We achieve our intended outcomes through **good governance**, effective **planning, performance measurement**, and a **flexible** and **resilient workforce**.

Section 3

Management and accountability

Our governance, people and resources

Governance context

The ACIC is a Commonwealth statutory body, established under the *Australian Crime Commission Act 2002* (ACC Act). We are one of five statutory agencies in the Home Affairs portfolio and report to the Minister for Home Affairs.

Our role and functions are set out in the ACC Act and underpinned by supporting legislation in each state and territory. We also have responsibilities under the *Public Service Act 1999* and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In addition, we provide resources and corporate support to, and collaborate closely with, the Australian Institute of Criminology (AIC) on relevant criminological research. Our Chief Executive Officer (CEO) is also Director of the AIC, and AIC staff have transferred to the ACIC under a machinery of government process.

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 the ACIC Executive and senior management committees.

Accountable authority

The CEO is the accountable authority of the ACIC for the purposes of the PGPA Act. Mr Michael Phelan APM was appointed CEO on 13 November 2017 and held that position throughout 2019–20.

ACIC Executive

On 30 June 2020, the ACIC Executive comprised the CEO, the Chief Operating Officer, four executive directors, 11 national managers and six state managers.

Table 3.1 provides details of the positions and responsibilities of the members of the ACIC Executive.

Table 3.1: Executive positions and responsibilities

	Position title and name	Responsibilities
CEO OFFICE	Chief Executive Officer **Michael Phelan APM**	Responsible for overseeing the management and administration of the ACIC, managing our relationship with ministers, working collaboratively with ACIC Board member agencies, and providing leadership, strategic direction and strong governance for our agency. Our CEO is a non-voting member of the ACIC Board.
	Chief of Staff **Jeremy Johnson**	Responsible for government relations and engagement; media and communication; strategy; planning and performance; and strategic policy.
CHIEF OPERATING OFFICE	Chief Operating Officer **Anne Brown**	Responsible for key enabling services, including people; security; business and innovation; finance; property; and legal services.
	National Manager Finance, Property and Procurement/Chief Financial Officer **Yvette Whittaker**	Responsible for the financial management of the agency, procurement, the national property portfolio and business support.
	National Manager People, Security and Integrity **Tim Simpson**	Responsible for the delivery of people management and strategies, security, integrity and organisational psychology.
	National Manager Legal Services/General Counsel **Nicole Mayo**	Responsible for administrative and criminal law litigation; advice on the use of ACIC powers; policy development and legislative reform; risk and audit; agreements; and our examination capability.
	National Manager Business Services **Peter Ingram**	Responsible for business strategy, the Portfolio Management Office and the National Police Checking Service.
TECHNOLOGY	Acting Executive Director Technology **Stewart Sibree**	Responsible for providing and maintaining our national information capabilities and services to support policing and law enforcement.
	Acting Chief Technology Officer **Sam Lewis**	Responsible for capabilities required to design, develop and operate ICT solutions to ensure connectivity between our agency's IT systems and external systems and ongoing access to critical sources of data.
	Senior Advisor Business Systems Delivery **Stephen McCarey**	Responsible for intelligence and national policing information ICT solutions for our agency.

Table 3.1: Executive positions and responsibilities (continued)

	Position title and name	Responsibilities
INTELLIGENCE OPERATIONS	Executive Director Intelligence Operations **Matthew Rippon**	Responsible for ACIC investigations and intelligence operations, our intelligence products development and oversight of state managers.
	National Manager Operational Strategy **Darshana Sivakumaran**	Responsible for the Australian Priority Organisation Target disruption unit; transnational serious and organised crime; criminal intelligence of cybercrime and gangs; and the monitoring and assessment unit.
	State Manager New South Wales **Warren Gray**	Responsible for operations and stakeholder relationships in New South Wales.
	State Manager Victoria **Jason Halls**	Responsible for operations and stakeholder relationships in Victoria.
	State Manager Queensland **Charlie Carver**	Responsible for operations and stakeholder relationships in Queensland.
	State Manager Western Australia **Doug Miller**	Responsible for operations and stakeholder relationships in Western Australia.
	State Manager Northern Territory and State Manager South Australia **Simon Warwick**	Responsible for operations and stakeholder relationships in the Northern Territory and South Australia.
	State Manager Tasmania **John Arnold**	Responsible for operations and stakeholder relationships in Tasmania.
CAPABILITY	Executive Director Capability **Mark Harrison**	Responsible for strategic intelligence, human intelligence and technical intelligence capabilities.
	National Manager Strategic Intelligence Capability **Katie Willis**	Responsible for national strategic intelligence, including drugs intelligence research, strategic analytics and criminal intelligence information services; and head of the determinations function for the agency.
	National Manager Human Intelligence Capability **Hans Koenderink**	Responsible for human source capability, undercover capability, national surveillance, behavioural intelligence capability, covert operations assurance, capability protection, and intelligence and specialist capability training and development.
	National Manager Technical Intelligence Capability **Robert Jackson**	Responsible for covert technical intelligence capability and operations, covert system integration, and technical intelligence analytics.
NCIS	Chief Information Officer/Executive Director NCIS Program **Rochelle Thorne**	Responsible for providing and maintaining national information capabilities and services to support policing and law enforcement, and for the delivery of NCIS, including the delivery of committed benefits to the ACIC and its partners.

NCIS = National Criminal Intelligence System

Senior management committees

Our committee structure comprises our Commission Executive Committee, Organised Crime Management Committee, Project Governance Committee and Corporate Committee, and several other committees, panels, working groups and consultative committees. The relationships between senior management committees are shown in Figure 3.1.

During 2018–19 and 2019–20, we adjusted our internal committee structures to align with our functions and updated organisational structure. The scope of all committees was reviewed, and the Project Governance Committee (formerly the Technology Governance Committee) was expanded to capture governance of all non-operational projects in the agency. The sub-committees of the senior management committees were reviewed and, where appropriate, removed, to streamline governance.

We will continue to review the structure to ensure that our governance is as effective and streamlined as possible.

