



Department of Immigration and Border Protection

REPORT INTO AN INVESTIGATION OF A COMPLAINT ABOUT
PROPERTY MANAGEMENT AT AN IMMIGRATION DETENTION
FACILITY

November 2014

Report by the Commonwealth and Immigration Ombudsman,
Colin Neave, under the *Ombudsman Act 1976*

REPORT NO. **03|2014**

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ISBN: 978-0-9750680-7-6

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EXECUTIVE SUMMARY

On 27 March 2013, Mrs X complained to the Commonwealth Ombudsman that USD \$5 000 went missing when entrusted to a Serco¹ Officer during transit to an Immigration Detention Facility (IDF) in October 2012.

The Department advised our office that Serco investigated Mrs X's claim, however, Serco concluded that there was no evidence to support Mrs X's claim that she had submitted the money to a Serco officer during transit. The Department maintains there is insufficient evidence that Mrs X entrusted the money to Serco as she claims. Our investigation did not reveal sufficient evidence to either confirm or deny Mrs X's claims.

The Department also advised that Serco received other complaints early in the reception process, which involved claims of missing valuables from other clients during the same transit to the IDF. The Department advised that these claims were investigated by Serco and it was not able to establish or locate any evidence of the valuables being handed to the Serco Officer.

In our view, Serco did not follow an appropriate 'in trust' property procedure for currency exceeding AUD \$100. The informal protocol utilised at the time of the incident was not appropriate for receiving and managing client property, particularly valuables. The informal protocol left Serco and the Serco officer vulnerable to allegations of missing property because of the lack of checks and balances, in particular, the lack of record keeping of the chain of custody. A person could claim to have handed over valuable property, and it was difficult for Serco, the Department or this office to substantiate one version of events over another.

We considered that:

- there was insufficient evidence to support the view that Mrs X did not submit the USD \$5 000 to Serco prior to being transported to the IDF
- Mrs X was apparently not the only person not to be issued with a receipt for property collected during the same transit to the IDF
- the informal protocol used by Serco for dealing with detainees' property at the time has made it impossible for either Serco or the Department to say with certainty what property was collected from Mrs X
- at the time it appears there was a lack of clear policy and procedural advice governing the collection, recording and, in particular, the receipt of property during transport (from arrival through to reception at an IDF). This raises concerns about the integrity of the chain of custody of client's valuables, which leaves Serco and the Department vulnerable and clients potentially disadvantaged.

To resolve the matter, we recommended that Serco reimburse Mrs X the amount she claimed to have lost.

The Department and Serco did not agree with our recommendation.

¹ Serco - Asia Pacific Pty Ltd is the Detention Service Provider (DSP) contracted by the Department of Immigration and Border Protection to manage Australia's network of immigration detention facilities.

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The Department and Serco have not substantiated their view by providing any documentation to evidence that the protocol Serco followed had been agreed upon, committed in writing and endorsed by Serco management or the Department.

In our view, Serco has not effectively delivered the contract in this case, and the Department is reluctant or unwilling to take relevant action under the contract as the contract manager.

The Department referred to the possibility of compensation as opposed to reimbursement. However, this option is not reasonably practical, given the Department's view that it is not at fault.

In Serco's view, there was no omission or neglect on its part. Serco advised that this is a matter for the police. Given that these events happened two years ago, and Serco did not assist in this regard at the time, contacting the police does not appear to be a viable solution.

We also recommended that there was a need for systemic improvements to address a gap in Serco's policy and procedures and that the Department should take a leading role in doing so.

We welcome the Department's commitment to taking action on this matter.

PART 1— COMPLAINT

1.1 On 27 March 2013, Mrs X complained to the Commonwealth Ombudsman that on 20 October 2012 USD \$5 000 of her money was removed from her possession during her transit from her point of entry at HMAS Coonawarra and her arrival at the Darwin Airport Lodge (DAL) Alternative Place of Detention (APOD), and was not returned to her on her discharge from detention.

