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WE ACHIEVE OUR INTENDED
OUTCOME THROUGH **GOOD
GOVERNANCE**, EFFECTIVE
**PLANNING AND PERFORMANCE
MEASUREMENT**, AND A FLEXIBLE
AND RESILIENT **WORKFORCE**.

SECTION 03

MANAGEMENT AND ACCOUNTABILITY

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SNAPSHOT OF MANAGEMENT, ACCOUNTABILITY AND PEOPLE IN 2016–17



810 staff and 24 secondees from partner agencies



50.86% women and 49.14% men



88.9% retention rate



8 offices around the country

INVESTIGATORS INTELLIGENCE ANALYSTS **PROFESSIONAL**
HUMAN SOURCE CASE MANAGERS FINANCIAL PROFILERS
OPERATIONAL AND ORGANISATIONAL PSYCHOLOGISTS PHYSICAL
AND TECHNICAL SURVEILLANCE OPERATIVES **TECHNICAL AND**
CYBER ANALYTICS OPERATIVES STRATEGIC AND VULNERABILITY
ASSESSMENT ANALYSTS **LAWYERS** SPECIALIST EXAMINATIONS
STAFF **CORPORATE SERVICES STAFF** BUSINESS ANALYSTS
SOLUTION ARCHITECTS PROJECT MANAGERS

CONTEXT

The ACIC is established under the *Australian Crime Commission Act 2002* (Cwlth) (ACC Act). Our agency was formerly known as the Australian Crime Commission (ACC), and is still known by that name for legal purposes.¹⁴

Our role and functions are underpinned by supporting legislation in each state and territory.

On 1 July 2016 the *Australian Crime Commission Amendment (National Policing Information) Act 2016* (Cwlth) amended the ACC Act to carry over CrimTrac's functions to the ACIC, including the provision of systems and services relating to national policing information and nationally coordinated criminal history checks.

We also provide resources and corporate support to, and collaborate closely with, the AIC on relevant criminological research. Our CEO is also Director of the AIC, and AIC staff have transferred to the ACIC under a Machinery of Government process.

As a Commonwealth statutory authority, we also have responsibilities under the *Public Service Act 1999* (Cwlth) and the *Public Governance, Performance and Accountability Act 2013* (Cwlth).

We are part of the Attorney-General's portfolio and, as at 30 June 2017, reported to the Minister for Justice.

INTERNAL GOVERNANCE

Our internal governance framework and processes ensure accountability and transparency, and promote quality leadership, effective people management and efficient and ethical use of our resources. Our internal governance structure includes our ACIC Executive and senior management committees.

ACIC EXECUTIVE

On 30 June 2017, the ACIC Executive comprised the CEO, a Deputy CEO, three Executive Directors, eight National Managers and seven State Managers.



14. The ACC is also known as the ACIC. The ACC Act and the regulations under that Act set out the legal foundation for the ACC/ACIC, including how our agency may be named as well as the functions, responsibilities and powers of the agency, our Chief Executive Officer, Board, Examiners and members of staff. The acronym ACIC is used to refer to the ACC except in terms incorporating the acronym ACC that are defined in that form in the Act.

CHIEF EXECUTIVE OFFICER | CHRIS DAWSON APM

Chris Dawson APM was the Chief Executive Officer of the ACIC and Director of the AIC during 2016–17.

Prior to joining the agency, Mr Dawson was Deputy Commissioner of the Western Australia Police for 10 years. Having joined the Western Australia Police as a cadet in 1976, Mr Dawson's extensive law enforcement career has included serving in country and metropolitan positions with specialist portfolios of serious and organised crime, counter-terrorism and state protection. In July 2004 he was appointed Deputy Commissioner and led agency reforms following the Royal Commission into Western Australia Police. From May 2008 Mr Dawson had overall management of all operational policing within metropolitan and regional areas of Western Australia. He was State Commander for the 2011 Commonwealth Heads of Government Meeting (CHOGM) where he was responsible for the security of all attending Heads of State from 53 Commonwealth countries and their respective other senior ministers and delegates. Mr Dawson holds a Graduate Certificate in Police Management, a Graduate Diploma from the Australian Institute of Company Directors, and a Diploma in Policing.



Mr Dawson was awarded the Australian Police Medal for distinguished service in the 2002 Queen's Birthday Honours List.

Mr Dawson was appointed by the Governor-General on 28 April 2014 and finished at the ACIC on 15 August 2017 following his appointment as the Commissioner of Police in Western Australia.

DEPUTY CHIEF EXECUTIVE OFFICER | NICOLE ROSE PSM

Nicole Rose was Deputy Chief Executive Officer of the ACIC during 2016–17. Prior to that Ms Rose was Chief Executive Officer of CrimTrac until it merged with the ACC to form the ACIC on 1 July 2016.

Ms Rose was previously the Director of the Office of the NSW Police Commissioner, a position she held from 2007. Before joining the NSW Police Force in 2004, Ms Rose worked in several New South Wales public sector departments including the Premier's Department, the Ministry for Police, and the Serious Offenders Review Council within the Department of Corrective Services.



In 2013 Ms Rose was awarded the Public Service Medal for services to policing. She has tertiary qualifications in Business and Management and recently completed the Vincent Fairfax Fellowship in Ethical Leadership at Melbourne University.

Ms Rose left the ACIC on 3 April 2017 to take up the role of Deputy Secretary, Criminal Justice Group in the Attorney-General's Department, and Paul Williams acted in the Deputy CEO role. Ms Rose returned to the ACIC as Acting Chief Executive Officer on 16 August 2017.

NATIONAL MANAGER, STRATEGIC ENGAGEMENT AND POLICY | JEREMY JOHNSON

Jeremy Johnson was appointed National Manager Strategic Engagement and Policy when the ACIC was established in July 2016. He previously worked at CrimTrac since 2008, as Business Manager for Biometrics, as Chief of Staff and leading the Transition Team that brought together CrimTrac and the ACC to form the ACIC. Mr Johnson has 28 years' experience in policing and law enforcement including general duties, forensic and policy roles with the Victoria Police and the NSW Police Force. Mr Johnson spent two years in a forensic role with the Vermont Department of Public Safety in the United States. He has also worked for several federal politicians. Mr Johnson holds a Bachelor of Arts, a Graduate Diploma in Criminology and an Executive Masters in Public Administration. He was also awarded the Victoria Police Service Medal in 2000.



As National Manager, Strategic Engagement and Policy, Mr Johnson is responsible for government relations and engagement, business strategy, media and communication, strategy, planning and performance, and strategic policy. He is also responsible for the National Police Checking Service.

EXECUTIVE DIRECTOR, INTELLIGENCE | COL BLANCH

Col Blanch joined the agency in 2005 from the Melbourne Criminal Investigation unit of Victoria Police. Mr Blanch was initially an investigator and team leader on numerous major agency drug and money laundering operations. He went on to head the Galilee and Eligo task forces, and held the role of State Manager, Victoria. Mr Blanch holds a Diploma in Fraud Investigations, an Advanced Diploma in Police Investigations and a Diploma in Police Studies.



Mr Blanch is responsible for ACIC investigations and intelligence operations, and our intelligence products development, as well as overseeing State Managers.

NATIONAL MANAGER, OPERATIONAL STRATEGY | RICHARD GRANT APM

Prior to joining the agency in 2010, Richard Grant spent over 33 years with Victoria Police, mainly investigating serious and organised crime. Mr Grant was also responsible for developing and implementing legislative and policy reform in relation to asset confiscation and organised crime. Mr Grant has a Bachelor of Arts and a Graduate Diploma (Executive Leadership) and is also a Churchill Fellow and a Williamson Fellow. In 2008 Mr Grant was awarded the Australian Police Medal for service to policing.



Mr Grant's major responsibilities include managing the ACIC's special intelligence operations and special investigations, and our international partnerships and deployments. He is also the Head of the Vestigo Task Force.

NATIONAL MANAGER, INTELLIGENCE | DR KATIE WILLIS

Since joining the agency in 2012, Katie Willis has led policy and practitioner-focused operational and strategic intelligence assessments, as well as collections and analytics. Dr Willis has more than 20 years' experience working across government and academia, predominantly within the criminal justice setting. She holds a Doctor of Philosophy in Anthropology from the Australian National University.

Dr Willis is responsible for the agency's operational and strategic intelligence priorities covering cybercrime and gang activities, as well as ensuring a coordinated, effective and integrated approach to identifying and tracking intelligence targets.



STATE MANAGER, NEW SOUTH WALES | WARREN GRAY

Warren Gray joined the agency in November 2009 after a 24-year career with the Australian Federal Police.

Mr Gray is responsible for liaison with key stakeholders and overseeing ACIC operations and our office in New South Wales. He is also responsible for the National Physical Surveillance, the New South Wales Investigations unit, Business Support and Operational Support, and co-supports other areas such as the Designated Source Unit.



STATE MANAGER, VICTORIA | JASON HALLS

Jason Halls joined the agency in July 2015 following a 26-year career with Victoria Police. Mr Halls was seconded to the agency as a Team Leader and Manager Operations on major money laundering and drug operations, before heading up the Galilee and Eligo task forces. Mr Halls holds a Diploma in Police Studies and an Advanced Diploma in Police Investigations.

Mr Halls is responsible for liaison with key stakeholders and overseeing ACIC operations in Victoria.

Mr Halls was promoted to State Manager, Victoria in November 2016.



STATE MANAGER, QUEENSLAND | CHARLIE CARVER

Charlie Carver joined the agency in 2015. Prior to that, he spent 33 years with the Western Australia Police. Mr Carver has a strong operational background. He worked closely with the former ACC and National Crime Authority including as operational leader in the late 1990s to Operation Jupiter, an outlaw motorcycle gang task force. He authored the strategic policy on serious and organised crime for the Western Australia Police and was integral in the effective disruption of criminal activities of outlaw motorcycle gangs as Detective Superintendent of the Serious and Organised Crime Division. Mr Carver has a Graduate Certificate of Business (Leadership), as well as Diplomas in Criminal Investigation and Policing.



Mr Carver is responsible for liaising with key stakeholders and overseeing ACIC operations in Queensland. He is also the previous Project Executive and Chair of the National Criminal Intelligence System Advisory Board, the agency's Indigenous Champion, and the National Manager of Human Source Capability.

STATE MANAGER, WESTERN AUSTRALIA | DOUG MILLER

Doug Miller joined the ACIC permanently in June 2017. Prior to this he was a Detective Superintendent with the Western Australia Police, seconded to our agency since 2014. Mr Miller has more than 30 years' policing experience including in specialist capabilities, investigations, and intelligence collection, analysis and dissemination. Mr Miller has been involved in many high profile operations, both in Western Australia and across the country. He has Diplomas in Policing, Undercover Policing, and Criminal Investigation, and Advanced Diplomas in Business Management and Criminal Analysis.



Mr Miller is responsible for developing and building ACIC relationships with other intelligence, law enforcement and regulatory agencies in Western Australia, including management oversight of joint agency operations.

ACTING STATE MANAGER, SOUTH AUSTRALIA | MORGAN MATTHEWS

In April 2005, Mr Matthews was seconded as a Detective from Tasmania Police to our Sydney Office to manage investigations into drug importations, money laundering and serious fraud. Since leaving Tasmania Police in 2007, Mr Matthews has performed a number of agency investigation management roles in New South Wales and Victoria. Mr Matthews has more than 20 years' experience in law enforcement and has extensive experience in managing and conducting high level investigations into a diverse range of criminal activity including global money laundering, drug and fraud operations.



Mr Matthews' substantive position is Manager, Operational Capability Development and Strategy. As at 30 June 2017, he was Acting State Manager, South Australia, responsible for liaison with key stakeholders and overseeing ACIC operations in that state.

STATE MANAGER, NORTHERN TERRITORY | DAVID RICHARDSON

David Richardson is an Acting Superintendent with the Northern Territory Police Force, seconded to the agency in February 2017. Previously, Mr Richardson was seconded to the former ACC for 14 months, working in the National Indigenous Intelligence Taskforce. Mr Richardson has 20 years' policing experience across a range of disciplines including operational duties, criminal investigations, drug investigation, intelligence, and detective training. Mr Richardson holds a Bachelor of Policing (Investigations) degree.



Mr Richardson is responsible for managing our Northern Territory office including liaison with key stakeholders and overseeing ACIC operations in the territory. He took up the position when Andrew Pusterla APM retired in March 2017.