Figure 3.1: Senior management committee structure at 30 June 2020

■ Executive committees   ■ Supporting groups and sub-committees   ■ Legislatively required committees
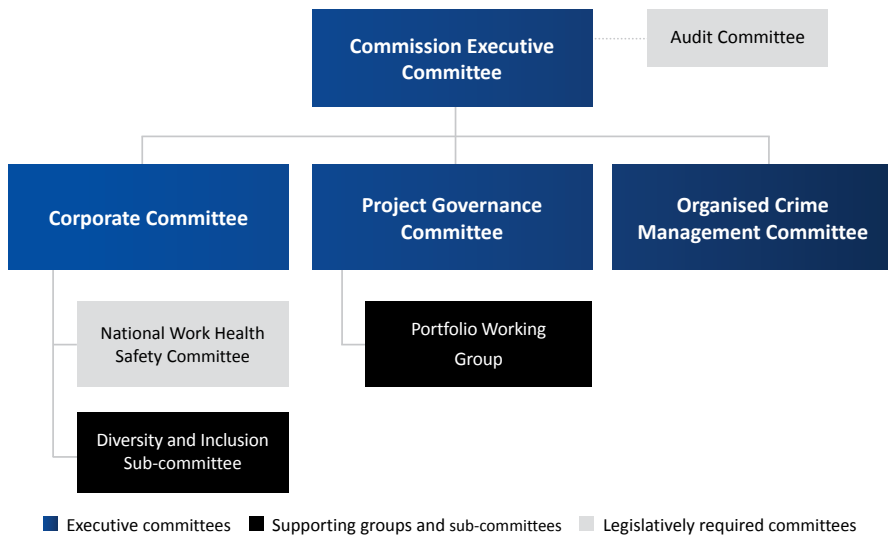
Commission Executive Committee

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, strategic investment and management of risk. It also ensures that we are accountable and meet the expectations of the ACIC Board, the Australian Government and the public. It receives reporting and advice from other executive committees, identifies and plans for future ACIC capability investments, and makes all major resourcing and funding decisions.

The Commission Executive Committee consists of the CEO (Chair), the Chief Operating Officer and all executive directors. The committee meets monthly, or more often as required.

Corporate Committee

The Corporate Committee reviews and makes decisions on broader issues of organisational health and effective function. It 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 Work Health Safety Committee and the Diversity and Inclusion Sub-committee (DISC).

The committee consists of the Chief Operating Officer (Chair), the Executive Director Technology, the Executive Director Intelligence Operations and the Executive Director Capability. The Chief of Staff attends as an observer. The committee meets quarterly, or more often as required.

Work health safety committees

The ACIC has local work health safety committees and a National Work Health Safety Committee, with functions as described in section 77 of the *Work Health and Safety Act 2011*. Local committee meetings are held quarterly in our offices around the country and feed into the National Work Health Safety Committee meetings.

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 a healthy and safe workplace for all staff.

More information on National Work Health Safety Committee activities in 2019–20 is in Appendix B.

Diversity and Inclusion Sub-committee

The DISC oversees the ACIC's Workplace Diversity Program and provides support for and input into the development, maintenance and implementation of our diversity action plans. These plans focus on gender equality, people from culturally and linguistically diverse backgrounds, Aboriginal and Torres Strait Islander people and people with disability.

The DISC consists of Senior Executive Service (SES) level Diversity Champions and Deputy Champions and diversity working group members. The sub-committee meets quarterly and reports to the Corporate Committee.

Project Governance Committee

The Project Governance Committee provides executive insight and direction to ensure that all agency technology projects and activities are aligned to ACIC objectives and operate effectively. The committee performs a portfolio management role to enable the most effective balance between business as usual and organisational change and improvement.

The committee consists of the Chief Operating Officer (Chair); all executive directors; the Chief Technology Officer, Chief Financial Officer, Chief of Staff, National Manager Business Services, National Manager Operational Strategy, and Senior Advisor Business Systems Delivery; and the Manager Portfolio Office (Adviser), IT Security Advisor and Manager Board and Strategic Engagement (Liaison). The committee meets quarterly, or more often as required.

The Portfolio Working Group is a formal sub-committee of the Project Governance Committee. The Portfolio Working Group provides advice to the Project Governance Committee on project prioritisation, project management, and portfolio risk and issues.

Organised Crime Management Committee

The Organised Crime Management Committee makes decisions about the ACIC's organised crime and intelligence work program and the allocation of relevant resources to support the delivery of its objectives.

The committee consists of the Executive Director Intelligence Operations (Chair), the Executive Director Capability and the Chief Operating Officer; the national managers of Strategic Intelligence Capability, Operational Strategy, Technical Intelligence Capability, and Human Intelligence Capability; and all state and territory managers. The National Manager Legal Services attends as an adviser to the committee, which meets monthly.

Strategic planning

Strategic planning ensures that our activities and resources align with our strategic priorities and support the achievement of our purpose. Two key documents set out our goals and the approach we take to achieve them:

▶ the strategic plan, endorsed by the ACIC Board, which identifies our strategic objectives and articulates our functions, how we operate and our culture for the five financial years to 2022–23

▶ the corporate plan, updated annually, which describes our priorities and operating environment and how we will manage risk, achieve our purpose and measure our performance over four financial years.

The strategic plan and corporate plan are available on our website at <www.acic.gov.au/ publications/corporate-documents>.

Our strategic planning framework connects our strategic direction and priorities as approved by the ACIC Board, key activities, risk assessment, resource allocation, performance measurement and monitoring, as shown in Figure 3.2.

