to human source management across the state, which was one of the issues identified in the 2015 Internal Audit review of human source management¹³.

This approach would also make Victoria Police consistent with how human sources are managed within [REDACTED] police forces, who are seen generally as having world's best practice, and [REDACTED] who is currently considered to have Australia's best practice within the human source management networks.

Every regional divisional Superintendent who has or had a dedicated divisional human source team has acknowledged the significant benefit they provide to the division. These divisions have shown to have a significant increase in the number of information reports submitted as compared to divisions without a source team. A divisional source team can also be focused on specific issues, such as Taskforce [REDACTED] and the [REDACTED] as outlined in the case study.

¹³ Human Source Management Ongoing Risk Management and Post Implementation Review 2015 FY-Phase 2, Finding 7

The benefits of having an Integrated Human Source Framework with all human source management resources contained within a single command including teams embedded in the regions and other commands include;

- Removal of the governance responsibility and risk from Divisional Superintendents, where it rarely receives the required intrusive supervision.
- Remove the management and supervision function from the regions where it is considered burdensome and not given the required attention due to competing priorities.
- Dramatically improved intrusive supervision with dedicated resources to supervise and provide the specialist governance knowledge.
- Ensuring alignment of activities to priorities through formal integration to the T&C process, which is not occurring currently. This will occur through dedicated liaison officers at Senior Sergeant rank.
- Greater ability to fill organisational intelligence gaps through an enhanced ability to reach out to all source handlers; for example, identifying receivers of stolen cigarettes.
- Provide a consistent approach to human source management across the state, as per the Internal Audit recommendations.
- The isolation of the resources from other competing reactive duties and the ability to provide resources, such as covert vehicles, without local regional competing priorities.
- The potential to move human source management resources to where any surge demand may occur.
- The ability to achieve close to 100% return on training investment by focusing training on those members who have positions within a source team.
- The ability to move staff between teams for greater exposure between regions, Crime & CT.
- The creation of a career path for those who have a passion and a skill for human source management, which does not currently exist.
- A reduced risk when members are upgraded to backfill roles as acting managers will have the specialist knowledge of human source management to start with.
- The ability for front line members to refer human sources to a specialist team for assessment or recruitment.

One of their reasons that a centralised approach should be taken, rather than the decentralised approach that has been applied to CIUs, HWP, is due to the specific governance requirements required by the human source policy. Governance between the other units mentioned is essentially the same; however, human source governance is quite onerous and different to other forms of policing, which is why it is generally performed poorly within the regions. Isolating human source management governance to a centralised command structure allows for the development of expertise gained through continued practice and will result in higher levels of supervision and better governance outcomes.

One of the strong reasons that human source management needs to be recognised as a specialist role is that not every police officer can do it well. Successful human source managers share common personal attributes¹⁴ and members who do not have these attributes are unable to perform the role effectively. High performing detectives and expert investigators often are unable to make the switch from being an interviewer/interrogator to a source handler and have been deemed not competent at human source training courses, primarily due to not having the attributes of a source handler. This is a major factor as to why rotating regional members through local source teams fails to achieve any ongoing level of reasonable capability.

¹⁴ Key Attributes of an Effective Human Source Handler, Sellenger Centre for Research in Law, Justice & Social Change – Edith Cowan University, 2015

RECOMMENDATION 2 – That Victoria Police approve the transition to an Integrated Human Source Framework with all human source resources involved in the ongoing management of sources to be within the Intelligence & Covert Support Command.

5.3. Reducing Red Tape

5.3.1. Redefine Human Source meaning

The majority of human sources actually provide one off information and this generally occurs when the person is in custody, after they have been interviewed for an offence, and they wish to better their position. To go through the current process of registering the person as a human source, so that the information can be actioned, and then to deregister them immediately, can take weeks and is not an efficient way to deal with the information. The process is overly bureaucratic and motivates police members to not register the person or act on the information.

Redefining a human source as; *'a person who provides ongoing information or maintains an ongoing relationship with police, for the purpose of providing information, and wishes their identity to remain confidential,'* will then allow any person supplying one off information to be dealt with outside the human source framework in more efficient but still confidential manner.