STATE MANAGER, TASMANIA | MATTHEW OSBORN

Matthew Osborn is an Inspector with the Tasmania Police Service, seconded to the agency in mid-2015. Mr Osborn has over 30 years' policing experience across a range of disciplines including operational duties, criminal investigations, drug investigation, intelligence, forensics, business improvement and police training. Mr Osborn holds a Bachelor of Science degree, a Graduate Certificate in Management, a Graduate Certificate in Police Studies, a Graduate Certificate in University Learning and Teaching, a Masters of Police Studies and Certificates in Workplace Health and Safety and Teaching and Learning.



Mr Osborn is responsible for managing our Tasmanian office including liaison with key stakeholders and overseeing operations in that state.

EXECUTIVE DIRECTOR, CAPABILITY | PAUL WILLIAMS

Paul Williams joined the agency in 2013. Previously Mr Williams served as a commissioned officer in the Australian Army for 23 years in Australia and offshore, before joining the Australian Federal Police in 2002 where he performed management functions including in ACT Policing, the International Deployment Group, Aviation and Human Resources. Mr Williams is a graduate of the Australian Army Command and Staff College and has a Graduate Diploma in International Law and a Master of Business Administration.



Mr Williams is responsible for key enabling services including people, business support, finance and legal, as well as technical operational capabilities and legal services.

NATIONAL MANAGER, OPERATIONAL CAPABILITY | NICK WOLANIN

Nick Wolanin has been with the agency since 2003. He has 30 years' experience with various Commonwealth and New South Wales law enforcement agencies, working in the fields of investigations, intelligence, prevention, policy, education and research. He has qualifications in science, criminology and management, and has held visiting or adjunct positions at the University of Technology Sydney, Charles Sturt University and the Australian National University.



Mr Wolanin is responsible for our specialist, covert and technical operations as well as ACIC compliance with statutes governing surveillance and operational activity.

NATIONAL MANAGER, LEGAL SERVICES | NICOLE MAYO

Nicole Mayo was Chief Operating Officer of CrimTrac from July 2013 until it merged with the ACC to form the ACIC on 1 July 2016. Ms Mayo's career spans more than 20 years in the legal profession, both in private practice and the public sector, in the Australian Capital Territory and Australian Public Service. She has extensive experience working within a complex multi-jurisdictional and legislative environment. Ms Mayo has a Bachelor of Laws and holds an unrestricted Government Practising Certificate.



She was awarded an ACT Public Service Medal in 2003 and is a Graduate of the Australian Institute of Company Directors.

Ms Mayo leads our Legal Services branch, which provides a range of legal services to the agency including the role of counsel assisting in ACIC examinations, advice to the ACIC Board and senior management, administrative and criminal law litigation, and advice on a variety of legal issues including the use of ACIC powers, policy development and legislative reform. It is also responsible for the risk and audit function, agreements and the examination capability.

Ms Mayo was previously National Manager, People, Security and Integrity, until our former National Manager, Legal Services, Rod Jensen, left the ACIC in March 2017.

ACTING NATIONAL MANAGER, PEOPLE, SECURITY AND INTEGRITY | MARDI STEWART

Mardi Stewart joined the agency in 2014. Prior to this, Ms Stewart was Director of Strategic Communication at the Department of Immigration and Border Protection. During this time, she was responsible for the communication function in the Portfolio Reform Task Force, which oversaw the consolidation of the Australian Customs and Border Protection agency and the establishment of the Australian Border Force. She was also Director of Strategic Communication, Joint Agency Task Force, Operation Sovereign Borders, and was responsible for delivering intelligence-led, anti-people smuggling campaigns both domestically and across the Middle East. Ms Stewart holds a Bachelor of Arts in Communication, with a major in political science.



During the past year, Ms Stewart has acted in the roles of National Manager, ICT Future Capability and National Manager, People, Security and Integrity. In this role, Ms Stewart is responsible for overseeing people management functions, security and organisational psychology.

NATIONAL MANAGER FINANCE, PROPERTY AND PROCUREMENT AND CHIEF FINANCIAL OFFICER | YVETTE WHITTAKER

Yvette Whittaker joined the agency in 2014, and immediately prior to this held the position of Chief Financial Officer with CrimTrac. Ms Whittaker has more than 20 years' experience in government financial management at both a state and federal level. Throughout this time Ms Whittaker has been actively involved in the implementation of significant government financial reforms. Ms Whittaker is a Certified Practising Accountant and holds a Bachelor of Commerce in Management Sciences and a Graduate Diploma in Professional Accountancy.



As National Manager, Finance and Property and Chief Financial Officer Ms Whittaker has responsibility for the financial management of the agency, procurement, the national property portfolio and business support.

ACTING EXECUTIVE DIRECTOR, TECHNOLOGY AND INNOVATION | SABEENA OBEROI

Sabeena Oberoi joined the ACIC in 2016 and was appointed to National Manager ICT Future Capability. Ms Oberoi has more than 22 years' experience across a range of Australian Government departments. She has been responsible for projects related to welfare payment infrastructure, eGovernment strategy and service delivery design, critical infrastructure protection and resilience, triple zero emergency services, cyber security, and major business transformation programs. Ms Oberoi holds a Bachelor of Commerce in Banking and Finance, and a Bachelor of Mathematics (Honours).



As Acting Executive Director, Technology and Innovation, Ms Oberoi is responsible for providing and maintaining our national information capabilities and services to support policing and law enforcement.

Our previous Executive Director, Technology and Innovation, Mr Lee Walton, left the ACIC on 1 February 2017.

CHIEF TECHNOLOGY OFFICER | MATTHEW JONES

Matt Jones joined the CrimTrac agency in 2007 and was appointed Chief Technology Officer of the ACIC when CrimTrac and the ACC merged in July 2016.

Mr Jones has more than 30 years' experience in ICT in the private and public sector. He has worked across a broad range of ICT specialty areas including client and vendor management, contract negotiations, project management and detailed technical specialities. Most of Mr Jones' career has been in law enforcement, border protection and defence, including architecture and ICT delivery roles across a number of key government initiatives. Mr Jones holds a Bachelor of Computing Studies.



In his role as Chief Technology Officer, Mr Jones leads the broad range of ICT capabilities required to design, develop and operate ICT solutions using a combination of in-house, vendor supplied and contractor resources.

ACTING NATIONAL MANAGER, ICT FUTURE CAPABILITY | JAKUB BARTKOWIAK

Jakub Bartkowiak joined the ACIC in 2017 as program director for NCIS. He has extensive ICT experience including various roles at the Australian Signals Directorate, including software engineer, systems development, solutions architect, project manager and program director responsible for delivering complex systems and projects. These projects related to intelligence systems, data processing, cloud infrastructure, a target knowledge base, a customer relationship management tool, a graph visualisation tool, and a data centre. In 2013 Mr Bartkowiak was posted to Washington DC as a senior technology liaison officer at the National Security Agency. He was responsible for delivery of complex multinational projects in support of the Australian Signals Directorate's SIGINT, Cyber and Information Security missions. Mr Bartkowiak holds a Bachelor of Software Engineering and a Master of Science Specialising in Information Systems.



As Acting National Manager, ICT Future Capability, Mr Bartkowiak is responsible for the teams that plan, build and deliver intelligence and national policing information ICT solutions for the agency.

ACIC EXAMINERS

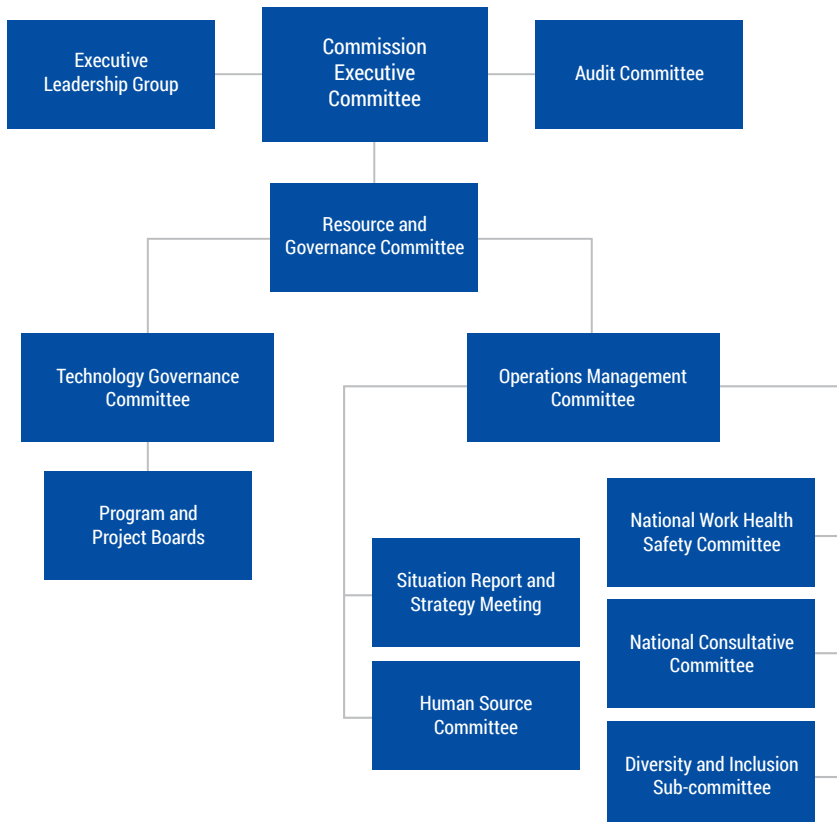
ACIC Examiners are independent statutory officers appointed by the Governor-General to exercise the coercive powers set out in the ACC Act for the purpose of ACIC Board-approved special operations and special investigations. To ensure accountability, coercive powers are only used when ACIC Examiners are satisfied that it is reasonable in all circumstances to exercise these special statutory powers. There is currently one full-time Examiner and five part-time Examiners, all of whom have extensive experience in the legal profession.

SENIOR MANAGEMENT COMMITTEES

Our committee structure comprises our Commission Executive Committee, Executive Leadership Group, Operations Management Committee, Technology Governance Committee and several other committees, panels, working groups and consultative committees.

Following our first year of operation, we will review this structure to ensure streamlined reporting and function.

ACIC senior management committee structure during 2016–17



COMMISSION EXECUTIVE COMMITTEE

The Commission Executive Committee is our agency's peak committee to support the achievement of ACIC strategic and business objectives, effective and efficient management of ACIC resources, and management of risk. It also ensures we are accountable and meet the expectations of the ACIC Board, Australian Government and the public. It receives reporting and advice from other executive committees, makes all major resourcing decisions and reviews submissions to the ACIC Board.

The Commission Executive Committee consists of the ACIC CEO (Chair), Deputy CEO and Executive Directors. This committee meets every three weeks.

EXECUTIVE LEADERSHIP GROUP

The Executive Leadership Group comprises all members of the senior executive. The group meets periodically during the year to discuss the broader strategic operating environment and our strategic direction. The group considers new strategies and issues that will influence the ACIC work plan. It also considers whole-of-agency risks as they arise. Outcomes and new initiatives from the group are referred through the other executive committees for decision or action, as appropriate.

AUDIT COMMITTEE

The Audit Committee includes an independent external chair and **three** members as well as an observer from the Australian National Audit Office. The committee meets quarterly to review internal and external audit reports, consider findings and recommendations, and oversee the internal audit program. The committee also holds an additional meeting once a year to review the financial statements. In addition, the committee monitors risk, internal controls, fraud and corruption prevention activities, and performance reporting (see further details on this committee on page 173).

RESOURCE AND GOVERNANCE COMMITTEE

The Resource and Governance Committee ensures the efficient management of ACIC resources by making key decisions on recruitment and staffing, the minor reallocations of budget and recommendations to the Commission Executive Committee on major expenditure. The committee also has oversight of high-level agency management frameworks, including risk management, security and planning and performance.

OPERATIONS MANAGEMENT COMMITTEE

The Operations Management Committee makes decisions about the ACIC organised crime and intelligence work program and allocation of the relevant resources to support delivery of these objectives. The committee comprises all Executive Directors, National Managers and State Managers as voting members, and heads of special investigations and special operations and other managers as non-voting members. It meets fortnightly.

The committee receives relevant performance reporting and advice to guide decision-making about priorities and resource and capability issues, investigative activity and intelligence production. This aspect of the committee's function is supported by the fortnightly Situation Report and Strategy Meeting and the Human Source Management Committee.