Figure 3.2: Strategic planning framework
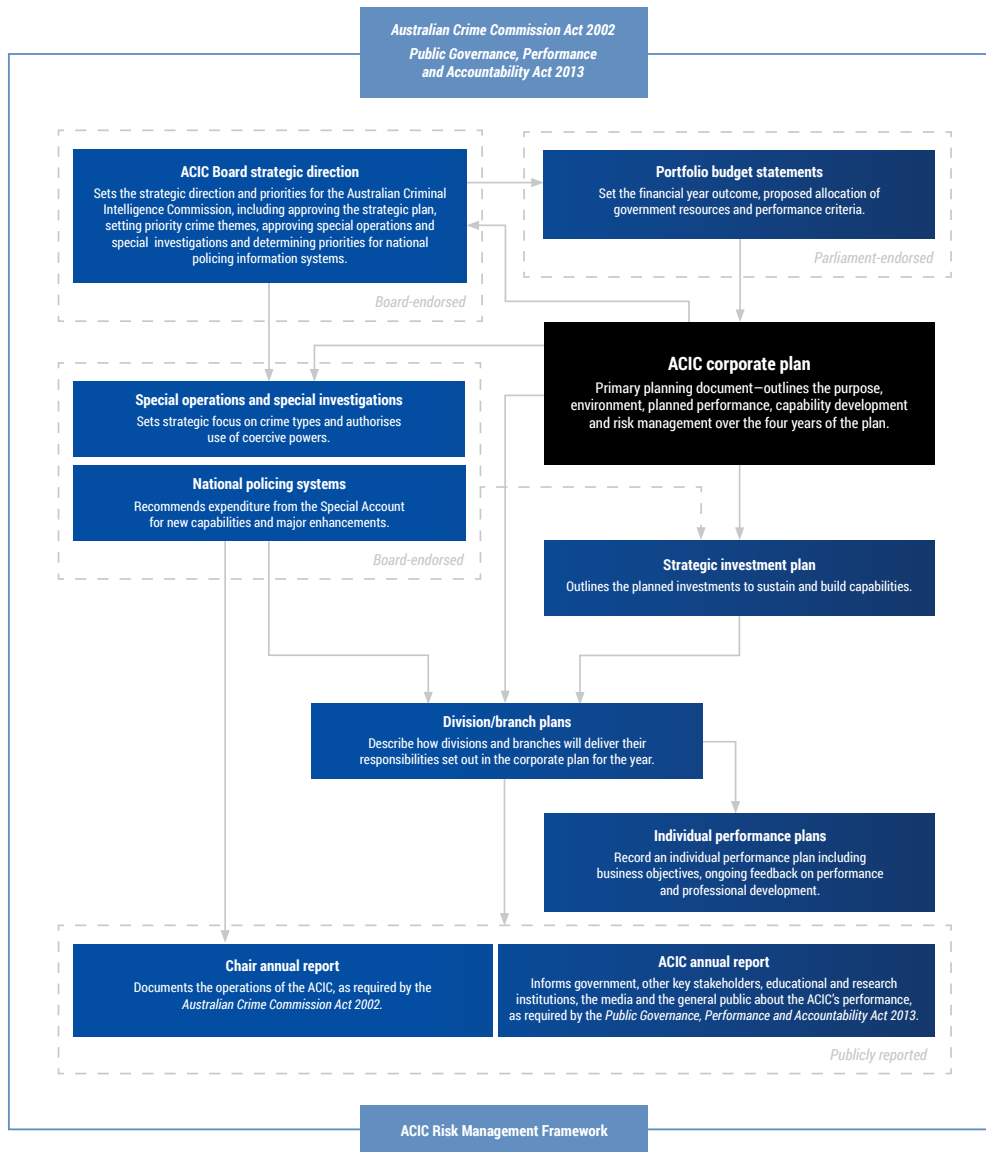
Stakeholder research

We conduct an annual stakeholder survey to better understand stakeholders' perceptions and levels of satisfaction with our delivery of systems and services. The results also help us to assess our results against our performance criteria.

In 2019–20, a specialist market research company undertook the research, which included an online survey. The survey attracted 233 respondents from a broad cross-section of agencies and classification levels and a range of areas, including policy, information systems, intelligence and investigations. Respondents were asked questions relevant to their areas of work and interactions with us.

Key results and stakeholder comments are detailed in the annual performance statements in Section 2 of this report. Respondents rated our overall performance in meeting their needs at 7.0 on a scale of 1 to 10, an improvement on the 2018–19 result of 6.9.

Most respondents agreed that the ACIC plays a unique and important role, particularly as a service provider to its partner agencies, facilitating the sharing of information through its policing and intelligence systems and collating and disseminating shared intelligence products.

Respondents rated the following as our most valuable services:

▶ the National Police Checking Service

▶ the production and dissemination of intelligence products

▶ the provision of specialist capabilities

▶ investigations work

▶ information and intelligence systems and services.

We will continue to focus on what our stakeholders told us were their biggest needs over the next 12 months. For 2020–21, those needs include:

▶ continued production and sharing of high-quality intelligence products

▶ continued, proactive engagement with domestic and international partners and strengthened opportunities for collaboration between agencies

▶ delivery of IT projects.

Internal audit

The internal audit function provides an independent advisory service which delivers support and assurance to the ACIC Executive regarding the responsible, effective and efficient use of ACIC powers and resources.

The internal audit team is directly accountable to the CEO and the Audit Committee, and the roles, responsibilities and scope of the function are set out in the ACIC Internal Audit Charter.

In supporting the ACIC to achieve its objectives, our internal audit team has three main responsibilities:

▶ working with management to systematically review enterprise risks, controls, governance, systems and processes

▶ adding value to the ACIC by identifying opportunities for innovation and efficiency

▶ monitoring the implementation of audit outcomes.

The following key areas were examined by internal audit during 2019–20:

- **Information technology security**—The audit noted the continuing maturity of the ACIC's implementation of the Australian Signals Directorate Essential Eight.

- **Project management**—The audit noted the improvements resulting from the ACIC's adoption of the P3M framework for project management.

- **Work health and safety**—The audit found that the ACIC is aware of its work health and safety risks and noted a number of improvements to the framework required to manage the broad range of those risks faced by the ACIC, given the nature of the operational activities undertaken.

- **Covert arrangements**—A range of audits were undertaken in accordance with legislative requirements.

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

Audit Committee

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 committee's authority is established under a charter, which sets out its functions and responsibilities. The ACIC Audit Committee Charter is available at <www.acic.gov.au/about-us/governance#accordion-7>.

Role

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

During 2019–20, the Audit Committee met six times and reviewed areas including:

- financial performance

- internal and external audit reports

- progress against audit recommendations

- planning and performance frameworks and reporting

- compliance with legislation

- risk oversight and management

- Australian National Audit Office activity.

Members

At 30 June 2020, the Audit Committee consisted of an independent chair and two other independent members, two members from the ACIC Executive, and an observer from the Australian National Audit Office.

As committee members, the ACIC officials provided insight and understanding into operational and technical aspects of ACIC work to support the committee's deliberations. From 1 July 2020, the Audit Committee will cease to have members who are ACIC officials.

As prescribed under section 17AG(2A) of the *Public Governance, Performance and Accountability Rule 2014*, information on each audit committee member's qualifications, attendance at meetings and remuneration is set out in Table 3.2.