RECOMMENDATION 3 – That a Humans Source is defined as “a person who provides ongoing information or maintains an ongoing relationship with police, for the purpose of providing information, and wishes their identity to remain confidential.

5.3.2. One off Confidential information

Whilst there are still some risks around persons who supply one off confidential information, such people will have the expectation that police will act on that information and will generally not provide information that would put them in danger when police act on it. However, only a few questions are required to determine if the information is safe for dissemination and action. If these questions identify a risk then a human source registration would be required. Such persons would not be tasked and there is no requirement for them to sign an Acknowledgement of Responsibility as there will be no ongoing contact with them.

It is proposed that persons who provides one off information and wish their details to be kept confidential be known as a 'confidential contact'. It is proposed that the information report process is modified to facilitate submission of confidential contact reports.

One of the key benefits of the confidential contact process is that there is no requirement for a sterile corridor, meaning that the member who receives the information can act on it themselves. If a Confidential Contact comes back to police with further information then they can be referred to a source handling team for assessment for registration as a human source.

A trial of separating one off information was conducted using the ND5 Divisional Source Team, Mill Park CIU and the SD3 Divisional Source Team. This trial identified the benefits of a one off information process. “The ability to have a medium (risk source) where one off intelligence can be received, disseminated and actioned in minutes benefits all stake holders in the process”¹⁵. The initial trial identified a number of issues which are being examined in a second trial at XXXXXXXX

It is proposed to have Interpose enhanced to permit one off reporting by confidential contacts with appropriate safe guards pending replacement of Interpose by Blue Connect. Any Confidential Contact Reports will be fully visible to the HSMU to ensure the process is followed correctly and to identify potential recruitment opportunities for human sources.

¹⁵ Daniel Chrystie, D/A/Sgt, ND5 Source Management Team May 2017, *Confidential Contact Pilot – Feedback*, report .

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It is proposed to develop a single day training course to ensure members understand the difference between a human source and a confidential contact. Registration of confidential contacts will require completion of this training day.

RECOMMENDATION 4 – That a person who provides one off information and wishes their personal details to remain confidential are known as a “Confidential Contact”.

RECOMMENDATION 5 – That Interpose Information Report process is enhanced to facilitate Confidential Contacts.

5.3.3. Human Source Referral/Assessment

Where a front line member engages with a person who either does not fit the Confidential Contact criteria or they believe they could be recruited as a human source there will be a referral process to ensure such opportunities are not lost. However, the local source team making the assessment will ensure that engaging the person as a source meets local T&C needs. Ensuring that quality if the focus rather than quantity of human sources; however through an assessment process there will be a record of how the potential human source could assist in the future if not engaged at that time.

5.4. New Risk Assessment Approach

5.4.1. Systemic Risk Factors

There are two type of risk associated with human source management. The first is systemic risk that is built into the framework being used. This risk is based on a framework that requires governance from managers who:

- Have little interest and intentionally ignore or at worst recklessly ignore – usually due to competing priorities.
- Have no background in investigations and or prosecutions.
- Have no training in relation to their role.
- Not having ownership of the position (upgraded or backfilling)

This strategy seeks to address the system risk factors through a centralised specialist framework. However in the short term it is proposed to allow divisions to delegate the role of LSR to their Investigations & Response (I&R) Inspector. It is believed that these Inspectors will have a greater capacity to provide the required supervision and governance. Whilst these positions are also subject to staff rotations and use of upgraded members, the role is usually filled by someone with an investigations background.

RECOMMENDATION 6 – That in the short term, pending implementation of a dedicated human source resource structure the role of LSR can be delegated to I&R Inspectors.

5.4.2. Tactical Risk Factors

Far too much time is currently spent by the HSMU trying to minimise the potential harm that has emerged from the use of a human source. Most commonly, this involves court matters where the identity of the source is likely to be exposed. However, it also covers management of criminality of human sources that was unknown at the time or during registration.