Every third meeting of the Operations Management Committee focuses on broader issues of organisational health and effective function. The committee receives relevant reporting on a broad spectrum of organisational health indicators and oversees key organisational improvement projects. This aspect of the committee function is supported by the National Consultative Committee, National Work Health Safety Committee and Diversity and Inclusion Sub-committee.

TECHNOLOGY GOVERNANCE COMMITTEE

The Technology Governance Committee oversees all technology projects and considers any technology related risks, including information management and technology security risks. The committee meets monthly and provides advice to the Commission Executive Committee on the health and performance of the ACIC technology work program. It also provides recommendations to the Resource and Governance Committee on investment proposals. This committee is supported by specific program and project boards.

HUMAN SOURCE MANAGEMENT COMMITTEE

The Human Source Management Committee provides oversight and governance for the deployment of the ACIC human intelligence source (informants) capability. This includes reviewing compliance with policy and standard operating procedures, providing advice to Executive Directors on risk management in cases referred to the committee, overseeing the engagement of human sources by the ACIC, and evaluating submissions that propose financial rewards for covert human intelligence sources. This committee reports as required to the Operations Management Committee.

NATIONAL CONSULTATIVE COMMITTEE (AND LOCAL CONSULTATIVE COMMITTEES)

The ACIC Enterprise Agreement sets out the arrangements for consultation and communication within the ACIC. We do this through the formal consultative mechanism of the National Consultative Committee and Local Consultative Committees in our offices around the country. This enables consultation between management and employees through representatives, and provides the mechanism for formal discussion of issues affecting their workplace.

NATIONAL WORK HEALTH SAFETY COMMITTEE (AND LOCAL WORK HEALTH SAFETY COMMITTEES)

The ACIC has both local Work Health Safety Committees and a National Work Health Safety Committee, which have a legislative functionality under section 77 of the *Work Health and Safety Act 2011*. Local committee meetings are held in our offices around the country and feed into the National Work Health and Safety Committee meetings, which are held quarterly. These committees are the primary means of consultation on work health and safety matters for our staff. They support the ACIC Executive by helping to identify, develop, implement and review measures designed to manage the health and safety of our staff at work.

DIVERSITY AND INCLUSION SUB-COMMITTEE

The Diversity and Inclusion Sub-committee oversees the ACIC's Workplace Diversity Program and provides support and input into the development and maintenance of the ACIC's Diversity Strategy and Action Plan. The plan incorporates all diversity and inclusion issues including culturally and linguistically diverse backgrounds, Aboriginal and Torres Strait Islanders, disability, gender equity, mature-age and intergenerational workforce. This sub-committee supports the functions of the Operations Management Committee

OTHER COMMITTEES

EXECUTIVE HEALTH PANEL

The Executive Health Panel oversees the ACIC Drug and Alcohol Policy, and recommends appropriate action if a presumptive positive test occurs or if other breaches of the policy require consideration. More detail about our Drug and Alcohol Policy is in Appendix C on page 246.

MANAGEMENT REVIEW BOARD

The Management Review Board reviews and manages any risks identified by pre-employment screening and any complex staffing issues. This board is chaired by the National Manager, People, Security and Integrity, supported by relevant managers and specialists.

BUSINESS PLANNING

Our planning system connects our strategic direction, work priorities approved by the ACIC Board, risk assessment, resource allocations, performance measurement and monitoring.

Our integrated planning approach links all our operational, technological and corporate work to our strategic direction to ensure we are clear on achieving our purpose.

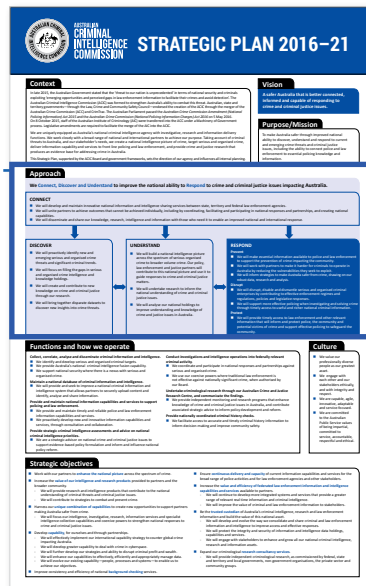
STRATEGIC PLAN

Shortly after the 1 July 2016 merge to create the ACIC, the ACIC Board approved the *ACIC Strategic Plan 2016–21*.

The plan details our agency's goals and the approach taken to achieve our mission. The plan captures our past, present and future on a single page. It clearly articulates our functions, how we operate and our culture. It also identifies our strategic objectives for the five years of the plan.

The approach detailed in our plan has formed the basis for, and directly links to, our performance framework: 'We **Connect**, **Discover** and **Understand** to improve the national ability to **Respond** to crime impacting Australia'.

Our *Strategic Plan 2016–21* is on our website at www.acic.gov.au/strategicplan



Approach

We Connect, Discover and Understand to improve the national ability to Respond to crime and criminal justice issues impacting Australia.

CONNECT

- We will develop and maintain innovative national information and intelligence sharing services between state, territory and federal law enforcement agencies.
- We will unite partners to achieve outcomes that cannot be achieved individually, including by coordinating, facilitating and participating in national responses and partnerships, and creating national capabilities.
- We will disseminate and share our knowledge, research, intelligence and information with those who need it to enable an improved national and international response.

DISCOVER

- We will proactively identify new and emerging serious and organised crime threats and significant criminal trends.
- We will focus on filling the gaps in serious and organised crime intelligence and knowledge holdings.
- We will create and contribute to new knowledge on crime and criminal justice through our research.
- We will bring together disparate datasets to discover new insights into crime threats.

UNDERSTAND

- We will build a national intelligence picture across the spectrum of serious organised crime to broader volume crime. Our policy, law enforcement and justice partners will contribute to this national picture and use it to guide responses to crime and criminal justice matters.
- We will undertake research to inform the national understanding of crime and criminal justice issues.
- We will analyse our national holdings to improve understanding and knowledge of crime and justice issues in Australia.

RESPOND

- Prevent**
- We will make essential information available to police and law enforcement to support the prevention of crime impacting the community.
 - We will work with partners to make it harder for criminals to operate in Australia by reducing the vulnerabilities they seek to exploit.
 - We will inform strategies to make Australia safer from crime, drawing on our robust data, research and analysis.
- Disrupt**
- We will disrupt, disable and dismantle serious and organised criminal enterprises by contributing to effective enforcement regimes and regulations, policies and legislative responses.
 - We will support more effective policing when investigating and solving crime through timely access to useful and richer national criminal information.
- Protect**
- We will provide timely access to law enforcement and other relevant information that will inform and protect police, the community and potential victims of crime and support effective policing to safeguard the community.

CORPORATE PLAN

We have prepared and published our corporate plan as required by the *Public Governance, Performance and Accountability Act 2013*.¹⁵ The plan has a four-year outlook and aligns to the strategic direction set in our *Strategic Plan 2016–21*. The public document describes the environment in which we operate, how we manage risks and assess performance, and the strategies we will be delivering for the year, as well as over the four-year life of the plan.

Our latest corporate plan can be found at www.acic.gov.au/corporateplan

INTEGRATED PLANNING

Our planning translates our strategic purpose, outcome, areas of focus and delivery into annual activities. It includes:

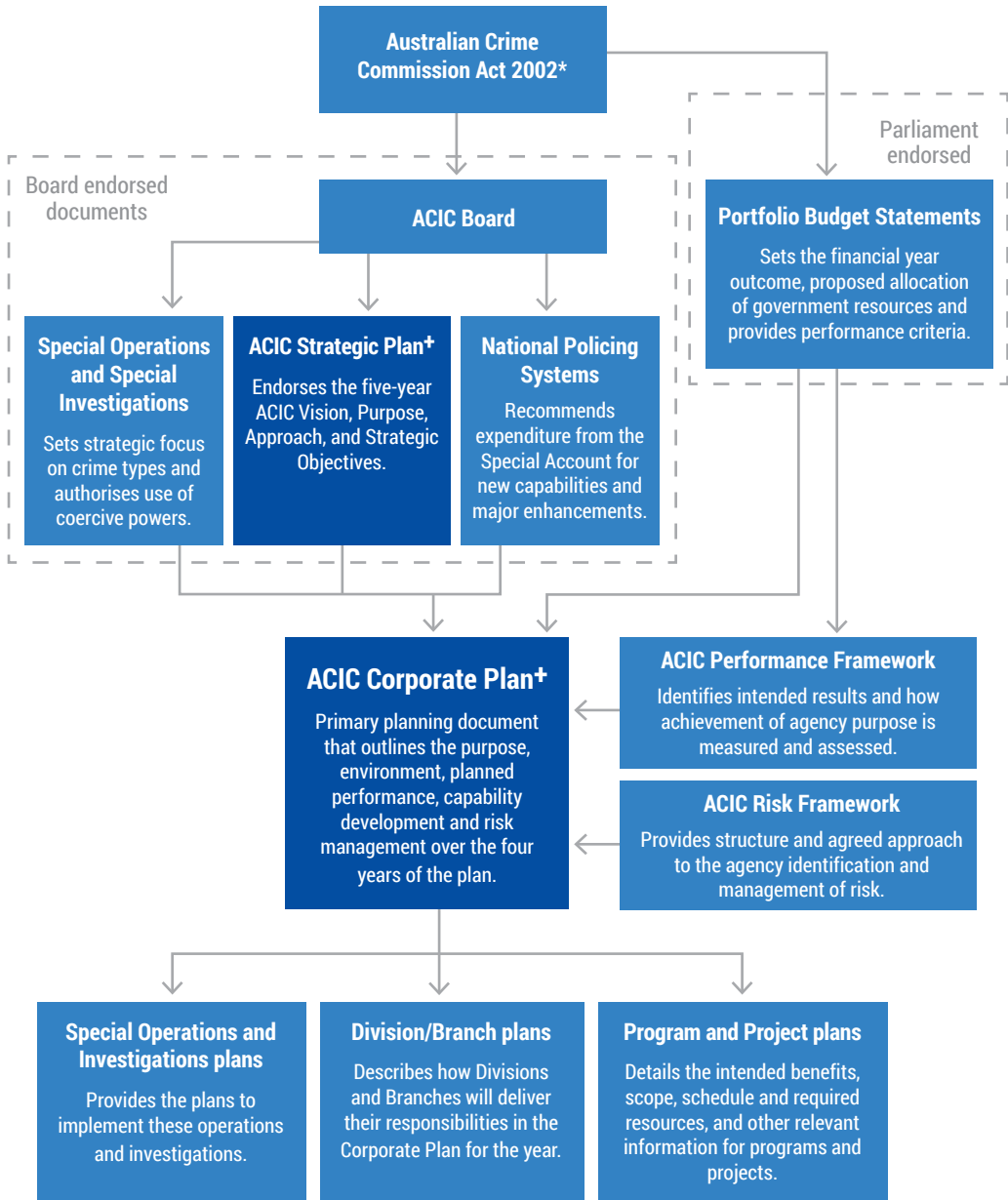
- **Corporate plan**—This plan describes the work for the financial year and following three years. It is an organisation-wide plan to balance resourcing and effort so we achieve the aims of our special investigations and special operations, and our delivery of national policing systems, intelligence and other outputs, as well as building a sustainable future.
- **Investigation and operation plans**—These plans detail the financial year’s strategies and activities to deliver the ACIC Board-approved investigations and operations.
- **Program and project plans**—These plans detail the intended benefit, scope, schedule and required resources, and other relevant information for programs and projects.
- **Branch plans**—Due to the 1 July 2016 merge, all our branches are newly formed and 2016–17 was a period of development and consolidation. As we consolidate activities under our new structures, we have begun developing plans to describe the work of branches and how they contribute to achieving the priorities identified in our corporate plan. Branch plans will consider both business-as-usual and essential business improvement activities. These plans can then be used to develop individual work plans for staff as part of the Performance Development System. For further information on our Performance Development System see page 198.
- **Risk planning**—We regularly assess organisational risk to inform management activities and planning. Risk assessments are a vital component of planning at all levels. More information on risk management is on page 174.

LOOKING FORWARD

Our future planning work will continue to strengthen, integrate and consolidate our planning across our maturing organisation. A key focus is strengthening the alignment of planning and risk management.