Table 3.2: Audit Committee members

Name	Qualifications, knowledge, skills or experience	Meetings attended/held	Total remuneration[a]
Geoff Knuckey (Chair)	Bachelor of Economics (ANU), FCA, GAICD, RCA An experienced audit committee member and chair, Geoff currently serves on audit committees for numerous government entities. He also has extensive experience as a director and serves on the boards and audit committees of several private sector entities. He has been a full-time company director and audit committee member since 2009, following a 32-year career with Ernst & Young specialising in audit and assurance services in the public and private sectors across a range of industries.	6/6	$14,819
Elizabeth Montano	Bachelor of Arts and Bachelor of Laws (UNSW), FAICD Elizabeth has over 20 years experience as a chair, deputy chair and member of boards and audit committees across a range of government and not-for-profit entities. She has broad-ranging experience in governance and the machinery of government, including in financial and performance reporting, risk, assurance, and program and project management and oversight. She is a former CEO of the Australian Transaction Reports and Analysis Centre (AUSTRAC) and senior financial services lawyer with King & Wood Mallesons.	6/6	$13,707

Table 3.2: Audit Committee members (continued)

Name	Qualifications, knowledge, skills or experience	Meetings attended/held	Total remuneration[a]
Janine McMinn	Bachelor of Arts (Computing, Statistics) (ANU), FAICD, CISA, CISM Janine is an independent director and executive adviser with more than 34 years experience in internal audit, risk and information technology. Janine currently sits on eight audit and risk committees and is President of the Australian War Memorial Voluntary Guides. She provides mentoring and coaching support to senior executives and to Master of Arts students at the Australian National University. Prior to retirement in 2015, she was a partner for Oakton's ICT assurance and security business. She has advised many organisations in the management of risk and ICT security and conducted assurance reviews in public and private organisations.	6/6	$11,413
Matthew Rippon	As the ACIC's Executive Director Intelligence Operations, Matthew is responsible for ACIC investigations and intelligence operations, our intelligence products development and oversight of state managers.	3/6	$0
Rochelle Thorne[b]	As the ACIC's Chief Information Officer/ Executive Director NCIS Program, Rochelle is responsible for providing and maintaining national information capabilities and services to support policing and law enforcement, and for the delivery of the National Criminal Intelligence System, including the delivery of committed benefits to the ACIC and its partners.	2/6	$0
Stewart Sibree[b]	As the ACIC's Acting Executive Director Technology, Stewart is responsible for providing and maintaining our national information capabilities and services to support policing and law enforcement.	3/6	$0

a   Independent members receive $2,000–$2,500 (excluding GST) for each meeting, including meeting preparations. Remuneration for committee service is not applicable to members who are ACIC officials.
b   Stewart Sibree replaced Rochelle Thorne as a committee member on 27 February 2020.

Risk management

The ACIC's risk management framework assists us to make risk-informed decisions that support our work to achieve our purpose while meeting our corporate and operational accountabilities.

During 2019–20, we:

- ▶ revised the ACIC Risk Management Policy and Procedures to more closely align with the Commonwealth Risk Management Policy and address improvement opportunities identified in the Comcover Risk Management Benchmarking Survey

- ▶ developed more formalised risk management forums across the organisation to support a more integrated enterprise risk management framework

- ▶ participated in multiagency risk forums and consulted with partner agencies on better practice approaches to managing risk.

Our risk function is represented at the Audit Committee and works closely with the internal audit team and the ACIC Executive.

Security and integrity

We are entrusted with special powers to enable us to effectively work with our partners to combat serious and organised crime in Australia. Security and integrity are critical in the use of those powers and in delivering our required outcome to the Australian Government, our partner agencies and, more broadly, the public.

Our security and integrity framework outlines a defined approach to managing integrity and security risks across the ACIC. Our documented, agreed and understood policies, procedures and processes define how security and integrity are managed.

Protective security

The ACIC adopts a risk-based approach to the security environment, ensuring protection of people, information and assets. We continue to enhance our security maturity against the Australian Government's Protective Security Policy Framework, under the guidance of the ACIC's leadership team. In 2019–20, the work included the delivery of additional security awareness training; review and enhancement of the agency's security plan to ensure that people, information and assets are appropriately protected; and appointment of a chief security officer.

In 2019–20, an agency security plan was developed to inform decision-making, help identify security requirements, and provide a planning framework to ensure that security risks are mitigated to protect all ACIC assets: people, information, property, reputation, operations and activities. The plan provides authority for the operation of management structures, the assignment of accountabilities and resourcing, to enable the governance and implementation of appropriate, risk-based protective security arrangements.

We undertook a number of significant projects in 2019–20 to enhance the ACIC's security governance framework and enhance physical security at a number of sites to ensure the ongoing protection of sensitive capabilities. The ACIC maintains appropriate personnel security arrangements and protections, ensuring that all staff have appropriate security clearances to access required information, in addition to reviewing ongoing suitability annually.

Security incidents

The ACIC investigates all security breaches and ensures that appropriate action is undertaken. We report such incidents to external agencies where required and have a rigorous after-action process which includes providing additional security awareness training for relevant staff. Where possible, we incorporate specific examples of security incidents or breaches, within the ACIC or shared by other agencies, into security awareness sessions.

The majority of security incidents reported in 2019–20 were low level and occurred within secure ACIC premises (for example, low-level classified documents being left on desks). These incidents have not significantly compromised the security of ACIC information, people or premises.

Integrity assurance

Our integrity assurance function contributes to effective fraud and corruption control by providing a reporting, prevention, detection and investigation function regarding suspected internal fraud and corruption in the ACIC.

Fraud and corruption

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

The ACIC works closely with partners to ensure that we are adequately and appropriately addressing risks within our operating environment, and ensures that staff have appropriate education and awareness to identify potential instances of wrongdoing and the reporting mechanisms available.

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

We are well connected with other organisations focused on preventing corruption. We participate in the Australian Commission for Law Enforcement Integrity (ACLEI) Community of Practice for Corruption Prevention, a network of integrity professionals from the agencies under ACLEI's jurisdiction that shares best practice strategies for 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.

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.

During 2019–20, as required under the legislation, we:

▶ reported to Commonwealth, state and territory ministers in accordance with legislative requirements

▶ reviewed the ongoing necessity for each authorised member of staff to continue to use an assumed identity

▶ conducted mandatory audits of ACIC records relating to assumed identities.

In 2019–20, the ACIC delivered the new, bespoke Assumed Identities Management System (AIMS). AIMS is a self-service portal offering a single point of truth for activities relating to the management of assumed identities. ACIC staff will be able to use a single, secure application to undertake intelligence, investigative and research activities using assumed identities and online personas to support strategic and operational outcomes.