The way Victoria Police currently assess the risk in relation to a new registration and then the ongoing risk assessment process is flawed. Management of human sources will always involve risk and the decision to be made is based around balancing the potential negative outcomes that might eventuate from the risks after mitigation strategies have been put in place (residual risk) as compared to the potential benefit of using the source. Currently there is very little effort put into attempting to describe the potential benefits a source may provide. This is important, especially with the higher risk sources, as if it becomes clear that the benefit initially identified is not going to be realised then the registration should be reviewed.

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RECOMMENDATION 7 – That human source risk assessment process attempt to define the benefit sought from using the human source.

The current risk assessment form is a major factor contributing to why members do not register human sources, as it treats all human sources as though they are high risk. A proposed new risk management process will have two separate risk assessment tools. The first will ask key questions to identify general risks in relation to entering a human source relationship and then expand and then ask further questions exploring the risk if required. This concept is known as ‘cascading select questions’ and is used broadly by industries that manage risk. For human sources that pose a low-medium risk there will be [REDACTED] questions to answer only. For high risk sources the number of questions may exceed [REDACTED] similar to the current risk assessment tool. The new initial risk assessment will be developed in consideration on the principles outlined in the ANZPAA guidelines for human source risk assessment but adopting contemporary risk measurement approaches.

Current practice is to review the risk assessment periodically using the same risk assessment tool. This usually is a copy and update process where little thought is put into the effectiveness of risk mitigation strategies. It is proposed that a second risk assessment tool is developed that reviews the effectiveness of the previously established mitigation strategies and then seeks to identify any new risks presented through new tasking or targets. If there has been no change in status of the source then this ongoing assessment could take less than a minute to complete. For example:

- Are risk mitigation strategies proving effective (yes), are there any new targets (no), is there any new tasking (no) have any risk been identified at all (no) – completed.

The new risk assessment approach can be applied immediately upon development and approval with minimal policy change and is seen as an early win to encourage members to register human sources under the existing human source framework, pending the implementation of a dedicated source managing network.

RECOMMENDATION 8 – That two new risk assessment tools are developed where the number of questions are scaled according to risk. The first tool to assess initial risk and the second to assess the risk presented by the ongoing relationship and the effectiveness of mitigation strategies.

5.4.3. Three tier approach

It is proposed that the concept of a ‘Community Source’ be removed from the Victoria Police human source framework. The common perception of a community source is a law abiding citizen that wants to give information to police and remain anonymous. The reality is that under current policy the difference between a human source and a community source is that a community source is not tasked and is not required to agree to the Acknowledgement of Responsibility. This means that a community source could actually pose a higher risk to Victoria Police than human sources. An example of this could be a member of an OMCG group where there are no plans to task them but they have not signed the Acknowledgement of Responsibilities or discussed these responsibilities with a controller. The outcome could be that they may view their relationship with police as authority to continue to offend, as they have not been instructed not to. Also, there are clearly documented cases where detectives have attempted to avoid registering of a source and manage them according to policy by stating they are a community source and not tasked.

It is proposed to remove the concept of Community Source from the existing human source management framework once the new risk assessment processes have been developed and implemented. The reason for this is that where a source represents a low risk, such as community minded people, then the efforts to register them in the current framework will be greatly reduced.

The future state will only have human sources rated to the three risk tiers of low, medium or high risk. This is in line with the Internal Audit Unit review recommendations.

RECOMMENDATION 9 – That the term Community Source is abolished and human sources are rates as either Low, Medium or High Risk.

5.5. Managing High Risk Human Sources

When high risk sources are of high value the risk of engaging them as sources is only justified so long as the risks can be appropriately managed. The skills required to manage high risk sources are specialised and perish if not used frequently. [REDACTED] high risk sources is the only way to effectively reduce the risks to an acceptable level by ensuring appropriate tradecraft, supervision and governance is applied. [REDACTED] with appropriately trained staff, appropriate intrusive supervision, governance and regular external auditing can identify and forecast risks prior to them manifesting and obtain very high level outcomes and improve community safety. This has been demonstrated by [REDACTED] [REDACTED] is currently staffed by staff on secondment from Crime, Counter Terrorism and Intelligence & Covert Support Commands.