1.2 Mrs X advised that she and her family arrived at Darwin, Australia by boat on 20 October 2012. When they arrived onshore, everyone from the boat was required to give the Serco Officers their possessions (not including valuables), and they were advised that these would be returned when they arrived at the IDF. However, on the bus on the way to the IDF, a Serco Officer directed that all the detainees' valuables, including money were to be handed to him and these were placed in a plastic bag. On 21 October 2012, Mrs X advised the Serco Property Management Team that she handed over USD \$5 000 on the bus to a Serco officer, however, she was not given a receipt. Mrs X and her husband also reported a missing mobile phone, which they think was handed over at the same time as the money and put in the same bag, however they are not certain. While the mobile phone was initially missing it was eventually returned. The Serco Property Management Team noted the claims of missing money and the missing mobile phone on a property receipt. On 4 January 2013, Mrs X lodged a formal complaint with Serco. Serco asked her to provide a receipt or a receipt number for the money she claimed was missing. Mrs X advised that a few other clients on the bus handed over their valuables and witnessed the interaction between her and the Serco officer, however she is unsure as to whether their valuables and money were returned. When Mrs X was discharged from immigration detention, she requested that the money be returned, however, this did not happen.

PART 2— INVESTIGATION

2.1 Our office decided to investigate Mrs X's complaint, as it appeared from the information provided that:

- Only one Serco Officer was present and taking carriage of clients' valuables
- No receipts were issued when the valuables were entrusted into Serco's care
- The claim of USD \$5 000 going missing during transit was not referred to the police for investigation
- On the face of it, it did not appear that Serco had followed the policy and procedures for 'in-trust' property management
- It was unclear as to whether, or how, Serco investigated the claim by Mrs X.

2.2 On 11 April 2013, under s 8 of the *Ombudsman Act 1976*, we wrote to the Department commencing an investigation. On 6 June 2013, the Department provided a response to our specific questions and provided the new draft Policy and Procedures Manual (PPM) dealing with property (this was not in place in October 2012), the Transport and Escort Operational Orders for the transit operation in question, the complaints made to Serco by Mrs X and Serco's investigation of the

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complaints.² We reviewed the information provided and determined that further investigation was warranted due to:

- The draft PPM provided clearly indicated that when receiving ‘in trust’ property, receipts are to be issued
- Mrs X’s recollection of the events was similar to the information contained in the Transport and Escort Operational Orders
- Mrs X raised the claims with Serco on the same day of arrival and during the induction, and again on the following day when her property was being receipted
- The complaint raised included similar circumstances to other contemporaneous complaints received about the management of in trust and valuable property
- Claims of valuables going missing during the same transit to the IDF
- In relation to the Serco investigation of Mrs X’s claim, only two Serco Officers provided statements, and there appeared to be discrepancies with the dates on the statements. Furthermore, a significant period of time elapsed between the incident and one of the Serco Officer’s statement being taken
- The Department provided a copy of Serco’s ‘Induction Checklist’ for Mrs X which was completed on 20 October 2012, the same day of arrival – the checklist records that Mrs X claimed that USD \$5 000 money taken from her by a Serco Officer was missing. The Induction Checklist included the following internal control checks: was the cash counted in the presence of the person in detention and another officer? Was the cash sum recorded on the sealable bag, sealed and signed by the person counting and a witness? Serco had recorded “not applicable” in the comments section.

2.3 We requested further information from the Department on 3 July 2013 and the Department responded on 17 October 2013.

2.4 The Department provided information about an internal Serco investigation that was conducted in relation to the claim of USD \$5,000 going missing. The internal investigation found that there was no evidence to support Mrs X’s claim that she had submitted the money on the bus.

2.5 Serco advised that at the time of Mrs X’s arrival, Serco was responsible for clients’ property as people were being disembarked. It was the process that as clients were being marked off the manifest and issued an identification bracelet that they placed their valuables into a bag, which was sealed in front of them and the seal number recorded on the manifest. These sealed bags were then placed in a large plastic bag which was also sealed, the seal number was then recorded on the manifest. The sealed bags were then handed over to the Serco Property Management Team at the relevant IDF. When property was placed in trust at each IDF, receipts were issued when the client arrived at the receiving IDF. The Department says that at the time of the alleged incident, the process of collecting valuables and other property described by the Serco Officer in his report was in line with the Departmental and Serco protocol for receiving property in respect of direct boat arrivals in Darwin.

2.6 While Serco advised that the clients (which the Department and Serco appear to assume includes Mrs X) witnessed the property being placed in bags and recorded

² In referencing the Department’s response to our investigation, we are incorporating both the Department and Serco’s responses.

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against the manifest, there was no acknowledgement or record of this by the client, such as a signature against the manifest that the client had witnessed the procedure.