External scrutiny

At 30 June 2020, the ACIC was part of the Home Affairs portfolio and accountable to the Minister for Home Affairs.

External scrutiny of the ACIC is exercised by the ACIC Board, the Inter-Governmental Committee on the Australian Crime Commission (IGC-ACC), the Parliamentary Joint Committee on Law Enforcement, the Senate Legal and Constitutional Affairs References Committee, and the Parliamentary Joint Committee on Intelligence and Security.

Due to the nature of our business, we operate in a contested environment and may be subject to legal challenge as part of our operations. The Commonwealth Ombudsman, ACLEI and the Australian National Audit Office also form part of our external scrutiny framework, as shown in Figure 3.3.

Figure 3.3: External accountabilities at 30 June 2020
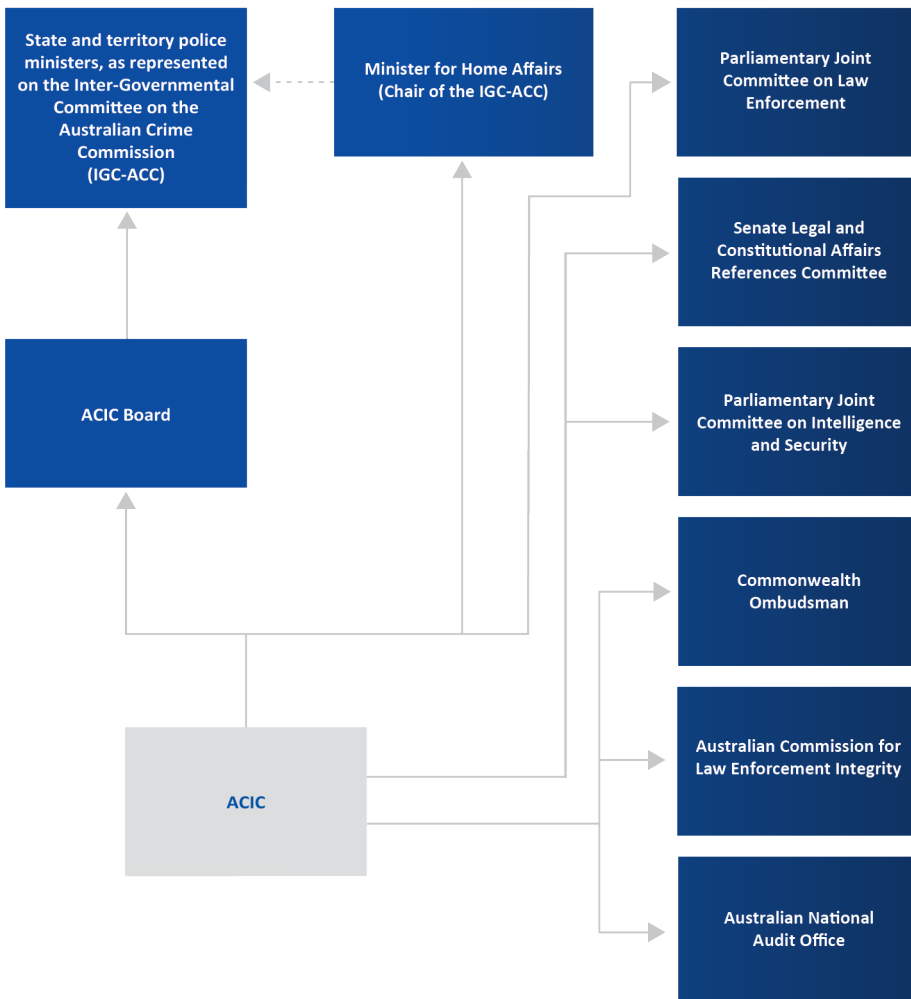
Ministerial arrangements

At 30 June 2020, the Home Affairs portfolio included the following ministers:

- ▶ Minister for Home Affairs, the Hon Peter Dutton MP

- ▶ Minister for Agriculture, Drought and Emergency Management,
  the Hon David Littleproud MP

- ▶ Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs,
  the Hon David Coleman MP

- ▶ Assistant Minister for Customs, Community Safety and Multicultural Affairs,
  the Hon Jason Wood MP.

While we are accountable to all portfolio ministers as required, most of our work during 2019–20 related to the areas covered by the Minister for Home Affairs.

The Hon Peter Dutton MP was sworn in as the Minister for Home Affairs on 20 December 2017. Following the 2019 federal election, the Hon Peter Dutton MP was again sworn in as the Minister for Home Affairs on 29 May 2019.

Parliamentary Joint Committee on Law Enforcement

The Parliamentary Joint Committee on Law Enforcement is established by the *Parliamentary Joint Committee on Law Enforcement Act 2010*. The functions of the committee are to:

- ▶ monitor and review the performance of the ACIC and Australian Federal Police (AFP) and their functions

- ▶ report on any matters relating to the ACIC or AFP or their performance of which the committee thinks the parliament should be aware

- ▶ examine the annual reports of the ACIC and AFP and report on any matter appearing in, or arising out of, any such annual report

- ▶ examine trends and changes in criminal activities, practices and methods and report on any changes to the functions, structure, powers and procedures of the ACIC or AFP that the committee thinks desirable

- ▶ inquire and report on any question in connection with its functions that is referred to it by the parliament.

At 30 June 2020, the Parliamentary Joint Committee on Law Enforcement consisted of eight members: four members from the Senate (appointed by the Senate) and four members from the House of Representatives (appointed by the House of Representatives).

The members of the committee were:

- ▶ Mr Craig Kelly MP (Chair)

- ▶ Dr Anne Aly MP (Deputy Chair)

- ▶ Senator Alex Antic

- ▶ Mr Pat Conaghan MP

- ▶ the Hon Justine Elliot MP

- ▶ Senator Sue Lines

- ▶ Senator Helen Polley

- ▶ Senator Paul Scarr.

The committee's review of the ACIC annual report is usually done through a public hearing. The committee meets as required.

Parliamentary Joint Committee on Intelligence and Security

The Parliamentary Joint Committee on Intelligence and Security is established by section 28 of the *Intelligence Services Act 2001*. It has three main functions:

- ▶ providing oversight of Australian intelligence agencies by reviewing their administration and expenditure

- ▶ building bipartisan support for national security legislation by reviewing national security bills introduced to parliament

- ▶ ensuring that national security legislation remains necessary, proportionate and effective by conducting statutory reviews.