To meet the needs of the Victoria Police [REDACTED] needs to become [REDACTED] with gazetted positions in the very short term. [REDACTED] staffing should be set up initially to mimic the current [REDACTED] in size in order to manage high risk/high value sources from Crime, Counter Terrorism and Intelligence & Covert Support Commands. [REDACTED] should then expended in size by 50% to enable managing high risk sources from regions.

In the long term it is expected that there will be far more referrals of sources to [REDACTED] from the dedicated source handling teams embedded in the divisions, so the resourcing of [REDACTED] will need to be further expanded in the future.

It is important that the lessons learnt from the inquiries by Mr Comrie AO APM and the Hon Mr Kellam AO QC, regarding management of a high risk source and the Source Development Unit do not dissuade Victoria Police from engaging with high risk/high value sources. These reviews were based on the management of one specific source and Victoria's Police has come a long way since then having incorporated the advice both Comrie and Kellam into policy and practice. Since that time [REDACTED] has managed some very high risk sources and obtain exceptional outcomes. The introduction of an independent auditing process of [REDACTED] is a key to ensuring issues identified by Kellam & M Comrie are not repeated.

RECOMMENDATION 10 – That the [REDACTED] is provided with permanent positions ASAP with a structure of [REDACTED]

RECOMMENDATION 11 – That with 12 months after the establishment of a dedicated human source management framework with all source handlers being part of a single ICSC structure, that the resourcing level of [REDACTED] is reviewed to confirm the need for an additional [REDACTED]

¹⁶ Operation Kleenex-2016 & Operation [REDACTED] as examples (Get more examples)

6. Future State

The goal is to have a future state that provides enhanced governance and intelligence gathering capability, where dedicated resources focus intelligence gathering to local needs. The framework is designed to eliminate the risks presented by poor governance and lack of policy compliance whilst encouraging the front line to obtain and use confidential information. This will greatly reduce organisational risk and position Victoria Police in the best possible position to continue to gain high level intelligence in an environment of encrypted communications.



The key outcomes of this strategy will be:

- Improved governance & policy compliance
 - Removal of governance from regions/commands
 - Using specialist knowledge to supervise & manage sources who are not subject to competing priorities
 - Consistent approach to human source management across the state
- Increased capability
 - Acceptance that human source management is a proactive activity
 - Source management integrated to the T&C process
 - Focused training on members who will use the perishable skills
 - A career structure for specialist human source managers
- A streamlined process for source registration
 - Separating one off information from the definition of a human source relationship
 - Streamlined risk assessment where less questions are asked where there is less risk present.

7. How to Progress to the Future State

7.1. Sort Term Changes

7.1.1. Local Source Registrar Reports - Short term solution

The proposed creation of a dedicated human source network managed solely by ICSC would take time to deliver. As such in the short term the provision of governance reports to Local Source Registrars is key to improving governance levels and identifying non-compliance with policy. Consultation with Local Source Registrars has shown that the vast majority only reviews the Interpose file at the time of registration and again when the source is being de-registered. A monthly governance report is a major step forward in human source management as it will provide the Local Source Registrar with visibility as to how well each source file is being managed according to policy, which has specific timeframes for a number of activities; for example, review of risk assessment, check of contact reports by the controller, etc.

A governance report is currently manually generated by the Human Source Management Unit but it is proposed to make amendments to Interpose to auto generate the reports, in the short term, and for Blue Connect to provide both reports and dashboard views in the longer term. Feedback on the manually created governance report has been overwhelmingly positive from LSR's; however, there is still a reliance on the LSR to find the time to review the report in detail. Whilst the report provides a summary of file compliance data to the LSR, it does not cover what information is being provided by the source.

The manual creation of these reports takes a great deal of time and automation of these reports in the short term will allow the HSMU to focus on attempting to proactively identify risks and issues.