2.7 Serco advised our office that Mrs X's dossier³ was checked to find out what items or valuables were received by Serco upon her arrival and whether any items were stored in trust. Serco also advised that where appropriate, the dossier of a client's immediate family members were also cross referenced. In this instance, Serco advised it also searched the abandoned and unclaimed property register for the relevant items. According to Serco, it was not able to locate any evidence that Mrs X had given any money to a Serco Officer.

2.8 The Department has however said, given there were procedures in place to securely handle items received on the bus, a claim that the money has been taken out of the sealed bag between the bus and the facility is most appropriately a matter for the police. The Department says that it is open to Mrs X to make a complaint to the police.

2.9 In our view, the Serco investigation was limited because at no stage did Serco interview Mrs X or other detainees that were on the bus during the same transit to the IDF. Furthermore, we note that Serco did not advise or assist Mrs X to make a complaint to the police.

2.10 We asked the Department whether other clients on the same boat arrival had made claims of valuables going missing during the transit. The Department advised that there was another complaint of valuables, a wallet with AUD \$1 200 in it, going missing during the same transit. However, Serco's investigation determined that the allegation was unfounded also. In this case, it appears that the wallet was found a week later by the detainee after searching numerous seal bags, however, there was no money in it.

PART 3—ISSUES ARISING FROM OUR INVESTIGATION

3.1 In assessing this matter, we have considered the applicable contractual obligations, policy and procedures and whether they were appropriately followed in Mrs X's case.

Contractual obligations

3.2 We note that the Immigration Detention Centre Contract between the Department and Serco includes transport and escort services in Schedule 2, section 2.2.5. It is stated under the philosophy for this section that, the delivery of transport and escort services by the service provider will need to ensure people in detention and their property are moved discretely, safely, efficiently and securely to meet the needs of the Department.

3.3 At paragraph 1.5(d)(iii) it is stated that for all transport and escort tasks the service provider must provide secure storage for any property of people in detention. However, there are no further details relating to how to secure property. There is no policy and procedure in relation to the collection of property, the use of bags and

³ The dossier refers to the documents and records held by Serco relating to Mrs X's arrival at the IDF.

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seals, record keeping against the manifest, and the issue of receipts during transport and escort services.

3.4 The Department did not provide us with documented evidence of the relevant protocol it said that the Serco officer correctly followed at the time. In terms of what should happen on arrival at an IDF, we note that the Immigration Detention Centre Contract between the Department includes management of the property of people in detention in Schedule 2, section 2.2.1. Given that an amount of USD \$5 000 is to be treated as property that would be held “In Trust” rather than “In Possession”, we note that paragraph 4.2 provides that:

the service provider must remove from each person in detention and hold as in trust property all property on the excluded and controlled items list, and

when removing or holding the in trust items, explain to the person in detention the reason for the removal, and record the items on the property list.

3.5 Further, paragraph 4.7 concerns lost, stolen or damaged property of people in detention in the care of the service provider. At paragraph 4.7(a) it states that:

Where In Trust Property is lost, stolen or damaged, the Service Provider must reimburse, at its own cost, the Person in Detention for the commercial replacement value of the property.

At paragraph 4.7(c) it states that:

The Service Provider is responsible for costs associated with any property retained by the Person in Detention in the Facility that is lost, stolen or damaged where that loss, theft or damage is caused by any act, omission or neglect on the part of the Service provider or Service Provider Personnel.

3.6 Overall, it does not appear that Serco met its contractual obligations for the property management of people arriving by boat on 20 October 2012, because there was no recording of items on the property list when the Serco officer took possession of “In Trust” items during transit. It appears that the plan was to record the items on the property list at the IDF. In our view, a description of items taken should have been recorded at the time, and not later. Recording the details of items collected at the time ensures a rigorous and more stringent system.

3.7 Serco has also not accepted that it has an obligation to reimburse Mrs X, despite the fact that its contract with the Department suggests that it should do so where that loss is caused by the apparent ‘act, omission or neglect’ by Serco or Serco personnel in this case.