At 30 June 2020, the Parliamentary Joint Committee on Intelligence and Security consisted of 10 members: five members from the Senate (appointed by the Senate) and five members from the House of Representatives (appointed by the House of Representatives).

The members of the committee were:

- ▶ Mr Andrew Hastie MP (Chair)

- ▶ the Hon Anthony Byrne MP (Deputy Chair)

- ▶ Senator the Hon Eric Abetz

- ▶ the Hon Mark Dreyfus QC MP

- ▶ Senator the Hon David Fawcett

- ▶ Senator the Hon Kristina Keneally

- ▶ Mr Julian Leeser MP

- ▶ Senator Jenny McAllister

- ▶ Senator Amanda Stoker

- ▶ Mr Tim Wilson MP.

The committee meets as required.

Other parliamentary committees

Each year we contribute to various parliamentary inquiries affecting the Commonwealth's law enforcement and intelligence capability and activities. For details of our contributions in 2019–20, see pages 36–37.

In addition, the ACIC appeared before the Senate Legal and Constitutional Affairs References Committee as part of the Budget Estimates hearings on 21 October 2019 and 2 March 2020. Transcripts of the proceedings and responses to questions on notice are available on the committee's website.

Inter-Governmental Committee on the Australian Crime Commission

The Inter-Governmental Committee on the Australian Crime Commission (IGC-ACC) is established by section 8 of the ACC Act, with the following functions:

▶ to monitor generally the work of the ACIC and the ACIC Board

▶ to oversee the strategic direction of the ACIC and the ACIC Board

▶ to receive reports from the ACIC Board for transmission to the governments represented on the committee and to transmit those reports accordingly.

The IGC-ACC monitors the work and strategic direction of the ACIC and the ACIC Board, including the use of coercive powers. Under certain circumstances, the committee has the authority to revoke a board determination.

The IGC-ACC consists of the Minister for Home Affairs and a minister to represent each state and territory government, nominated by the premier or chief minister of the state or territory. At 30 June 2020, the members were:

▶ the Hon Peter Dutton MP (Commonwealth) (Chair)

▶ the Hon David Elliott MP (New South Wales)

▶ the Hon Mick Gentleman MLA (Australian Capital Territory)

▶ the Hon Nicole Manison MLA (Northern Territory)

▶ the Hon Lisa Neville MP (Victoria)

▶ the Hon Michelle Roberts MLA (Western Australia)

▶ the Hon Mark Ryan MP (Queensland)

▶ the Hon Mark Shelton MP (Tasmania)

▶ the Hon Corey Wingard MP (South Australia).

ACIC Board

The ACIC Board is established by section 7B of the ACC Act and is responsible for providing strategic direction to the ACIC and setting strategic priorities for the agency. The board is also responsible for approving special ACIC operations and special ACIC investigations to allow use of the coercive powers set out in the ACC Act.

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

Members

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

The ACIC Board consists of the:

▶ Commissioner, Australian Federal Police (Chair)

▶ Secretary, Department of Home Affairs

▶ Comptroller-General, Customs (Commissioner of the Australian Border Force)

▶ Chairperson, Australian Securities and Investments Commission

▶ Director-General of Security, Australian Security Intelligence Organisation

▶ Commissioner of Taxation, Australian Taxation Office

▶ commissioners of all state police forces and the Northern Territory police force, and the Chief Police Officer, ACT Policing

▶ CEO, ACIC (as a non-voting member).

The CEO of the Australian Transaction Reports and Analysis Centre (AUSTRAC) and the Secretary of the Attorney-General's Department attend board meetings as non-voting observers.

During 2019–20, the board farewelled Commissioner Andrew Colvin OAM, Australian Federal Police, and welcomed Commissioner Reece Kershaw APM as the new Chair of the ACIC Board. The representatives of ACT Policing, Northern Territory Police, Queensland Police Service and the Australian Security Intelligence Organisation also changed during the year.

Meetings

In 2019–20, the board met three times and:

▶ reviewed the ACIC's strategic priority areas, planned activity and response to identified threats, and determined the priorities for the ACIC's special investigations and special operations

▶ considered arrangements for the National Criminal Intelligence System

- noted that the Australian Cyber Security Centre has taken responsibility for the Cyber Incident Reporting System, a cybercrime reporting system to replace the Australian Cybercrime Online Reporting Network

- noted that a review of the ACC Act will commence in 2020 (as required under section 61A of the ACC Act), presenting an opportunity to ensure that the ACIC has the necessary powers to support our investigative and intelligence functions

- reviewed the National Policing Information Systems and Services Special Account revenue and prioritisation of national policing information projects for 2020–21

- endorsed a model for establishing the strategic direction and priorities of the ACIC.

Approvals

During 2019–20, the board-approved special operations, special investigations and task forces shown in tables 3.3 and 3.4 were in effect.

Table 3.3: ACIC Board-approved special investigations and special operations at 30 June 2020

Authorisation/determination	Type	Date established
Highest Risk Criminal Targets No. 2 (as amended)	Special investigation	4 September 2013
High Risk and Emerging Drugs No. 3	Special operation	21 June 2017
Criminal Exploitation of Australia's Migration System No. 2	Special operation	13 June 2018
Cyber-Related Offending No. 2	Special operation	13 June 2018
Emerging Organised Crime Threats No. 3	Special operation	13 June 2018
Firearm Trafficking No. 2	Special operation	13 June 2018
High Risk and Emerging Drugs No. 4	Special operation	13 June 2018
Highest Risk Criminal Targets No. 3	Special investigation	13 June 2018
National Security Impacts from Serious and Organised Crime No. 3	Special operation	13 June 2018
Outlaw Motor Cycle Gangs No. 2	Special operation	13 June 2018
Targeting Criminal Wealth No. 3	Special investigation	13 June 2018

Table 3.4: ACIC Board-established task forces at 30 June 2020

Task force	Date established
National Task Force Morpheus	1 July 2014
Vestigo Task Force	30 November 2016
National Criminal Intelligence System Task Force	13 June 2018

Annual report

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

External engagement

The board has endorsed external committees comprising representatives from board member agencies and other relevant partner agencies to provide advice to the ACIC CEO in accordance with the CEO's functions as prescribed under the ACC Act. The three committees and their roles are as follows:

▶ **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 the national level to ensure coordinated advice for Australia's police, wider law enforcement and national security agencies.