15. More information about the *Public Governance, Performance and Accountability Act* and corporate plans is at www.pma.finance.gov.au/

ACIC strategic planning process



* The ACIC commenced operation on 1 July 2016, following the legislative merge of CrimTrac into the Australian Crime Commission. The enabling legislation for the ACIC remains the Australian Crime Commission Act 2002, even though we now operate under the new name of the ACIC.

⁺These documents are publicly available at www.acic.gov.au

ANNUAL REPORT AWARD

During the reporting year, we completed 2015–16 annual reports for both former agencies, the ACC and CrimTrac. We were pleased that the ACC's Annual Report 2015–16 received a gold award—the third gold in a row—in the 2016 Australasian Reporting Awards. These criterion-based awards were introduced 67 years ago as a means of improving accountability for, and public communication about, the activities of organisations.

PERFORMANCE MEASUREMENT

Our agency performance criteria identify the *intended results* of our contribution to, and impact on, a shared national outcome: to make Australia safer.

As such, overall achievement against this outcome is not *always* within our direct control or influence.

Ultimately, 'end of the chain' disruption activities (such as arrests, seizures and prosecutions) and prevention activities against crime (such as policy and law reform) are usually undertaken by other agencies. However, our contribution—as measured by a range of short-term and long-term performance criteria—may have been critical or crucial in some cases or peripheral, minor or a more general strategic contribution in other cases.

The performance criteria directly link to our agency purpose and are contained within an integrated performance framework that directly aligns with our *Strategic Plan 2016–21* vision, our *Corporate Plan 2016–20* environmental assessment, planned performance and capability plans, as well as our 2017–18 Portfolio Budget Statement.

The *Public Governance, Performance and Accountability Act 2013* mandates that most Commonwealth agencies must prepare an annual performance statement that assesses agency performance against their corporate plan. This year is the first time we have prepared our annual performance statement as the ACIC, reporting on combined criteria that measure our systems, services and serious and organised crime performance.

Our performance criteria align our purpose and strategic approach, to **connect, discover** and **understand** so Australia can better **respond** to crime threats. We apply our performance criteria across all our activities to determine our agency's achievement in delivering our purpose. Due to the interrelated nature of our activities, our activities can achieve multiple types of performance outcomes.

Some of our strategies are short-term and some are long-term. This means in any reporting period, to provide a true picture of our performance, we must reflect on our contribution across the performance criteria, even when some of our work to discover and understand has not yet resulted in a tangible response or outcome for the Australian community.

Each of the performance criteria has a number of measures for efficiency and effectiveness (incorporating a mix of quantitative and qualitative information):

- quantitative measures are benchmarked against previous performance with accompanying analysis to provide a basis for assessment
- qualitative measures provide evidence demonstrating our effectiveness against the intended result
- stakeholder survey results are part of the suite of measures used to assess performance against each criteria, as our stakeholders are important to understanding the effectiveness of our performance.

Performance measurement framework 2016–17

PURPOSE / OUTCOME STATEMENT

Make Australia safer through improved national ability to discover, understand, and respond to current and emerging crime threats and criminal justice issues, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.

APPROACH

CONNECT

We help our partners by:

- providing them with systems and services
- sharing criminal intelligence and information, research, policing and other relevant information
- connecting partners to us and each other.

DISCOVER

We build the picture of crime impacting Australia by:

- collecting information, and
- combining information to discover new areas of national focus.

UNDERSTAND

We improve our understanding of the picture of crime impacting Australia by undertaking analysis to guide a better response.

RESPOND

We improve the national ability to prevent and disrupt crime and protect the community.

INDICATOR

Existing ACIC systems and services are accessible, used and reliable.

The delivery and implementation of new and enhanced ACIC systems and services satisfies the needs of stakeholders and users.

ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information.

ACIC builds, coordinates and maintains, strong and collaborative relationships with domestic and international partners.

The picture of crime impacting Australia is improving because ACIC is discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown.

The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.

The understanding of the picture of crime impacting Australia is increasingly used to guide strategies and responses to crime.

Prevent: The ACIC better informs and influences the hardening of the environment against crime.

Disrupt: ACIC is conducting investigations and intelligence operations, and producing intelligence that is effective in disrupting, disabling and dismantling serious and organised crime.

Protect: ACIC partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.

QUANTIFIABLE MEASURES

Due to the shared contributions to the overall outcome, it is not appropriate or possible to have specified targets or purely quantitative key performance indicators.

However, many of the measures used to assess performance against these indicators are quantified, including:

- comparative statistics on information and intelligence systems and services availability, usage, and support levels
- comparative statistics on volume and breadth of intelligence shared
- demonstrated delivery and implementation of planned systems and services that satisfy stakeholders and users
- the level and types of our activities to discover and understand crime impacting Australia
- the level, types and results of the responses we are involved in, and the responses we can track (to both disrupt and prevent crime) that we enabled by developing the national picture of Australian crime
- annual stakeholder survey results that form an overall assessment against the performance criteria.

STAKEHOLDER RESEARCH

We conducted market research this year to understand stakeholder perceptions and satisfaction with the range of services and products we provide, to help inform future planning. We also collected stakeholder views to help assess results against our performance criteria (for details of these results, see pages 38 to 61).

An external market research company conducted the research, which included an online survey of 132 stakeholders and 61 in-depth interviews. Respondents represented a broad cross section of agencies and classification levels. They also worked across different areas such as policy, information systems, intelligence and investigations. The survey was designed so respondents were asked questions relevant to their area of work and interaction with us.

Broadly, the research findings revealed that the ACIC is seen to have an important and unique role in law enforcement and intelligence, and there is great potential in the value we can provide to our partners. Stakeholders saw this potential as partly realised, with several areas for improvement.

Our agency's most valuable functions were seen as:

- providing information and intelligence services and systems, and information technology products
- providing intelligence.

Other areas of strength include the quality of our work, well-intentioned and knowledgeable staff, agile approach, use of coercive powers, and unique role connecting information, intelligence and stakeholders. In particular, stakeholders anticipated that NCIS, when delivered, will be a significant improvement in sharing intelligence and the subsequent detection and disruption of crime.

Respondents rated our overall performance in meeting their needs at 6.8 out of a scale of one to 10.

We intend to work on areas for improvement including stakeholder engagement, project management and delivery, timeliness, and clearly articulating our strategic direction and role.

To this end, we are considering the detail of the research findings and a new stakeholder engagement plan.

INTERNAL AUDIT

Our Internal Audit team has three main responsibilities:

- auditing organisational and operational systems and processes
- monitoring implementation of audit outcomes
- developing business improvement opportunities to enhance effectiveness and efficiency in all ACIC business areas.

Our Internal Audit function delivers an objective advisory service, independent of the individual business areas, that provides support and assurance to the ACIC Executive regarding the responsible, effective and efficient use of ACIC powers and resources. Internal Audit is directly accountable to the CEO and the Audit Committee, with the roles, responsibilities and scope of the function set out in the ACIC Internal Audit Charter.

Key areas examined by Internal Audit during 2016–17 included:

- compliance with the assurance frameworks supporting the key information and communications technology systems
- management of operational equipment and exhibits
- compliance with record-keeping and policy requirements
- covert arrangements.

The audits provided an evidence-based perspective on the effectiveness of policies and procedures, the efficiency of organisational resource use and whether we were achieving operating objectives.

We operate a co-sourced internal audit service and contract an external provider for a small number of our audits.

AUDIT COMMITTEE OPERATIONS

In accordance with responsibilities under section 45 of the *Public Governance, Performance and Accountability Act 2013*, the CEO has established and maintains an independent Audit Committee. The Audit Committee's authority is established under its Charter, which sets out the committee's functions and responsibilities.

The Audit Committee endorses the ACIC Internal Audit Charter, approves the annual audit plan, reviews progress against the plan and considers all audit reports. It also monitors implementation of all internal and external audit recommendations and takes a keen interest in progress of recommendations arising from other review activity, including from the Australian National Audit Office and Commonwealth Ombudsman.

The Audit Committee provides advice on matters of concern raised by internal auditors or the Auditor-General and advises the CEO on the preparation and review of the ACIC's financial statements and certificate of compliance.

As at 30 June 2017, the Audit Committee comprised four independent external members and one member of the ACIC Executive. The four independent audit committee members have held a range of senior roles in law enforcement, national security and financial crime, and are experienced in managing risk in these contexts.

The Audit Committee met five times during the year and reviewed areas such as agency financial performance, internal and external audit reports, progress against audit recommendations, agency performance frameworks and reporting, agency compliance with legislation, risk oversight and management and Australian National Audit Office activity.

ASSUMED IDENTITIES

In accordance with Commonwealth, state and territory legislation, ACIC officers and supervised civilians may be authorised to acquire and use assumed identities for the purposes of conducting investigations or gathering intelligence in relation to serious and organised crime, or in associated support or training roles. In practice, the ACIC uses the Commonwealth legislation. During the reporting period, as required under the legislation, we:

- reported to Commonwealth, state and territory ministers in accordance with relevant legislative requirements
- reviewed the ongoing necessity for each authorised member of staff to continue to use an assumed identity
- conducted the mandatory audits of ACIC records relating to assumed identities.

RISK MANAGEMENT

The ACIC's risk management framework assists us to make risk-informed decisions that support our work to make Australia safer through connecting, discovering and understanding to improve the national ability to respond to crime and criminal justice issues, while also meeting our corporate and legislated accountabilities.

During 2016–17 we:

- continued developing a risk management framework to support the broad remit of the ACIC
- revised and expanded our corporate risk management policy and supporting procedures
- completed the Comcover risk benchmarking exercise to assess the maturity of our current risk approach and guide further development
- strengthened our management of work health safety risks, including the risks associated with our operational activities
- completed a risk assessment of a key system that is valuable to stakeholders and critical to the protection of the community
- considered the potential value of an enterprise risk management tool to record, monitor and report on agency risks
- focused on approaches to improving risk culture and understanding at all levels, and
- participated in multi-agency risk forums and consulted with partner agencies on best practice approaches to risk management.

Our Risk Function is represented on the Audit Committee and continues to develop a closer working relationship with Internal Audit and the Executive team.

SECURITY AND INTEGRITY

The ACIC is entrusted with special powers to enable us to effectively work with our partners to combat serious and organised crime in Australia. Integrity and security are critical for the use of these powers and in delivering our required outcome to Government, our partner agencies and more broadly to the public.

Our security and integrity framework helps the ACIC Executive remain informed of security risks to all areas of the business, and enables us to measure the high standard of conduct and integrity of all ACIC staff.

In 2016–17, we produced an agency-wide security threat and risk assessment, which identified operational and strategic risks and proposed measures to mitigate current and emerging security risks facing the agency.

Through our Security Team we continue to work towards meeting the requirements of the Protective Security Policy Framework, and we are expanding the team to include regional security advisers.

During 2016–17, our security and integrity teams focused on:

- finalising the transition to the ACIC (including the physical move to our new National Headquarters building and decommissioning the former CrimTrac building)
- reviewing and upgrading the security arrangements at the National Headquarters and regional offices to ensure a consistent approach to security across the country
- producing a threat and security risk assessment for the ACIC, which included input from senior executive and key business areas
- reviewing, providing recommendations and accrediting a number of ACIC offices and other sites related to large-scale ACIC projects
- relocating the 24-hour national monitoring function from the Sydney office to the National Headquarters in Canberra
- using risk management to guide protective security, including the development of issue-specific risk assessments
- providing regular security advice
- revising and updating security and integrity online training modules
- building a positive security culture
- enhancing the capability of our security and integrity teams
- consulting across ACIC business areas to review and update identified fraud and corruption risks
- improving mechanisms for reporting fraud, corruption and misconduct
- working closely with our Organisational Psychology Team to develop an ongoing staff suitability assurance program, to be implemented within the next financial year.

To engender and maintain the right ethical culture within the ACIC, our multi-faceted approach in 2016–17 included:

- **Detection program**—We continued to implement our fraud and corruption detection program, with audits throughout the year targeting high risk activities identified in the fraud and corruption risk assessment process and fraud survey.
- **Integrity testing**—We reviewed and updated integrity testing policy and procedures.
- **Public interest disclosures**—We reviewed and updated public interest disclosure policy and procedures and authorised officer appointments as necessary.