Policies and procedures

3.8 At the time of Mrs X’s transit to the IDF, the Immigration Detention Centre (IDC) Admissions policy and procedural document dated May 2010, was in place. The Admissions policy and procedural document does not provide policy and procedures for the management of property during transit from a newly arrived boat to an IDF. However, this was the only related policy and procedural advice available. It does, however, reference what to do when someone has arrived at an IDF and the property needs to be processed during admission. The Admissions document states:

The Person in Detention’s property bags will be checked against the Person in Detention’s escort Property Record, to confirm that all property has arrived. The unique property seal number must tally with the seal number written on the escorting Property Record.

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3.9 The Admissions document provides the following advice about the requirement to issue a receipt:

The Person in Detention will be required to sign the Person in Detention Property Record after they have had the opportunity to see that it is correct. They will then be issued with a receipt.

3.10 We note that the issuing of a receipt is done after the property has been collected and in a different location and presumably by a different person, and not at the time it was collected. Furthermore, the Admissions document provides the following procedures when handling cash:

Cash will not be allowed in possession within an IDC. Any cash will be checked and recorded in the presence of the Person in Detention and placed in a Stored Valuable Property safe. The person in detention will receive a receipt for monies stored.

3.11 We are also advised by the Department that in addition to this document, there were local protocols in place to deal with local variations for the handling of property, however, the Department and Serco have not provided copies of any protocols for Darwin. Instead, on 6 June 2013, in response to our investigation, the Department provided Serco's Draft Policy and Procedures Manual (PPM), which was to be implemented across the detention network on 31 July 2013. We reviewed the draft PPM provided in relation to in trust and property management.

3.12 Serco's Draft Policy and Procedures Manual (PPM) states that:

Using only nationally approved documentation, staff must

- record in Trust and In Possession property in the presence of the client
- provide the client with a receipt for all property held In Trust, confiscated, or handed out
- maintain accurate and up to date records relating to personal property
- ensure the client signed accepting responsibility for all property held in Possession
- record the date and time if a client refuses to sign property paperwork, and have this witnessed by another staff member
- witness all documentation relating to In Trust Currency where the total amount of currency exceeds Aud \$100.00
- store all property documentation in the client's dossier.

The Draft PPM also states when handling currency exceeding AUD \$100:

When handling any currency that exceeds AUD \$100 staff actions must be witnessed by another staff, and all transactions to be in the presence of the clients.

Furthermore, the Draft PPM states:

All details of the currency must be recorded on either the In Trust Currency Australian (SIS-OPS-FRM-0044) or In Trust Currency Foreign (SIS-OPS-FRM-0043) forms.'

3.13 These documents allow for signatures of two Serco Officers and the client. This did not occur in Mrs X's case. This is not because the money did or did not exist, it did not occur because the process was not followed during the collection of valuables during this particular transit operation. We provided the Department with a copy of our office's inspection report prepared after observing a boat arrival in Darwin in March 2013 where the processes applied to Mrs X's arrival were still applied.

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3.14 The Serco draft PPM did not address the issue of collection, recording and receipt of property during transport and escort services from the location of arrival to a detention facility. We also note that these were new PPM due to be implemented after the incident in question.

3.15 In Serco's response to the draft of this report, it does not agree with the assertion that Mrs X or Mr X were not issued with receipts for their property. Instead, Serco refers to forms which were countersigned by Mrs X when at the IDF. Serco advised that there was no reference to the USD\$5,000 on the Serco Property In-Trust form. We note that the property receipt countersigned by Mrs X dated 21 October 2012 clearly states that '*client claims to be missing USD\$5,000*'. The Induction Checklist dated 20 October 2012 for Mr X also references '*client claims to be missing*' in response to whether the person in detention had any cash in their possession. In our view, Serco officers failed to provide a receipt to Mrs X at the time the valuables and cash were removed from her person, and placed in trust with Serco, during transit to the IDF. Serco has not addressed this issue in its response.

3.16 Since 17 October 2013, Serco is no longer responsible for managing property for people arriving by boat, because responsibility was given to the Australian Customs Service for this task. However, the current process apparently involves the Australian Customs Service handing over detainees' property in sealed bags to Serco for further processing.

3.17 In our view, the issue of a lack of description of property, the lack of receipts being issued when the property is taken from detainees, and the gaps in formal policies and procedures may continue to be an issue under the new system and change in responsibilities. In our view, this is an issue that the Department should take a lead role to address with all relevant parties.

3.18 Overall, it does not appear that Serco followed the specified processes in the draft PPM when taking carriage of Mrs X's USD property during transit to the IDF.