▶ **Technology Capability Committee**—This committee informs and supports the development, implementation and operation of the national services and systems that we deliver for Australia's police, wider law enforcement and national security agencies.

Australian Commission for Law Enforcement Integrity

ACLEI was established by the *Law Enforcement Integrity Commissioner Act 2006* to prevent, detect and investigate corruption in law enforcement agencies, including the ACIC and the former National Crime Authority, where necessary.

Under the *Law Enforcement Integrity Commissioner Act 2006*, our CEO is required to notify the Integrity Commissioner of corruption issues that relate to the ACIC. While the responsibility to notify the commissioner rests with the CEO, the ACIC and ACLEI work collaboratively and cases are discussed to assess whether there should be a notification.

Commonwealth Ombudsman

During 2019–20, the Ombudsman visited the ACIC offices in Brisbane, Sydney and Melbourne to conduct seven inspections.

The ACIC has since received a report on each of those inspections. The reports include issues that were self-disclosed by the ACIC to the Ombudsman during inspections, as well as instances that the Ombudsman identified based on its review of our records. In most of the reports the Ombudsman also expressed satisfaction with the ACIC's transparency, commitment to compliance measures and remedial action. Reports outlining results from inspections of ACIC records become publicly available once the Minister has tabled them in parliament.

As part of the ACIC's Excellence in Compliance Strategy, we maintain a productive relationship with the Ombudsman's office, and its advice on best practice guides the development of our procedures and training programs.

Australian National Audit Office

The Australian National Audit Office did not undertake any specific performance audits involving the ACIC during 2019–20. However, the Auditor-General's performance audits of other agencies provided insights and learning to the Audit Committee.

Freedom of information

As an agency subject to the *Freedom of Information Act 1982*, we are required to publish information to the public as part of the Information Publication Scheme. That information can be found on our website at <www.acic.gov.au/about-us/freedom-information/freedom-information-process>.

Judicial decisions

The ACIC is subject to legal challenge as a normal part of its 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 contested subpoenas or applications for a stay of criminal proceedings.

In 2019–20, the ACIC was involved in three significant matters, for which we prepared regular reports to the Office of Legal Services Coordination. Two of those were continuations of matters described in last year's annual report

CXXXVIII v Commonwealth of Australia & Ors

CXXXVIII (a court-ordered pseudonym) was served with a summons to appear before an examiner in furtherance of a special investigation. He was also served with a forthwith notice to produce, at the time and place of service, certain items in his custody and control. The examiner conceded that the summons and notice were ineffectually served, for different reasons. The examiner exercised his powers and issued a fresh summons and a new notice, which were subsequently served on CXXXVIII.

On 27 June 2018, CXXXVIII filed an application for judicial review seeking to challenge the decision to issue the two summonses and two notices served on him. The ACIC conceded that the first notice and the first summons were ineffectually served/deficient, but contended that the second summons and second notice were lawfully and validly issued and served.

The matter was heard in an expedited hearing, and Justice Brown ruled in favour of the respondents on 31 August 2018. On 20 September 2018, CXXXVIII filed an application in the Full Federal Court seeking to appeal the whole of the decision of Justice Brown. His application was unsuccessful.

CXXXVIII applied to the High Court, and was granted special leave in respect of the whole of the Full Federal Court's judgement.

Following amendments to the ACC Act by the *Australian Crime Commission Amendment (Special Operations and Special Investigations) Act 2019*, which came into effect on 10 December 2019, the applicants have amended the grounds of appeal to challenge the validity of parts of those legislative amendments.

The matter is listed for hearing before the High Court on 4 August 2020.

CXXXVIII v The Honourable Justice Richard Conway White & Ors

An ACIC examiner applied for the issue of a section 31 warrant under the ACC Act. The warrant was issued by Justice White on 8 August 2018. The AFP subsequently executed the warrant and stopped CXXXVIII (a court-ordered pseudonym) from leaving the country.

On 31 December 2018, CXXXVIII filed an application seeking judicial review of the arrest warrant under section 39B of the *Judiciary Act 1903*. The matter was heard on 25 November 2019.

On 1 May 2020, the Full Court delivered its decision, dismissing the application for judicial review of the decision made by Justice White to issue a warrant for the applicant's arrest.

X v Sage

X (a court-ordered pseudonym) was summonsed to attend an examination under the ACC Act. On 28 May 2020, X filed an application for judicial review seeking orders to prevent the examination from proceeding on a number of administrative law grounds. In particular, X challenged the constitutional validity of the provisions in the ACC Act that permit examinations of persons 'post-charge'.

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. Those applications are heard in either the Federal Court or the relevant state or territory Supreme Court.

Two contempt proceedings were finalised in 2019–20. One of those proceedings was related to a proceeding described in last year's annual report.

Anderson v BYF19 [2019] FCA 1959

On 14 December 2018, BYF19 (a court-ordered pseudonym) appeared before an ACIC examiner and refused to answer questions. Contempt proceedings were commenced under section 34A of the ACC Act. On 19 June 2019, BYF19 pleaded guilty to six counts of contempt of the ACIC.

On 22 November 2019, the Federal Court sentenced BYF19 to eight months imprisonment, to be released after serving four months, the remainder of the sentence to be suspended on the basis that the respondent be of good behaviour for a period of two years.

Anderson v DKH18 [2018] FCA 1571

On 6 June 2018, DHK18 (a court-ordered pseudonym) was summonsed to appear before the ACIC examiner. DHK18 appeared before the examiner and refused to answer questions. Contempt proceedings were commenced under section 34A of the ACC Act. On 5 October 2018, DHK18 pleaded guilty to six counts of contempt of the ACIC.

On 19 October 2018, DHK18 was sentenced in the Federal Court to an indefinite period of imprisonment. On 25 July 2019, DHK18 appeared before an examiner and purged his contempt.

Following the purging of his contempt, DKH18 made an application for review of the continuance of the indefinite sentence. On 16 August 2019, the Federal Court handed down its decision regarding DKH18's application to review the continuance of the indefinite sentence imposed and ordered that DKH18 be released from custody. At the time of his release, DKH18 had served approximately 10 months in custody.

Legislative changes

The *Australian Crime Commission Amendment (Special Operations and Special Investigations) Act 2019*, which received Royal Assent on 10 December 2019, amended the ACC Act to:

▶ confirm the validity of current and former special operation and special investigation determinations

▶ amend the process in the ACC Act for the ACIC Board to make future special operations and special investigations determinations.