RECOMMENDATION 12 – That Interpose is enhanced in order to automate the creation of governance reports.

7.1.2. More flexible local approach to governance - short term solution

It is clear from consultation with Local Source Registrars that some Superintendents want their I&R Inspectors more involved in divisional human source management, as there is currently no formal role for the I&R Inspector. It is proposed to create a new role of 'LSR Delegate' who can perform all the transactional functions of the LSR on the superintendent's behalf. This would include recommendation for registrations, de-registration and reward applications. Whilst the LSR would continue to hold the responsibility for divisional source management, the new role provides flexibility and includes the I&R Inspector in the process.

RECOMMENDATION 13 – That policy and IT systems are amended to create the role of an LSR Delegate who can perform the transactional roles of the LSR.

7.1.3. Divisional Tasking & Coordination

It has been clearly identified through LSR consultation that recruitment and use of human sources is not part of divisional T&C process, which is a missed opportunity. If use of human sources is incorporated into the T&C process it assists with ensuring that source recruitment and management is more closely linked to divisional priorities. Linking the I&R Inspector to the process as previously outlined in the short term should make them aware of what sources are registered within the division. This also ensures the LSR is focused on the content of source information as separate to the governance of source files and compliance with policy.

In the longer term it is proposed to have a Detective Senior Sergeant embedded in each region and one for Crime & CT Commands who will attend all T&C meetings at Divisional and Regional level. These D/S/Sgts will ensure that locally managed sources are focused on local priorities, that new sources are recruited in line with the priorities and identify if sources being managed elsewhere in the state can assist with identified POIs or cross board issues.

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Regardless of the approach in the short or long term, it is believed that consideration of human sources should be an integral part of the T&C process.

RECOMMENDATION 14 – That human source management is formally incorporated as part of the T&C process.

7.1.4. Confidential Contacts – Short Term

It is proposed to enhance the current Information Report process and amend human source management policy to facilitate the confidential contact process for persons offering one off confidential information. A high order estimate from Distillery to enhance Interpose has been provided at about \$XXXXXX. The time frame for delivery of the proposed changes is about XXXXXX months

RECOMMENDATION 15 – That approval is provided for enhancing the I&R process to enable a Confidential Contact process.

7.1.5. Training – Short Term

The [REDACTED] course was recently revised with a view of providing the tradecraft from the previous [REDACTED] course. The purpose of the course is to qualify members to manage high risk sources and is to be renamed the [REDACTED] Course to avoid comparisons to the prior [REDACTED] which had a lower level of tradecraft or the [REDACTED] course. There is still work to be done to refine this course and whilst there is no urgency to run another course in the short term, the refinements should be made whilst the experience of the last course is still fresh.

The new [REDACTED] Course has created a gap between it and the currently [REDACTED] course. As such, the [REDACTED] course needs to be updated and it is to be renamed the [REDACTED] Course. The work on the [REDACTED] Course will be considered business as usual for the HSMU.

The current [REDACTED] course is an [REDACTED] and does nothing more than provide an overview of policy and procedures. It is proposed that this [REDACTED] course needs to be designed based on this Human Source Strategy to remove Community Sources, update the role of the I&R Inspector, outline the need for inclusion in the T&C process and outline the process for Confidential Contacts. This [REDACTED] will be known as the Human Source Policy & Procedures Program.

A new [REDACTED] course is to be developed that will teach members about the concept of a Community Contact. The training course will qualify members to use the Confidential Contact process so they can do so with confidence and clearly understand when a human source registration will be required. This [REDACTED] course will qualify members to be part of a human source handling team with a formerly [REDACTED] qualified member or a member qualified at the [REDACTED] Course, pending the role out of the Integrated Human Source Framework.

RECOMMENDATION 16 – That approval is provided for the creation of new training programs based on the adoption of the Human Source Strategy.