Transport and Escort Operations Orders

3.19 Our office further notes that the Transport and Escort Operational Orders issued for the transport of people arriving on the boat Mrs X arrived on, make no reference to the collection of clients' valuables during the transit to the IDF. The Transport and Escort Operational Orders provide detailed instructions for the process of transiting clients arriving onshore to the IDF. The orders do not include a reference to the protocol for collecting property (the use of bags and seals) that Serco and the Department say was in place and followed. In our view, if valuables were supposed to be collected during transit, it would make sense for this process to be included in the operational orders and to have a person nominated for the task.

Conclusion for Mrs X's complaint

3.20 Serco and the Department's view is that there is no evidence to show that Mrs X gave a Serco officer USD \$5 000 because there is no receipt.

3.21 Our office is concerned that the only investigation of the missing USD \$5 000 was an internal Serco investigation. There was no contact made with the police with a view to the police conducting an investigation. While we have investigated, our investigation has been limited to a review of documentation provided by the Department and Serco, information provided by Mrs X, an examination of relevant policy and procedures, and by the passage of time. On 17 October 2013, the

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Department said that if Mrs X considers that her money has been misappropriated, it is open to Mrs X to report the matter to the police for investigation. Our view is that Serco should have given Mrs X this advice at the time and assisted her to make a report to the police. Alternatively, Serco should have referred the matter to the police at the time.

3.22 In our view, there is insufficient evidence to support a firm conclusion either way about the existence of the money Mrs X claims is missing. Importantly, due to the inadequacy of the informal protocol utilised at the time of Mrs X's arrival, it is unlikely there would ever be sufficient evidence to either confirm or deny Mrs X's claims.

3.23 It is reasonable to expect that a receipt describing the property seized would be issued simultaneously when a person hands over any property. Not only was no receipt issued for Mrs X, no person was issued a receipt during the relevant transit operation.

3.24 The informal protocol for collecting property in place at the time was not sufficiently robust to mitigate the risk of property being misplaced, lost, given to the wrong person, stolen or false claims being made.

3.25 In our view:

- Serco's investigation of Mrs X's claim of missing money was inadequate
- Serco's informal protocol for collecting property was inadequate
- there was a gap in formal and implemented policy and procedural advice for Serco officers in relation to the collection of in-trust property in terms of whether it should be collected during transit or on arrival at an IDF
- Serco did not involve the police or assist Mrs X to contact the police.

3.26 Given this, we consider that Serco's refusal to reimburse Mrs X is unreasonable. In the circumstances it is our view that the benefit of the doubt should go in Mrs X's favour, and Serco should reimburse Mrs X.

PART 4—RECOMMENDATIONS

4.1 We make two recommendations to assist with resolving the individual complaint from Mrs X, and to address the policy and procedural gaps.

Recommendation 1

We recommend that Serco reimburse Mrs X USD \$5 000.

Recommendation 2

We recommend that the Department take a lead role in addressing the gaps in policy and procedures for the collection, receipt and management of detainee property on arrival and in transit through to reception at an IDF to ensure that detainees are issued with detailed receipts at the same time that any property is taken from them for any period of time. The Department should also ensure that in addressing these issues, agency roles and responsibilities are clarified and formalised.

PART 5—THE DEPARTMENT AND SERCO'S RESPONSES TO THE REPORT AND RECOMMENDATIONS

5.1 We provided this report to the Department and Serco in draft form for comment.

5.2 The Department's view is that under the Detention Services Contract between the Department and Serco, Serco is solely responsible for the management of detainee property, including the decision to investigate property related complaints and issues and whether to reimburse a detainee for any claims of lost, stolen or damaged property. In our view, Serco is responsible for delivery of the contract, however this does not mean it is solely responsible. The Department is the contract manager and it has responsibility for ensuring that the contract is effectively delivered by Serco, and if it is not, the Department must take certain actions.

5.3 The Department maintained its previous position, advanced during the investigation, that Mrs X could obtain independent legal advice in relation to the merits of a claim for compensation, or apply for compensation through the Scheme for Compensation for Detriment caused by Defective Administration (CDDA). The CDDA option is not reasonably practical, given the Department's response to this investigation and report is that compensation under the CDDA scheme is unlikely to succeed, because in its view the Department is not at fault.