In addition, our approach included ongoing initiatives:

- **Personnel security**—In addition to coordinating security clearance actions through the Australian Government Security Vetting Agency for all our staff, we work with recruitment to maintain a rigorous pre-employment screening process to ensure all potential employees are suitable to access ACIC information and systems. Our process is strengthened by a psychological evaluation, which is an additional layer of risk mitigation to ensure the suitability of new staff. This year we also participated in a research project as part of the whole-of-government personnel security reforms (see page 177).
- **National Induction Program**—We include security and integrity sessions for all new ACIC employees to ensure understanding of the Australian Public Service values as they apply in the ACIC, and ethics and protective security requirements.
- **Online learning**—Our eLearning modules for Misconduct, Fraud and Corruption, and Security Awareness are compulsory for all ACIC staff on commencement and then annually.
- **Communication**—Strong internal communication on ethics, fraud, corruption and protective security are available to all staff through our intranet, face-to-face awareness sessions and corporate newsletters. We underpin this with policies, procedures, fact sheets and other forms of staff messaging.
- **Reporting**—We encourage reporting about potential issues of concern. Members of the public can make complaints through the email address on our website. Staff can raise concerns directly with our Integrity Assurance Team, Security Team or through their manager. We emphasise to our staff the importance of reporting through awareness training, induction and policies, and on our intranet.
- **Conflict of interest declarations**—Management of real or perceived conflicts of interest is a high priority, and all staff must declare any conflicts of interest, gifts and benefits and outside paid, unpaid or voluntary work, to enable the ACIC to effectively manage any potential conflict.
- **Investigation of inappropriate behaviour**—We investigate alleged fraud, corruption, suspected breaches of the Code of Conduct, security incidents and security breaches.
- **Corruption issues**—We notify corruption issues to the Integrity Commissioner, Australian Commission for Law Enforcement Integrity, and maintain regular liaison on integrity matters.

Our work also includes ongoing research and monitoring of broader national and international compliance measures and initiatives in the area of ethics, integrity and security.

WHOLE-OF-GOVERNMENT PERSONNEL SECURITY REVIEW

In April and May 2017 we participated in a research project led by the Attorney-General's Department. The project aimed to develop a cultural transformation strategy to strengthen security culture across government. This initiative is part of the personnel security reforms agreed by Government in October 2016, to reduce the 'malicious insider threat' (the threat to an organisation that comes from people within the organisation who have inside information about security practices, data and systems).

Staff from various levels and functional areas across our agency participated in interviews and workshops as part of the research project. The resulting report will include recommendations for future directions and potentially also insights of use to government security practitioners. Our participation will provide insight into our own agency's security culture, informing strategies to better target the malicious insider and support our security, integrity and organisational psychology work.

SECURITY INCIDENT REPORTING

Our internal security incident reporting mechanism enables all staff to report security incidents.

A total of 31 security incidents were reported in 2016–17. This included six incidents within the Protective Security Policy Framework definition of a security breach, which is an accidental or unintentional failure to observe the protective security mandatory requirements.

The majority of these incidents relate to ACIC staff failing to observe security policy within our secure premises. These breaches are largely unintentional and assessed as low risk and internal in nature.

INTEGRITY ASSURANCE

Our Integrity Assurance Team contributes to effective fraud and corruption control within the ACIC and provides a reporting, prevention, detection and investigation function regarding suspected breaches of the Code of Conduct, internal fraud and corruption in the agency.

MISCONDUCT

During the year the Integrity Assurance Team investigated 23 referrals alleging staff had breached the Australian Public Service Code of Conduct. As at 30 June 2017:

- 19 of the referrals were deemed not to require a formal investigation, following an assessment or preliminary investigation
- the remaining four were investigated under ACIC section 15(3) procedures for determining breaches of the Code of Conduct and for determining sanctions.

FRAUD AND CORRUPTION

The ACIC's *Fraud and Corruption Control Plan 2015–17* complies with the Commonwealth Fraud Control Framework and outlines our agency's attitude and approach to fraud and corruption control, summarises risks identified in the fraud and corruption risk assessment, and details mitigation strategies identified to treat significant risks.

Where fraud or corruption is suspected, the matter may be subject to misconduct or criminal investigation, or both. If sufficient evidence is found to support a criminal offence, the matter may be referred to the Commonwealth Director of Public Prosecutions for consideration of criminal prosecution.

During 2016–17, the Integrity Assurance Team received one allegation of fraud. The team received no allegations of corruption. We received 19 misconduct allegations, none of which were referred to the Australian Commission for Law Enforcement Integrity (ACLEI).

Misconduct, fraud and corruption allegations received in 2016–17

SOURCE OF REPORT	RECEIVED	OPEN	FINALISED	
			UNSUBSTANTIATED/ WITHDRAWN	SUBSTANTIATED
Externally referred	7	1	6	0
Internally referred	16	4	11	1
Total	23	5	17	1

BROADER CORRUPTION PREVENTION ACTIVITIES

Addressing corruption risk and integrity remains an area of focus for the ACIC as we seek to understand the changing threat and risk and adapt our strategies accordingly.

We are well connected with the broader anti-corruption environment. We participate in the ACLEI *Community of Practice for Corruption Prevention*. This network of integrity professionals from the agencies under ACLEI's jurisdiction shares best practice strategies in detecting and deterring corrupt conduct and participates in discussions on key or emerging issues.

We are committed to deterring and preventing corruption by organised crime wherever it occurs. Where requested and as appropriate, we assist ACLEI with its investigations. We provide specialist services including surveillance as agreed through our Memorandum of Understanding with ACLEI.

EXTERNAL SCRUTINY

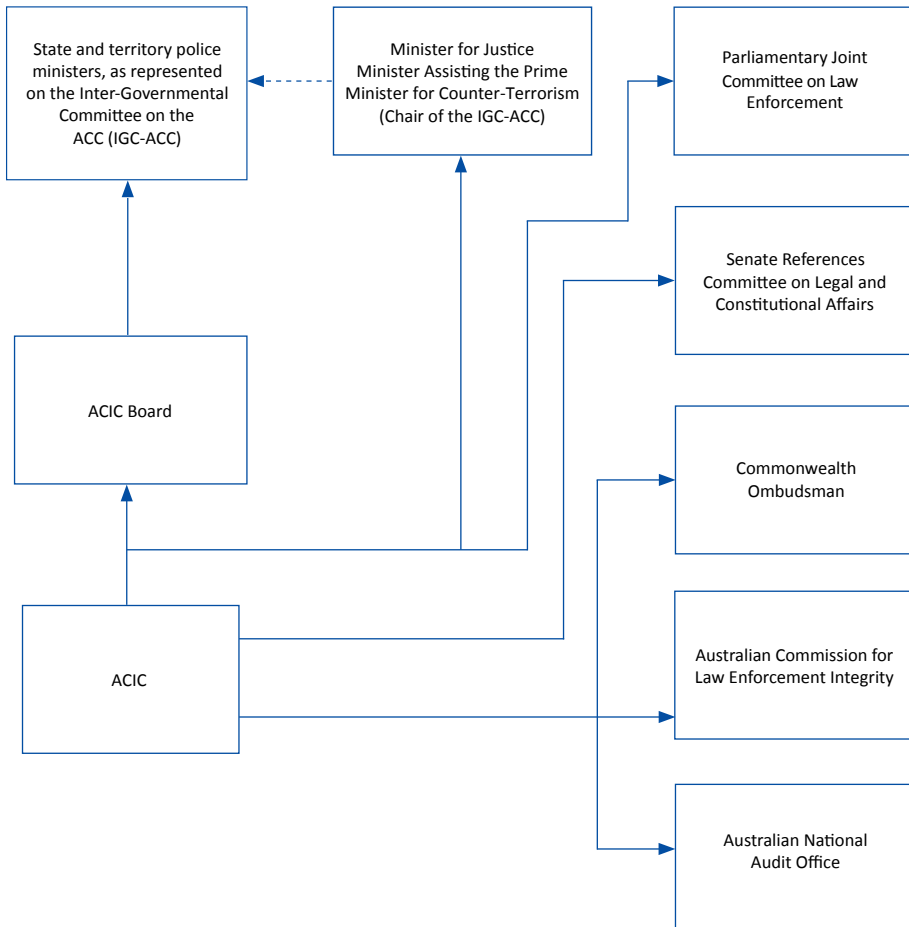
As at 30 June 2017 the ACIC was part of the Attorney-General's portfolio and accountable to the Minister for Justice, who is also the Minister Assisting the Prime Minister for Counter-Terrorism.

External scrutiny also includes the ACIC Board, the Inter-Governmental Committee on the Australian Crime Commission consisting of Commonwealth, state and territory police ministers, and the Parliamentary Joint Committee on Law Enforcement.

Due to the nature of our business, we operate in a contested environment and are often subject to legal challenge as a normal part of our operations.

The Commonwealth Ombudsman, Australian Commission for Law Enforcement Integrity and the Australian National Audit Office also form part of our external scrutiny framework.

ACIC external accountability



MINISTER FOR JUSTICE

The Hon Michael Keenan MP was appointed as Minister for Justice and sworn in on 18 September 2013. On 28 May 2015 the Minister was also appointed Australia's first Minister assisting the Prime Minister for Counter-Terrorism.



*The Hon Michael Keenan MP
Minister for Justice,
Minister Assisting the Prime
Minister for Counter-Terrorism*

PARLIAMENTARY COMMITTEES

Each year we contribute to various parliamentary inquiries affecting national law enforcement capability and activities. For details of this year's contributions, see page 71.

In addition this year we were called on to appear before the Senate References Committee on Legal and Constitutional Affairs at Senate Estimates hearings on 18 October 2016 and 28 February 2017. Transcripts of the proceedings and responses to questions on notice are available on the Committee website.

PARLIAMENTARY JOINT COMMITTEE ON LAW ENFORCEMENT

At the time of reporting, the Parliamentary Joint Committee on Law Enforcement consisted of 10 members. The Committee is made up of five members from the Senate (appointed by the Senate) and five members from the House of Representatives (appointed by the House). The Committee meets as required.

As at 30 June 2017, the members of the Parliamentary Joint Committee on Law Enforcement were:

- Mr Craig Kelly MP (Chair)
- Senator the Hon Lisa Singh (Deputy Chair)
- Senator the Hon Eric Abetz
- Dr Anne Aly MP
- Senator the Hon Don Farrell
- Mr Chris Hayes MP
- Senator Skye Kakoschke-Moore
- Mr Llew O'Brien MP
- Senator Barry O'Sullivan
- Mr Jason Wood MP.

The duties of the Committee are:

- To monitor and to review the performance of the ACIC and Australian Federal Police and their functions.
- To report to both Houses of the Parliament any matters relating to the ACIC or Australian Federal Police (AFP) or their performance of which the Committee thinks the parliament should be aware.

- To examine the annual reports of the ACIC and AFP and report to Parliament on any matter appearing in, or arising out of, any such annual report. Under section 7(c) of the *Parliamentary Joint Committee on Law Enforcement Act 2010* the Committee is required to examine each annual report of the ACIC. This is usually done through a public hearing.
- To examine trends and changes in criminal activities, practices and methods and report to Parliament any change which the Committee thinks desirable to the functions, structure, powers and procedures of the ACIC or the AFP.
- To make inquiries into issues, within its area of responsibility, raised by the Parliament and report back.

INTER-GOVERNMENTAL COMMITTEE ON THE ACC

The Inter-Governmental Committee on the ACC (IGC-ACC) is established under section 8 of the ACC Act.¹⁶ The IGC-ACC monitors our work, and strategic direction and work of the ACIC Board, including the use of coercive powers. Under certain circumstances the IGC-ACC has the authority to revoke a Board determination.

The IGC-ACC comprises the Commonwealth Minister for Justice and a minister to represent each state and territory government, nominated by the Premier or Chief Minister of the state or territory. The IGC-ACC met on 19 May 2017 in Melbourne in conjunction with the Law, Crime and Community Safety Council, which comprises the IGC-ACC members and other representatives from Australia and New Zealand.

The IGC-ACC has the following functions:

- To monitor generally the work of the ACIC and the Board.
- To oversee the strategic direction of the ACIC and the Board.
- To receive reports from the Board for transmission to the governments represented on the Committee and to transmit those reports accordingly.