7.2. Long Term Changes

7.2.1. Training – Long Term

The return on investment for human source training has been poor with no significant increases of source registrations as a result of ongoing training. Targeted training has occurred where the [REDACTED] was included as part of the Field Investigators Course for members attempting to become qualified as a detective; however, this was determined to be a highly ineffective approach. Since that time the focus has moved to members who are working in Crime Squads or Divisional Response Units as they engage in proactive investigations. Whilst this has improved results, the return on investment is still not high.

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If human source management is restricted to dedicated teams then the focus on training can be narrowed to train only those members who have expressed a desire to perform source handling. These members can be screened for positions based on having the required attributes to be part of a dedicated team, similar to screening for the Undercover Unit training course. This should see near to 100% return on training investment.

7.2.2. Design for the future (Blue Connect)

It is proposed that human source management within the Blue Connect design will include a number of features to enhance governance and policy compliance through the use of dashboards, automatic notifications, automatic reward application compilation and governance reporting. It is proposed that it should also include a separate process for one off information received from confidential contacts.

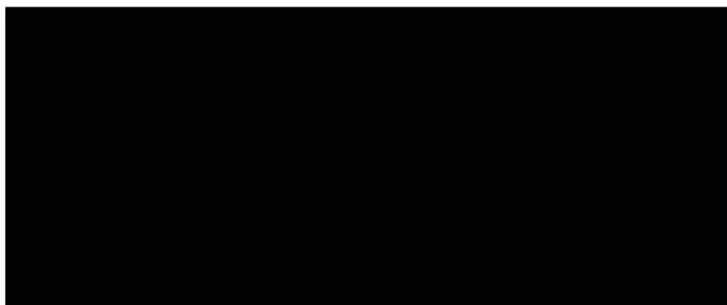
These features should dramatically increase the efficiency of managing human source files and provide motivation for members to register sources rather than run them off the books.

RECOMMENDATION 16 – That Blue Connect case management system is designed to streamline human source file management to include human source governance reporting and governance dashboards.

7.2.3. Resource Allocation

Currently there are a seven of divisions who have a dedicated human source team, being

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It is proposed that the transition to an Integrated Human Source Framework would be one region at a time followed by non-regional commands.

It is further proposed that the staff performing the roles in the current source teams would be offered the position under the ICSC framework if they were assessed as suitable. This would require these positions to be replaced in the region so that the regions would not have a resourcing impact due to this strategy.

The allocation of additional resources to the regions and Commands is outlined at appendix X and it is believed that this should occur over a three year period.

Year 1 –

Year 2 –

Year 3 –



RECOMMENDATION 17 – That a commitment is made to resourcing the Integrated Human Source Framework over a three year period, including replacement of staff transferred from regional or other commands.

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7.2.4. Review of HSMU

The transition to the Integrated Human Source Framework will also require a review of the HSMU with an expected reduction in the number of D/Sgt's required for governance to current numbers. However, it would be expected that another Inspector would be required to manage the regions with the existing Inspector to manage ^{PII} and source teams embedded in the Commands. Some of the existing D/S/Sgt positions will be transitioned to Regional Liaison positions. Consideration will need to be given to the processes surrounding processing reward applications and training coordination and delivery. A number of the D/Sgt's currently performing governance at the HSMU could be transitioned to the role of Controller with a divisional source team.

RECOMMENDATION 18 – That a review of the HSMU is conducted as part of the implementation of the Integrated Human Source Framework.

7.3. Alignment to Capability Framework

Human Source management has been identified as an enabling capability under the Intelligence heading and it directly enables the core capabilities of Offence Detection, Offence Investigation, Offence Pattern Response under the Offence and Offender Management heading. Human source management can also enable the core capability of Early Intervention under the Prevention heading

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7. Implementation

It is proposed that the creation of this human source integrated framework would be implemented by initially having the currently established human source teams and staff realigned to the HSMU and the regions provided vacant positions to compensate for the loss of FTE. The next stage is proposed as having new positions created to complete the integrated human source framework as outlined in Appendix 1 in a phased approach as resources are made available.

It is believed that some of the proposed changes can be implemented immediately, some in the short term and others in the longer term.