5.4 Serco is of the view that the report does not accurately reflect its agreed policies and procedures for the handling of detainee property. However, Serco does not explain what it thinks these inaccuracies are, and it has not provided a copy of any policies and procedures in place concerning the receipt of property by Serco during transit to an IDF, the absence of which is a key issue raised in this report.

5.5 In Serco's view, there was no omission or neglect on its part. Consequently, Serco did not accept that it should reimburse Mrs X because it thinks that it followed its policies and procedures. Serco advised that this is a matter for the police, however, it has not demonstrated that it took any action in this regard. Given that these events happened two years ago, contacting the police does not appear to be a viable solution.

5.6 We also recommended that there was a need for systemic improvements to address a gap in Serco's policy and procedures and that the Department should take

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a leading role in doing so. The written policy and procedures only detail what happens on arrival at an IDF and not in transit to an IDF. This gap exposes all parties to significant risks.

5.7 The Department acknowledged that it has responsibility for contract management including performance monitoring and reporting, and abatements where necessary. The Department does not dispute the existence of the gaps which we have identified in the property management process within the IDFs, and is willing to play a role in this regard. This is positive, however, it does not provide a resolution to Mrs X's complaint.

5.8 Ultimately, this investigation has not succeeded in changing the views of either the Department or Serco. We remain of the view that the Department and Serco are responsible for remedying Mrs X's complaint, however, no solution has been found.

5.9 The Department's response is at **Appendix 1**.

5.10 Serco's response is at **Appendix 2**.

APPENDIX 1 – THE DEPARTMENT’S RESPONSE TO THE REPORT AND RECOMMENDATIONS



Australian Government
Department of Immigration and Border Protection

SECRETARY

5 September 2014

Mr Colin Neave
Commonwealth and Immigration Ombudsman
GPO Box 442
Canberra ACT 2601

Dear Mr Neave *Colin*

Draft report into an investigation of a complaint about property management at an Immigration Detention Facility.

Thank you for your letter and draft report outlining your preliminary views regarding an investigation into a complaint from [redacted] and for the opportunity to respond.

I note you include two recommendations in your preliminary report :

Recommendation 1 - We recommend that Serco reimburse [redacted] the USD \$5,000.00

Recommendation 2 - We recommend that the department take a lead role in addressing the gaps in policy and procedures for the collection, receipt and management of detainee property on arrival and in transit through to reception at an IDF/IDC to ensure that detainees are issued with detailed receipts at the same time that any property is taken from them for any period of time. The department should also ensure that in addressing these issues, agency roles and responsibilities are clarified and formalised.

Please find the department's response to your recommendations at Attachment A.

Yours sincerely

Martin Bowles
Martin Bowles PSM

people our business

Response to recommendations from draft report into an investigation of a complaint about property management at an Immigration Detention Facility.

Recommendation 1

We recommend that Serco reimburse [redacted] the USD \$5,000.00

Serco is contracted by the department to provide certain services within the Detention Immigration Network, one of those services being Property Management. Under the Detention Services Contract between the department and Serco, Serco is solely responsible for the management of detainee property which includes the decision to investigate property related complaints and issues and whether to reimburse a detainee for any claims of lost, stolen or damaged property. The department has no contractual right to instruct Serco to reimburse a detainee for any claim for such property.

The department's Civil Litigation and Compensation section advise that with respect to the Ombudsman's Office's proposal that compensation be paid to [redacted] by the department, and in accordance with the Legal Services Directions 2005, compensation is only paid on the basis of potential legal liability where there is a meaningful prospect of liability in relation to the matter. It is open to [redacted] to make a claim for compensation on the basis of legal liability. [redacted] may wish to obtain her own independent legal advice in relation to the merits of a claim for compensation.

It is also open to [redacted] to make a claim for compensation under the scheme for Compensation for Detriment caused by Defective Administration (CDDA). As outlined in Finance Circular 2009/09, compensation is only paid under the CDDA scheme, where the department was defective in its administration and this resulted in financial detriment. As the allegations raised in [redacted] complaint to the Ombudsman relate to the conduct of Serco, it is unlikely that compensation would be payable by the department under the CDDA scheme.

Claims for compensation against the Commonwealth (as represented by the department) are generally managed by the department's Civil Litigation and Compensation section. [redacted] can pursue this avenue as a means of possible resolution to this issue.

Details of this process and the departmental contact officer were provided to your office on 21 March 2014. To date no claim has been received from [redacted] This course of action remains open for [redacted] to follow.