As at 30 June 2017, the members were:

- the Hon Michael Keenan MP (Minister for Justice) (Chair)
- the Hon Troy Grant MP (New South Wales)
- the Hon Lisa Neville MP (Victoria)
- the Hon Rene Hidding MP (Tasmania)
- the Hon Peter Malinauskas MLC (South Australia)
- the Hon Michelle Roberts MLA (Western Australia)
- the Hon Michael Gunner MLA (Northern Territory)
- the Hon Mark Ryan MP (Queensland)
- Mr Mick Gentleman MLA (Australian Capital Territory).

16. Amendments to the ACC Act are required to formally change the committee's name to IGC-ACIC.

ACIC BOARD

The ACIC Board is established by section 7B of the ACC Act and is responsible for providing strategic direction to the ACIC, setting strategic priorities for the ACIC and approving the use of the ACIC's special coercive powers. The Board is also responsible for determining the ACIC's special operations and special investigations.

In setting the ACIC's strategic direction, the Board is able to fuse together state, territory and Commonwealth interests and provides a significant platform from which to operate collaboratively with our partners.

The Board considers a range of issues at each meeting, including assessing the overall performance of key areas of ACIC work. The Board also plays an active role in addressing strategic issues faced by the ACIC and in authorising or identifying key areas of new work that we should pursue.

As at 30 June 2017, the Board comprised:

- Commissioner, Australian Federal Police (Chair)
- Secretary, Commonwealth Attorney-General's Department
- Comptroller-General, Customs (Commissioner of the Australian Border Force)
- Chairperson, Australian Securities and Investments Commission
- Director-General of Security, Australian Security Intelligence Organisation
- Commissioner, Taxation of the Australian Taxation Office
- Commissioners, all state police forces and the Northern Territory police force, and Chief Police Officer, ACT Policing
- CEO, ACIC (as a non-voting member).

The CEO of the Australian Transaction Reports and Analysis Centre (AUSTRAC) attends Board meetings as a non-voting observer.

CHAIR'S ANNUAL REPORT

Details of ACIC Board meetings and the Chair's report on the ACIC's operations are contained in the *Australian Criminal Intelligence Commission Chair Annual Report*, which is tabled separately as soon as practicable after 30 June and fulfils the reporting requirements of the ACC Act.



*Andrew Colvin APM OAM
Chair of the ACIC Board*

BOARD DECISIONS AND CONSIDERATIONS

The following table lists Board authorisations as at 30 June 2017.

ACIC Board authorisations 2016–17

DETERMINATION	TYPE	ESTABLISHED
Vestigo Task Force	Task Force	Established 30 November 2016
Cyber-related Offending	Special Operation	Established 21 June 2017
Firearm Trafficking	Special Operation	Established 21 June 2017
High Risk and Emerging Drugs No. 3	Special Operation	Established 21 June 2017
National Security Impacts from Serious and Organised Crime No. 2	Special Operation	Established 4 September 2013
Outlaw Motor Cycle Gangs	Special Operation	Established 4 September 2013
Highest Risk Criminal Targets No. 2	Special Investigation	Established 4 September 2013
Targeting Criminal Wealth No. 2	Special Investigation	Established 4 September 2013
Criminal Exploitation of Australia's Migration System	Special Operation	Established 8 June 2016
Emerging Organised Crime Threats No. 2	Special Operation	Established 21 June 2017
National Task Force Morpheus	Task Force	Established 1 July 2014
Eligo 2 National Task Force	Task Force	Closed 30 November 2016

In addition, in 2016–17 the Board:

- approved the ACIC's External Governance and Engagement Model, agreeing to establish committees to inform the development, implementation and operational initiatives that support national policing services and systems
- approved the ACIC Board Charter of Governance that describes the role, responsibilities and authority of the Board and its members
- endorsed the ACIC *Strategic Plan 2016–21*
- endorsed the updated Australian Criminal Intelligence Management Strategy 2017–20
- noted prioritisation of ICT projects to ensure we can deliver on key priorities
- agreed to progress further work on key recommendations in the *Independent Review of the ACC Act*, which presents an opportunity to ensure we have the necessary powers to support its investigative and intelligence functions
- reviewed the outcomes of the Serious and Organised Crime Coordination Committee and discussed future work and engagement to ensure alignment with the strategic issues facing the agency

- noted the importance of the NCIS Pilot Program and endorsed development of the first pass business case and progression to the second pass business case
- reviewed ACIC strategic priority areas and the planned activity and response to the threats identified under our special investigations and special operations
- endorsed the 2017 iterations of the *Organised Crime in Australia* assessment and *National Criminal Target Report*
- authorised two new special operations—the Cyber-related Offending Special Operation and the Firearm Trafficking Special Operation
- approved an extension of the pilot for the Enhanced Biometrics at the Border project
- received a briefing on Project Petram, which was established to examine and understand criminal exploitation of offshore unregulated bookmakers
- received briefings on outcomes from the National Criminal Intelligence Capability Committee and Technology Capability Committee
- noted the agency’s one-year anniversary as an important milestone.

During the reporting year, the Board farewelled Commissioner Andrew Scipione APM, NSW Police Force, who commenced his appointment in 2007, and Mr Paul Jevtovic APM, AUSTRAC CEO, who commenced his appointment in October 2014 and served as a non-voting observer.

BOARD-ENDORSED EXTERNAL GOVERNANCE AND ENGAGEMENT MODEL

Following the establishment of the ACIC, the ACIC Board endorsed external governance arrangements to support the ACIC Board and effective operation of the ACIC. These arrangements include external engagement bodies comprising representatives from Board member agencies. We engage with these bodies to inform the decisions of the ACIC CEO and the Board and to provide assurance that the views of all partner agencies have been considered. The external engagement bodies include the following advisory committees:

- **Capability Coordination Group**—This group coordinates and deconflicts advice from these advisory committees to ensure consistent advice is provided to the ACIC CEO and Board.
- **Law Enforcement Information Services Capability Committee**—This committee informs the development, implementation and operation of initiatives that support national law enforcement information sharing services and systems for Australia’s police, wider law enforcement and national security agencies.
- **National Criminal Intelligence Capability Committee**—This committee promotes and champions the professionalism of the national criminal intelligence capability, and collaborates on strategic intelligence issues at a national level to ensure coordinated advice for Australia’s police, wider law enforcement and national security agencies. During 2016–17 this committee finalised the *Australian Criminal Intelligence Management Strategy 2017–2020*, which proposes a framework to harness and share intelligence assets and support a whole-of-enterprise approach to capability management. The strategy guides actions towards achieving a vision of intelligence partnership for a safer Australia. The ACIC Board and state and territory police ministers endorsed the strategy at the Law, Crime and Community Safety Council in May 2017.

- **Serious and Organised Crime Coordination Committee**—This committee supports prioritisation, endorsement and coordination of operational strategies for dealing with serious and organised crime investigations, targets and threats at a national level. This year the committee progressed ACIC Board-approved strategies including the *National Outlaw Motor Cycle Gang Strategy*, *National Illicit Firearms Strategy*, and *National Law Enforcement Methylamphetamine Strategy*. This committee also oversees coordination of Joint Management Groups, which mainly focus on entities on the National Criminal Target List.
- **Technology Capability Committee**—This committee informs and supports the development, implementation and operation of the national services and systems we deliver for Australia’s police, wider law enforcement and national security agencies.

AUSTRALIAN COMMISSION FOR LAW ENFORCEMENT INTEGRITY

The ACIC’s primary oversight body is the Australian Commission for Law Enforcement Integrity (ACLEI). It was established in 2006 through the enactment of the *Law Enforcement Integrity Commissioner Act 2006* to prevent, detect and investigate corruption issues in a number of agencies including the ACIC and the former National Crime Authority where necessary.

Under this Act, our CEO is required to notify the Integrity Commissioner of corruption issues that relate to the ACIC. While the decision to notify the Integrity Commissioner rests with the CEO, the ACIC and ACLEI work collaboratively and cases are discussed to assess whether there should be a notification.

During 2016–17 the ACIC did not notify ACLEI of any corruption allegations.

COMMONWEALTH OMBUDSMAN

The Commonwealth Ombudsman inspects ACIC records associated with our controlled operations, use of surveillance devices, telecommunications interception activity and access to telecommunications data.

During 2016–17 the Ombudsman visited ACIC offices in Brisbane, Sydney and Melbourne to conduct eight inspections, including the first records based inspection of ACIC access to telecommunications data as a result of changes to the *Telecommunications (Interception and Access) Act 1979* in 2015.

The Ombudsman has issued a report for one of these inspections, on the ACIC’s surveillance devices records for the period 1 January to 30 June 2016. In the report, the Ombudsman was satisfied that the (then) ACC had used the powers as Parliament intended, and that we were compliant with all inspection criteria. No recommendations were made, and the Ombudsman reported it was satisfied that the ACIC had taken remedial action in response to two issues relating to inspected records. Reports outlining results from inspections of ACIC records become publicly available once the Minister has tabled them in Parliament.

We maintain a productive relationship with the Ombudsman as part of our Excellence in Compliance Strategy, which includes addressing any issues identified during the inspection process. In addition, the Ombudsman’s advice on best practice guides our development of procedures and training programs.

AUSTRALIAN NATIONAL AUDIT OFFICE

The Australian National Audit Office did not conduct any performance audits related to ACIC activities this year.

FREEDOM OF INFORMATION

The ACIC is subject to the *Freedom of Information Act 1982* (FOI Act). Agencies subject to the FOI Act are required to publish information to the public as part of the Information Publication Scheme. The requirement is in Part II of the FOI Act and replaces the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the Information Publication Scheme requirements.

We complied with the requirements as they apply to our agency through establishing FOI pages on our website and intranet, publishing our Information Publication Scheme Agency Plan, responding to the Information Publication Scheme, training our staff, providing templates for public requests for information and maintaining document registers outlining ACIC information holdings regarding statutory requirements of the FOI Act.

Although we are no longer required to include a section 8 statement, we have chosen to provide an FOI report, which is at Appendix D on page 249.

JUDICIAL DECISIONS

The ACIC is subject to legal challenge as a normal part of our operations. This may occur in the context of applications in the Federal Court for judicial review under the *Administrative Decisions (Judicial Review) Act 1977* or section 39B of the *Judiciary Act 1903*, or as part of the criminal justice process, such as in a contested subpoena or application for a stay of criminal proceedings.

In 2016–17 we were involved in two significant matters. The first was a judicial review application that sought to challenge the breadth of a Board determination and a decision of an Examiner to issue a summons under that determination. The second was an Interlocutory appeal where the ACIC sought leave to intervene.

XXVII V THE COMMONWEALTH OF AUSTRALIA

XXVII was summonsed to attend an examination under the ACC Act, but sought orders to prevent the examination from proceeding on a number of administrative law grounds. In particular, XXVII challenged the validity of the Board’s determination under which XXVII was summonsed (Highest Risk Criminal Targets No. 2 Special Investigation determination), and consequently the summons itself. The matter was heard before Justice Charlesworth in the Federal Court (Adelaide).

On 29 March 2017, the Court ruled in favour of the ACIC, dismissing the application. Justice Charlesworth found that the application sought to re-litigate issues that had been resolved by the decisions in *XCIV v ACC & Sage*, *LX v Commonwealth of Australia*, and *XX v Australian Crime Commission* and upheld the validity of the Highest Risk Criminal Targets No. 2 Special Investigation determination. At the time of writing, an appeal against this decision had been heard and judgement was reserved.

COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS V DONALD GALLOWAY (A PSEUDONYM) & ORS

On 5 August 2016 the Commonwealth Director of Public Prosecutions filed an application seeking leave to appeal the decision of the Victorian Supreme Court to permanently stay the prosecutions of Galloway, Strickland, Hodges and Tucker. On 31 August 2016, the ACIC was granted leave to intervene in the proceedings.

Judgement was delivered on 25 May 2017, and published on 30 May 2017. The Court of Appeal overturned the stay and found:

1. The Examiner's decision to permit dissemination of the examination material (the 'publication decision') to the Australian Federal Police was unlawful.
2. It was not open to the judge to make a finding that the Examiner was reckless in his exercise of his powers under s.25A of the ACC Act.
3. The Financial Crimes and Money Laundering Determinations were both valid.
4. The examinations were unlawful because they were not conducted 'for the purposes of an ACC special investigation'.
5. The examinations were also unlawful because they were conducted for an improper purpose, being the purposes of the Australian Federal Police investigation/at the behest of the Australian Federal Police.
6. There was no sufficient forensic disadvantage suffered by any of the respondents to justify a stay of proceedings.