Phase 1

- Creation of a new risk assessment tool - end 2018
- Amend Interpose to allow for LSR Delegates - early 2019
- Amend Interpose to facilitate the Confidential Contact process - early 2019
- Creation of a [REDACTED] course – confidential contacts ([REDACTED] human source training course)
- Formal creation of [REDACTED] - early 2019
- Draft policy update re Confidential Contacts - early 2019
- Update to [REDACTED] policy and awareness program (formerly [REDACTED] training)

Phase 2

- Release new policy re confidential contacts & communications
- Release new [REDACTED] policy and awareness program (formerly [REDACTED] training)
- Roll out of the [REDACTED] course – confidential contacts (basic human source training course)

Mid Term

Creation of governance reports in Interpose - mid of 2019

Creation of a process for managing one off information within Interpose - mid of 2019

Transition existing dedicate human source teams to the HSMU and replace positions to regions/command

Longer term

Establishment of divisional dedicated source teams - from 1 January 2018

Expansion of [REDACTED] - from 1 July 2020

APPENDIX 1

Integrated Human Source Framework - Resource Model

HSMU Office

Inspector

S/Sgt - Administration

D/Sgt

Southern Region



North West Metro Region



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Timeline

- HS Strategy approved
- Update HS policy
- Update ██████████ program
- Introduce new risk assessments
- Commence training for new ██████████ course – Confidential Contact
- Deliver Interpose Reports

Drivers of risk

- Lack of understanding at all levels
- Lack of background in investigations/prosecutions
- Lack of training
- Arrogance/ignorance
- Competing priorities

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RECOMMENDATION 1 – That human source management is recognised as a proactive activity

RECOMMENDATION 2 – That Victoria Police approve the transition to an Integrated Human Source Framework with all human source resources involved in the ongoing management of sources to be within the Intelligence & Covert Support Command.

RECOMMENDATION 3 – That a Humans Source is defined as “a person who provides ongoing information or maintains an ongoing relationship with police, for the purpose of providing information, and wishes their identity to remain confidential.

RECOMMENDATION 4 – That a person who provides one off information and wishes their personal details to remain confidential are known as a “Confidential Contact”.

RECOMMENDATION 5 – That Interpose Information Report process is enhanced to facilitate Confidential Contacts.

RECOMMENDATION 6 – That in the short term, pending implementation of a dedicated human source resource structure the role of LSR can be delegated to I&R Inspectors.

RECOMMENDATION 7 – That human source risk assessment process attempt to define the benefit sought from using the human source.

RECOMMENDATION 8 – That two new risk assessment tools are developed where the number of questions are scaled according to risk. The first tool to assess initial risk and the second to assess the risk presented by the ongoing relationship and the effectiveness of mitigation strategies.

RECOMMENDATION 9 – That the term Community Source is abolished and human sources are rates as either Low, Medium or High Risk.

RECOMMENDATION 10 – That ^{PII} [REDACTED] is provided with permanent positions ASAP with a structure of [REDACTED]

RECOMMENDATION 11 – That with 12 months after the establishment of a dedicated human source management framework with all source handlers being part of a single ICSC structure, that the resourcing level of ^{PII} [REDACTED] is reviewed to confirm the need for an additional [REDACTED]

RECOMMENDATION 12 – That Interpose is enhanced in order to automate the creation of governance reports.

RECOMMENDATION 13 – That policy and IT systems are amended to create the role of an LSR Delegate who can perform the transactional roles of the LSR.

RECOMMENDATION 14 – That human source management is formally incorporated as part of the T&C process.

RECOMMENDATION 15 – That approval is provided for enhancing the I&R process to enable a Confidential Contact process.

RECOMMENDATION 16 – That Blue Connect case management system is designed to streamline human source file management to include human source governance reporting and governance dashboards.

RECOMMENDATION 17 – That a commitment is made to resourcing the Integrated Human Source Framework over a three year period, including replacement of staff transferred from regional or other commands.

RECOMMENDATION 18 – That a review of the HSMU is conducted as part of the implementation of the Integrated Human Source Framework.

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