Recommendation 2

We recommend that the department take a lead role in addressing the gaps in policy and procedures for the collection, receipt and management of detainee property on arrival and in transit through to reception at an IDF/IDC to ensure that detainees are issued with detailed receipts at the same time that any property is taken from them for any period of time. The department should also ensure that in addressing these issues, agency roles and responsibilities are clarified and formalised.

Under the Detention Services Contract Serco is responsible for the overall management of property. The department will continue to collaborate with Serco in regards to all areas of property management and any issues arising. Serco's performance will be monitored by way of performance management reporting and abatements where necessary to ensure correct procedures are implemented and applied.

The department considers the gaps identified in the property management processes within the Immigration Detention Centres and Immigration Detention Facilities will be managed as part of the Serco Property Management Procedures implementation and watching brief program which was discussed with Senior Assistant Ombudsman [redacted] and Director Immigration Detention Review-Inspections [redacted] on 29 July 2014. The department feels this initiative will address all identified issues surrounding property management.

It was agreed at the meeting that as part of the program the department will meet with your office monthly and provide an update on the progress of the implementation process of the Serco Policy and Procedures Manual and property management in general. The first of these meetings has been scheduled for 3 September 2014.

APPENDIX 2 – SERCO'S RESPONSE TO THE REPORT AND RECOMMENDATIONS

Bringing service to life

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Our Reference: BD240914/CC13 0124

24 September 2014

Senior Assistant Ombudsman
Commonwealth Ombudsman
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Commonwealth Ombudsman RECEIVED 26 SEP 2014 Document No: 1010234 Referred to: PPI
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Serco Immigration Services
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Dear

Re: DRAFT report into an investigation of a complaint about property management at an immigration detention facility

Thank you for your letter dated 16 September 2014 and the opportunity to comment upon the draft Ombudsman report into the investigation of a complaint from

Serco considers the draft report does not accurately reflect that there were agreed policies and procedures in place as between the Department of Immigration and Border Protection (DIBP) and Serco for the handling of detainee property and that Serco followed those procedures. We note DIBP has previously advised the Ombudsman's Office there was a procedure in place for property collected during transport at the time of arrival into Darwin.

In line with the agreed policy and procedure, Serco made arrangements for in-trust property to be transferred to the Darwin Airport Lodge (APOD). As stated in previous responses to the Ombudsman's Office from DIBP, detainees placed their valuables into a hardcore bag which was sealed in front of them and the seal number recorded on the manifest. This is consistent with the requirement that seal numbers be issued for bags containing valuable items such as documents, cash and jewellery. While there were no receipts issued to detainees on the bus in transit, there was nevertheless a record containing details of the seal numbers of the bags. As also stated previously, the sealed items were placed in a larger bag, where they were sealed again, and the item number recorded.

DIBP has on record a Serco *Property In-Trust form*, which itemizes the personal belongings that were retained by Serco. This form was countersigned by and dated 20 October 2012. There was no reference to USD\$5,000 on this form. DIBP also has on record a Property Receipt, signed by which details the same items recorded on the Property In-Trust form dated 21 October 2012. DIBP also holds an In-Possession form, dated 20 October 2012, bearing signature. partner, was also issued a Property Receipt on 21 October 2012.

Serco does not agree with any assertion that or were not issued with receipts for their property. Given that Serco did take measures to securely seal and record detainees' items in transit until such time as itemized receipts could be issued at the facility, Serco is of the view that there was no omission or neglect in these circumstances as proposed by the Ombudsman's Office.

In response to the two recommendations in your draft report we respond as follows:

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IN CONFIDENCE

Recommendation 1 - We agree with your view that there is insufficient evidence to demonstrate the veracity of the claim that [redacted] handed over \$5,000 on the bus. Given this is the view of the Ombudsman's Office - and that there were procedures in place to securely handle items received on the bus - a claim that the money has been taken out of the sealed bag between the bus and the facility is most appropriately a matter for the police. It is open to [redacted] to make a complaint to the police.

Recommendation 2 - We understand this recommendation has been responded to by DIBP in the correspondence from [redacted] of DIBP to the Ombudsman's Office dated 5 September 2014.

If you have any questions in relation to this letter please contact [redacted] via e-mail

Yours sincerely,



Managing Director
Serco Immigration Services