At the time of writing, the matter was the subject of an application for special leave to appeal to the High Court. The ACIC has indicated our intent to file a Notice of Contention in the event that leave is granted.

CONTEMPT OF THE ACIC

ACIC Examiners have the power to apply for a witness to be dealt with for contempt of the ACIC in certain circumstances. These applications are heard in either the Federal Court or relevant state or territory Supreme Court.

No contempt proceedings were finalised in 2016–17.

LEGISLATIVE CHANGE

AMENDMENTS TO THE ACC ACT AND REGULATIONS

As reported in 2016, amendments to the *Australian Crime Commission Act 2002* (ACC Act) made by the *Australian Crime Commission Amendment (National Policing Information) Act 2016* to give effect to the merge of the ACC and the CrimTrac agency commenced on 1 July 2016, as did the *Australian Crime Commission (National Policing Information Charges) Act 2016* (Charges Act). No further amendments have been made to the ACC Act or the Charges Act during the reporting period.

The Crimes Legislation Amendment (International Crime Cooperation and Other Measures) Bill 2016, introduced in the House of Representatives on 23 November 2016, was still before the Parliament at the end of the reporting period. Schedule 10 to the Bill would make minor amendments to the ACC Act to resolve concerns about use of an alternative name (in practice ‘Australian Criminal Intelligence Commission’) for the merged agency in certain defined expressions.

Following the commencement of the Australian Crime Commission Amendment (National Policing Information) Regulation 2016 on 1 July 2016, two further amendments to the Australian Crime Commission Regulations 2002 were made during the reporting period:

- The *Australian Crime Commission Amendment (National Policing Information) Regulation 2016 (No. 1)*, which commenced on 2 September 2016 (although some provisions were retrospective to 1 July 2016):
 - simplified the original list of bodies that collect national policing information
 - prescribed additional kinds of information that may be national policing information
 - prescribed an expanded list of bodies, other than ACIC Board agencies, that may receive national policing information.
- The Australian Crime Commission Amendment (Witness Expenses) Regulations 2017:
 - replaced the *High Court Rules 2004* with the *Royal Commissions Regulations 2001* (RCR) as the relevant scale for payment of expenses to witnesses at ACIC examinations
 - prescribed a corresponding scale of payment of expenses for persons required under section 21A of the ACC Act to produce documents or things to an Examiner or a member of the staff of the ACIC.

PROPOSED MERGE WITH AIC

The Australian Crime Commission Amendment (Criminology Research) Bill 2016 was introduced in the House of Representatives on 14 September 2016 to replace a substantially identical bill that lapsed on the dissolution of the 44th Parliament. The Bill would repeal the *Criminology Research Act 1971* (abolishing the AIC) and transfer the AIC’s functions and financial powers and responsibilities (including administration of the Criminology Research Special Account) to the ACIC.

We continue to strengthen our relationships with the AIC. We are united under a Machinery of Government change, with AIC employees as members of ACIC staff and our CEO remains the Director of the AIC.

OUR PEOPLE

As at 30 June 2017 we had a staff of 810¹⁷ (Australian Public Service employees and statutory office holders) supplemented by 24 secondees from Commonwealth, state and territory law enforcement and other Commonwealth agencies.

Our workforce includes; investigators and intelligence analysts; professional human source case managers; financial profilers; operational and organisational psychologists; physical and technical surveillance operatives; technical and cyber analytics operatives; strategic and vulnerability assessment analysts; lawyers, specialist examinations staff; business and systems analysts; solution, enterprise, security and information architects; project managers; business change managers; program delivery managers; and corporate services staff.

We also work with secondees from our partner agencies, some of whom are seconded to the ACIC to work in multi-agency task forces and Joint Analyst Groups. We also engage contractors and consultants to provide specialised services.

Staffing profile as at 30 June 2017

STAFFING CATEGORIES	NO. OF STAFF AS AT 30 JUNE 2017	NUMBER OF FULL-TIME EQUIVALENT (FTE) STAFF AS AT 30 JUNE 2017	AVERAGE STAFF LEVEL DURING 2016–17
APS employees Statutory office holders	810	761.25	757.69
Secondees funded by the ACIC	14	14	14
Secondees funded by jurisdictions	10	10	10
Total core staff	834	785.25	781.69
Task force members	100	100	100
Total overall staff	934	885.25	881.69

Notes:

1. This table reflects the number of secondees as at 30 June 2017. However, as secondees work with us for different periods of time throughout the year, the overall total of secondees for 2016–17 was 205.
2. Further information on consultants is provided in *Chapter 4: Financial performance*.

17. The increase in staffing numbers in 2016–17 is largely due to the merge of the ACC and CrimTrac to form the ACIC. It also incorporates 37 staff from the AIC.

SECONDEES AND TASK FORCES

- **Secondees**—We supplement our staffing with secondees from other agencies. As at 30 June 2017 we had a total of 24 secondees, both ACIC funded and funded by other agencies. Throughout the reporting year we hosted a total of 205 secondees from 15 other Commonwealth and law enforcement agencies on short-term and long-term assignment.
- **Task forces**—We coordinate and participate in joint task forces and Joint Analyst Groups with partner agencies. As at 30 June 2017 we had 100 task force members. Throughout the reporting year we hosted 171 task force members on short-term and long-term assignment.

A breakdown of secondees and task force staff by home agency and jurisdiction is in Appendix F on page 254.

Staffing profile trends 2009–10 to 2016–17

HEADCOUNT AS AT 30 JUNE	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17
APS and statutory office holders	546	628	598	584	562	581	595	810
Secondees funded by the ACC/ACIC	29	45	23	21	23	23	14	14
Secondees funded by other jurisdictions	20	19	15	20	20	13	11	10
Total core staff	595	692	636	625	605	617	620	834
Task force and JAG members	37	18	13	21	46	35	82	100
Total overall available resources	632	710	649	646	651	652	702	934
Full-time equivalent (APS only)	526.8	606.61	565.21	553.94	532.98	550.8	561.20	761.25
Average staffing level (APS only)	N/A	N/A	556.29	553.35	531.57	529.8	554.81	757.09

Note: The increase in staffing numbers in 2016–17 is largely due to the merge of the ACC and CrimTrac to form the ACIC. It also incorporates 37 staff from the AIC.

LOCATION

During the year, we worked out of eight locations around the country and several overseas locations.



APS employees and statutory office holders by location as at 30 June 2017

LOCATION	NUMBER
Canberra	420
Sydney	138
Melbourne	100
Brisbane	84
Adelaide	33
Perth	27
Darwin	2
Hobart	1
Dubai	1
Ottawa	1
Washington	3

A breakdown of employment capacity by location is in Appendix F on page 254.

CLASSIFICATION LEVELS

We have 11 different classification levels including APS 1–6, Executive Levels 1 and 2 (EL 1 and EL 2), Senior Executive Service bands 1 and 2 (SES 1 and SES 2), and our CEO and Examiners, who are statutory office holders.

APS employees by classification level as at 30 June 2017

CLASSIFICATION LEVEL	NUMBER
APS 1	2
APS 2	1
APS 3	43
APS 4	113
APS 5	122
APS 6	131
EL 1	294
EL 2	88
SES 1	12
SES 2	2
CEO	1
Examiners	1

Note: These figures represent positions that were substantively filled as at 30 June.

A breakdown of classifications in our different locations is in Appendix F on page 254.

GENDER

This year, women comprised 50.86 per cent of our organisation. There are 126 more women than men at classification levels APS 1–6, but 120 more men than women at the EL 1, EL 2 and SES levels.

Overall representation of women in EL and SES levels decreased to 36.61 per cent. This is below the 43 per cent of women SES across the broader APS as at 30 June 2016, as reported in the *State of the Service Report 2015–16*.

APS employees by gender as at 30 June 2017

GENDER	NUMBER
Men	398
Women	412

A breakdown of gender distribution by classification is in Appendix F on page 254.

AGE

The ACIC's age profile includes strong representation in all five-year age brackets, which range from under 21 to over 65 years of age.

CULTURAL DIVERSITY

A total of 22.8 per cent of staff have identified that Australia is not their country of birth and 8.3 per cent do not have English as a first language, while 11.6 per cent chose not to give this information.

WORKPLACE DIVERSITY

Workplace diversity at our agency means respecting and valuing the skills and experiences that each staff member brings to the workplace, as well as being responsive to the additional challenges faced by some groups. We are committed to creating an environment focused on building a diverse workforce to better deliver on our purpose of making Australia safer. The Diversity and Inclusion Sub-committee of the Operations Management Committee oversees our Workplace Diversity Program and actively promotes, participates in and supports initiatives to improve diversity awareness and inclusivity within our workforce. The Diversity and Inclusion Sub-Committee has started developing our 2017–19 diversity action plan focusing on issues including:

- people from culturally and linguistically diverse backgrounds
- Aboriginal and Torres Strait Islander peoples
- people with disability
- gender equity.

RECONCILIATION ACTION PLAN

Our *Reconciliation Action Plan 2015–17* outlines our continued commitment to progressing reconciliation between Aboriginal and Torres Strait Islander and non-Indigenous Australians. It identifies practical actions and sets goals to drive greater equality and understanding. In implementing the plan, we will make a meaningful contribution to reconciliation in Australia. This year our State Manager, Queensland was our champion for the inclusion of Indigenous peoples. Through this plan we have:

- increased Indigenous cultural understanding and respect to ensure Indigenous employees receive support when they commence at the ACIC
- celebrated and promoted National Reconciliation Week and NAIDOC Week and provided opportunities to strengthen relationships between Aboriginal and Torres Strait Islander employees and other employees
- seen the uptake and use of protocols and guidelines on Acknowledgement of Country used during presentations and programs
- increased employment pathways for Aboriginal and Torres Strait Islander peoples into the ACIC by continuing to participate in the entry level programs, the Indigenous Australian Government Development Program and the APS Indigenous Graduate Program
- increased staff knowledge and awareness of Indigenous communities by continuing to participate in the Jawun Secondment Program.

Our Reconciliation Action Plan (RAP) Working Group has reviewed the draft *Reconciliation Action Plan 2017–19* and will seek endorsement from Reconciliation Australia in 2017–18.

Our rate of Indigenous employment at the ACIC is 1.23 per cent.

FEATURE: RECONCILIATION INITIATIVES STRENGTHEN AWARENESS AND UNDERSTANDING

PRESENTATIONS HIGHLIGHT INDIGENOUS EXPERIENCE AND CULTURE

Our *Reconciliation Action Plan 2015–17* expresses our agency's vision for reconciliation as continuing to build relationships with, and develop mutual respect between, Aboriginal and Torres Strait Islander and non-Indigenous employees through a work environment that is respectful and values diversity.

As well as our ongoing initiatives to support this aim, this year we reflected on two significant anniversaries in Australia's reconciliation journey: 50 years since the 1967 referendum, and 25 years since the historic Mabo decision.

We took the opportunity to renew our focus on celebrating and building respectful relationships between Aboriginal and Torres Strait Islander peoples and the broader community, with a series of special events in our offices around the country during National Reconciliation Week in mid-2017.

One particularly noteworthy presentation was from Jeremy Donovan, an Aboriginal man descended from the Kuku-Yalanji tribe of Far North Queensland. In an engaging and touching presentation, Mr Donovan spoke of his heritage, culture, history and ancestry and the impacts on his life, choices and connections. He shared the trials he has overcome as an Aboriginal man to achieve his dreams and aspirations. Mr Donovan explained how his grandfather taught him that as an Aboriginal man he had a responsibility to pass on his history and teach and share what he knows—that Aboriginal culture belongs to everyone.



DISABILITY

A total of 2.7 per cent of ACIC staff have identified as having a disability. We have renewed our Australian Network on Disability membership, to enable development of strategies to improve workplace inclusivity for ACIC employees and stakeholders with disability.

CULTURE STRATEGY

We are committed to a culture that strives for excellence, enables personal and professional growth, values diversity, models respectful behaviour, and achieves agency unity through collaboration and inclusiveness. This year we continued to implement our culture strategy to foster an inclusive, positive and productive working environment, encouraging innovation, driving business improvement, and continuing to attract and retain high performing employees.

Our culture strategy is informed by and aligns with the:

- *ACIC Enterprise Agreement 2016–19*
- ACIC Charter of Respect
- *ACIC Strategic Plan 2016–21*
- *Public Service Act 1999* instruments and guidelines regarding to workplace values in the public service, work health and safety, and performance management principles.

We are revising our culture action plan to include initiatives to continue to build a positive workplace culture.

'GIVE RESPECT, GET RESPECT' CAMPAIGN

In 2016–17 our 'Give respect, get respect' staff engagement and communication campaign received an International Association of Business Communicators' Gold Quill Award for communicating workplace culture reform in an Australian Government agency.

We ran the campaign from September 2015 to June 2016, to encourage staff to actively think about their actions in the workplace and to engage with cultural initiatives. It involved prompts through screensavers, a desktop calendar, bookmarks, case studies demonstrating how people were making a difference in the workplace, emails and video messages from senior leaders as well as a guest speaker series. Evaluation indicated the majority of staff agreed the campaign kept them informed of workplace culture reform, with some respondents giving examples of actions they had taken to personally improve workplace culture.

REMUNERATION AND BENEFITS

WORKPLACE AGREEMENTS

During 2016–17 our *ACIC Enterprise Agreement 2016–19* covered a total of 932 employees (this does not include our substantive SES or Examiners). This agreement commenced on 30 December 2016. It provides a range of flexible working arrangements and aligns key ACIC conditions with APS-wide conditions.

PERFORMANCE PAYMENTS

The ACIC does not have a system of performance payments. Rather, incremental advancement is available to eligible staff as part of our Performance Development System (see *Performance development* on page 198).

NON-SALARY BENEFITS

Non-salary benefits include flexible working arrangements for APS 1–6 officers, time-off-in-lieu arrangements for Executive Level staff, tertiary studies assistance and a comprehensive Performance Development System (see page 198). We also offer free influenza vaccinations, and an employee assistance program providing counselling and support for staff and family members.

SALARY RANGES

Salaries for APS employees range from \$43,287 (APS 1) to \$135,583 (EL 2).

Salary bands under our Enterprise Agreement 2016–19

CLASSIFICATION LEVEL	SALARY AS AT 30 JUNE 2017
APS 1	\$43,287–\$47,842
APS 2	\$49,728–\$55,142
APS 3	\$57,530–\$62,092
APS 4	\$63,236–\$68,662
APS 5	\$70,018–\$74,246
APS 6	\$76,396–\$86,454
EL 1	\$96,317–\$116,120
EL 2	\$120,337–\$135,583

EXECUTIVE REMUNERATION

The nature and amount of remuneration for SES officers is determined through the ACIC Senior Executive Service Remuneration and Benefits Policy. SES salary increases take into account the complexity of the role, current and previous performance, contribution to corporate goals and values, the financial position of the ACIC, comparisons with other SES officers, and the quantum of remuneration relative to other ACIC staff. The ACIC uses Common Law Contracts for all SES employees to govern remuneration and entitlements. Details of SES total remuneration are in the financial statements (see page 232).

CEO AND EXAMINERS REMUNERATION

As our CEO and ACIC Examiners are statutory office holders, the Remuneration Tribunal sets their remuneration and entitlements. As at 30 June 2017, the CEO base salary was \$347,300 with a total remuneration package of \$496,130.

ACIC Examiner base salaries were \$310,740 with total remuneration packages of \$443,910. Part-time Examiners receive a daily rate of \$1,411.

STAFF RETENTION AND TURNOVER

In 2016–17 a total of 118 staff left the ACIC. Reasons included moving to another APS agency, retirement, redundancies and completing non-ongoing contracts. A breakdown of staff turnover by reason is below.

APS staff turnover as at 30 June 2017

TERMINATION REASON	NUMBER
Commenced on incorrect Australian Government Service (AGS) number	1
Completed non-ongoing contract	6
External promotion	5
External transfer	31
Incapacity retirement	1
Move to other agency	9
Resignation	45
Retired after Age 55	13
Section 29 3c of the Public Service Act (poor performance)	1
Voluntary redundancy	6

As at 30 June 2017, our retention rate was 88.9 per cent.

Our staff retention strategies include:

- recognition and performance development
- performance feedback and support
- learning and development opportunities
- mentoring
- opportunities for higher duties
- involvement in cross directorate projects
- short-term transfers to other business areas
- ongoing evaluation of feedback provided through staff surveys and exit surveys.

PERFORMANCE DEVELOPMENT

Our Performance Development System incorporates career planning, individual and team-based learning and development, capability and skills enhancement and regular performance feedback. This system guides our performance management process and assists staff to make strategic links between business goals and key result areas when identifying opportunities for development.

In 2016–17, our Performance Development System completion rate was 96 per cent.

Our Performance Development System enables incremental salary advancement. Staff are rated on a three-point scale (high performing, performing well and requires development) and are eligible for an incremental increase if they receive a rating of high performing or performing well.

Managers are supported with guidance on the more formal aspects of the performance management process, including aspects of underperformance. Managers and staff are supported through coaching to maintain appropriate focus on the issues at hand, strategies to manage any anxiety around the process, strategies to contain and address issues that may emerge within teams as a result of individual performance management and experienced case managers to assist if required. Our Organisational Psychology Services area also provides a point of referral for employees for access to appropriate support when necessary.

RECOGNITION

We recognise staff who make a significant contribution to achieving our goals through a formal CEO Awards program. This year, the following major awards were presented:

- **The Geoffrey Bowen Memorial Award**—to Michael Manning, Principal Legal Specialist, in recognition of his exceptional professionalism, commitment to work, mentoring and guidance of junior staff.
- **Excellence in the Intelligence Division**—to Lisa Palmer, Intelligence Analyst, for her professionalism and development of excellent partnerships with local and interstate investigators, which supported operational outcomes.
- **Excellence in the Capability Division**—to Suma Hoyle, Property Projects Team Leader, for her positive attitude, decisive leadership and ability to consistently deliver to a high standard, including staff relocations and office fit outs.
- **Excellence in the Technology and Innovation Division**—to the IT Service Operations Team (Service Desk) for their dedication and commitment to maintaining ICT systems during the merge, including professionalism and resilience under pressure.
- **Excellence in the field of research (AIC award)**—to Christopher Dowling, Senior Research Analyst, for his work including an evaluation of the ACORN and developing a family and domestic violence research program.

These awards are designed to recognise the champion practitioner in key business areas.

Individuals are also recognised for their service to the ACIC through service awards for 10, 15 and 20 years of service.

LEARNING AND DEVELOPMENT

STRATEGIES

Our learning and development strategies support capability development in identified priority areas. The objective is to develop a responsive and high performing workforce so we can deliver on our strategic direction and priorities.

APPROACH

Our learning and development activities are based on a blended learning and development philosophy, which recognises that experience within the workplace provides for the most effective learning, when blended with learning from others through coaching and mentoring, and formal learning opportunities. This learning approach follows the 70:20:10 learning philosophy.

LEARNING AND DEVELOPMENT 70: 20: 10: PHILOSOPHY



OPPORTUNITIES

We provide learning and development opportunities in three key areas:

- **Core**—We provide learning activities to support positive workplace culture and fundamental organisational practices for employees to work successfully in the ACIC environment. Examples include induction, APS Core Skills programs, presentation skills, systems training and project management courses.
- **Specialist**—We work with internal subject matter experts, partner agencies and tertiary institutions to provide job-specific opportunities to enhance specialist and tradecraft capabilities. Examples include qualifications in investigations, compliance, analytics, national security policy, money laundering methodologies, strategic intelligence, criminology, and telecommunications technology.
- **Leadership and management**—We invest in developing our managers and leaders through our ACIC leadership programs, ACIC Mentoring Program and executive coaching. We also provide opportunities through external programs, such as those delivered through the Australian Institute of Police Management, Australian Public Service Commission, National Security College, Australian and New Zealand School of Government, Australian Federal Police, and the Women in Law Enforcement Strategy Mentor Program.

OUTCOMES

This year ACIC staff collectively attended 2,469 training and development opportunities and events including core/business skills, coaching and mentoring, leadership and management, conferences/networking, specialist capability development (cyber, finance and international capability, as well as information and communication technologies, intelligence, investigations, psychology and media), induction and compliance. Examples include:

- **Agency mentoring program**—This year our mentoring program involved 12 mentors and 14 mentees. Through this program we are able to: foster personal and professional growth through the sharing of business information, skills, attitudes and behaviours; facilitate greater understanding of how individual work contributes to our strategic direction and corporate plan by connecting people with others outside their teams and usual relationships; and develop a peer support culture by linking mentees to mentors with valuable knowledge and information.
- **Joint agency intelligence mentoring program with Victoria Police**—In April 2017 we finalised the 12-month Joint Agency Intelligence Mentoring Pilot Project. The pilot program involved four mentoring pairs from our agency and Victoria Police. It supported the aim of professionalising the intelligence discipline through the development of national standards for intelligence practitioners and analysts. The pilot was assessed by both agencies to be highly successful and a valuable basis for future developmental programs.

The key objectives of the pilot project were to:

- encourage opportunities to foster personal and professional growth through the sharing of business information, skills, attitudes and behaviours

- facilitate greater understanding in both agencies of the role of intelligence and to identify opportunities for collaboration by connecting intelligence staff outside of formal relationships
- develop a culture of professional support by linking experienced intelligence mentors with promising mentees.
- **Management expertise and business skills**—This year staff undertook management and core business development opportunities to enhance our workforce capability. These programs included:
 - Prince 2 project management
 - Financial delegations
 - Think on your feet
 - Writing skills.
- **APS Values and Ethics workshop**—This year we delivered the APS Ethics and Values workshop to all new staff nationally. The purpose was to raise awareness of the relevance of the APS Values and Code of Conduct in the workplace, identify the legislative connection between the APS and the APS Values and Code of Conduct, and explore APS employee responsibilities for upholding and supporting the APS Values and Code of Conduct at all times.
- **Professional Development Lecture Series**—These lectures from internal and external experts provided staff with an opportunity to learn valuable information that benefits their work at the ACIC. The lecture series is intended to promote the development of our internal presenters as well as attendees. Guest lecturers included:
 - Dr Rory Medcalf, National Security College, on risks to Australian security interests out to the 2030s
 - Dr Claire Ferguson, Queensland University of Technology, on critical skills for critical minds.

EVALUATION

We conducted 50 evaluation processes for internal and external training and development programs. Our strategic evaluation of learning and development activities is based on the Kirkpatrick approach (1988). Our evaluation seeks to:

- assess if we have met our intended objectives
- achieve continuous improvement
- assess whether resources are being used wisely
- assess value for money.

EMPLOYEE ENGAGEMENT

We engage with staff to seek their views and increase their level of engagement if necessary for example by participating in last year’s Australian Public Service Commission ‘Census’ survey process. Results are in a unique context due to the timing of the census ahead of the merge between CrimTrac and the ACC. Results indicated that:

- consistent with other agencies across the Australian Public Service, both CrimTrac and the ACC received good results in employee engagement with work, satisfaction with immediate supervisors, and satisfaction with job security
- both CrimTrac and ACC employees had more formal education than the average employee across the Australian Public Service.

Turnover was only slightly higher than that in the wider Australian Public Service, with 14.2 per cent in CrimTrac and 12.5 per cent in the ACC.

WORK HEALTH AND SAFETY

We are committed to preventing injuries and exposure to hazards in the workplace, by taking all reasonably practicable steps to protect the health and safety of all workers at work, through identifying, eliminating and minimising hazards. Appendix C (from page 245) details our 2016–17 work health and safety arrangements, initiatives, outcomes, statistics of accidents or dangerous occurrences, and any investigations conducted.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT

The five principles of Ecologically Sustainable Development (ESD) identified in the Environment Protection and Biodiversity Conservation Act 1999 are integration, precautionary, intergenerational, biodiversity and valuation.

We are aware of these principles within our daily operations. We strive to operate in an environmentally responsible manner, including efficient use of resources and effective waste management.

We are committed to reducing our impact on the environment through ongoing minimisation strategies and new technologies and resources including:

- electronic document management systems and web-based information-sharing tools that reduce or eliminate the need to print and retain paper copies of documents
- using video and telephone conferencing where possible to reduce the need for local and interstate travel
- reviewing leased buildings and encouraging building owners to improve energy performance
- ensuring that new leases entered into comply with the Australian Government's energy policy
- procuring energy efficient equipment and lighting solutions, including a smart lighting system that activates only when areas are occupied
- recycling facilities in breakout areas.

The integration of energy efficiency practices into our organisation and planning processes allows us to reduce our energy costs and decrease consumption of valuable resources.