The amendments made by the Act do not expand or otherwise alter the powers available to the ACIC in the course of undertaking a special operation or special investigation.

The *Australian Crime Commission Establishment Regulations 2020* commenced on 27 February 2020, repealing the *Australian Crime Commission Establishment (Transitional Provisions) Regulations 2003*.

Section 4 of the 2003 regulations empowered the CEO of the ACIC to vary or revoke a non-publication direction made under the *National Crime Authority Act 1984.* Section 6 of the 2020 regulations remakes that section, ensuring that the CEO can continue to vary or revoke non-publication directions in force, as necessary, and with due consideration of the implications for persons affected by the direction. Two transitional provisions in the 2003 regulations were not remade in the 2020 regulations as they are no longer required.

Our people

At 30 June 2020, the ACIC had a staff of 781 Australian Public Service (APS) employees and statutory office holders, including 25 staff from the AIC, supplemented by 43 secondees from Commonwealth, state and territory law enforcement and other Commonwealth agencies.

Our workforce includes investigators, intelligence analysts, financial profilers, operational and organisational psychologists, physical and technical surveillance operatives, technical and cyber analytics operatives, lawyers, specialist examinations staff, business and systems analysts, information architects, project and program managers, and corporate services staff. We have staff from 20 years to 75 years of age.

We work with secondees from our partner agencies, some of whom are seconded to the ACIC to work in multiagency task forces and joint analyst groups. We also engage contractors and consultants to provide specialised services.

Detailed statistics on the ACIC's staffing are provided in Appendix C. Information on our use of consultants is provided in the 'Resource management' section on page 109.

Staffing profile

Table 3.5 shows our staffing profile at the end of 2019–20.

Table 3.5: Staffing profile at 30 June 2020

Staffing category	Number of staff
APS employees and statutory office holders	781[a]
Secondees funded by the ACIC[b]	24
Secondees funded by jurisdictions[b]	19
Total core staff	**824**
Task force members	113
Total overall available resources	**937**

APS = Australian Public Service

a   This is equivalent to 740.71 full-time staff. Secondees and task force members cannot be accurately reflected in full-time equivalent staffing level numbers.

b   This table shows the numbers of secondees and task force members at 30 June 2020. However, as secondees and task force members work with us for different periods of time throughout the year, the overall total for 2019–20 was 224.

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC Annual Report.

During 2019–20, our average staffing level of APS employees and statutory office holders was 737.22 staff. This included four statutory office holders—three examiners and the CEO—all appointed on fixed-term arrangements.

At 30 June 2020, we had a total of 43 secondees from 13 other agencies, on short-term or long-term assignment. During the year, we hosted a total of 66 secondees.

We coordinate and participate in joint task forces and joint analyst groups with partner agencies. At 30 June 2020, we had 113 task force members from 11 other agencies, on short-term or long-term assignment. During the year, we hosted a total of 158 task force members.

Table 3.6 shows a breakdown of secondees and task force staff by home agency and jurisdiction at 30 June 2020.

Table 3.6: Secondees and task force staff by home agency and jurisdiction at 30 June 2020

Agency	Secondees funded by the ACIC	Secondees funded by jurisdiction	Task force staff funded by jurisdiction
Australian Transaction Reports and Analysis Centre	–	2	8
Australian Defence Force	–	1	–
Australian Federal Police	2	6	20
Australian Securities and Investments Commission	–	2	–
Australian Taxation Office	–	2	4
Department of Health	1	–	–
Department of Home Affairs	–	3	36
NSW Police Force	4	3	1
Queensland Crime and Corruption Commission	–	–	1
Queensland Police Service	3	–	12
Services Australia	1	–	–
South Australia Police	–	–	3
Tasmania Police	2	–	1
Victoria Police	7	–	23
Western Australia Police Force	4	–	4
Total	**24**	**19**	**113**

Table 3.7 shows staffing profile trends over the three most recent financial years.

Table 3.7: Staffing profile trends

Headcount at 30 June	2017–18	2018–19	2019–20
APS employees and statutory office holders	791	770	781
Secondees funded by the ACIC	17	21	24
Secondees funded by other jurisdictions	14	17	19
Total core staff	**822**	**808**	**824**
Task force and joint analyst group members	101	101	113
Total overall available resources	**923**	**909**	**937**
Full-time equivalent[a]	757.46	729.16	740.71
Average staffing level[a]	749.06	745.61	737.22

APS = Australian Public Service
a   Australian Public Service employees and statutory office holders only.
Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC Annual Report.

During the year, our staff were based in eight locations around Australia and three overseas locations, as shown in Table 3.8.

Table 3.8: Australian Public Service employees and statutory office holders by location at 30 June 2020

Location	Number
Canberra	455
Sydney	118
Melbourne	83
Brisbane	60
Adelaide	31
Perth	30
Darwin	2
Hobart	2

As shown in Table 3.9, we have 12 different classification levels, including APS levels 1–6, Executive Levels 1 and 2, Senior Executive Service (SES) bands 1 and 2 and our CEO and examiners, who are statutory office holders.

Table 3.9: Australian Public Service employees and statutory office holders by classification level at 30 June 2020

Classification level	Number
CEO	1
SES 2	4
SES 1	14
EL 2	79
EL 1	299
APS 6	137
APS 5	97
APS 4	121
APS 3	24
APS 2	1
APS 1	1
Examiners	3

APS = Australian Public Service, CEO = Chief Executive Officer, EL = Executive Level, SES = Senior Executive Service
Note: These figures represent positions that were substantively filled at 30 June 2020.
    Staffing numbers include AIC staff. Further staffing details are provided in the AIC Annual Report.

Diversity and inclusion

The ACIC is committed to creating an environment that respects and values the expertise, experiences and abilities of all our employees. In doing so, we are able to build an inclusive and diverse workforce that allows us to better serve the community by delivering on our purpose of making Australia safer.

The DISC oversees our Workplace Diversity Program and reports to the Corporate Committee. The DISC consists of SES-level Diversity Champions and Deputy Champions who meet quarterly to discuss, monitor and track the ACIC's progress against its diversity action plans and key Australian Government initiatives for diversity groups. The ACIC currently supports Reconciliation Action Plan and LGBTIQ+ working groups which include employees at all levels who meet regularly to develop and review documents and initiatives to actively promote diversity awareness, access and inclusion within the ACIC.

The DISC provides support for and input into the development, maintenance and implementation of our diversity action plans. The agency has four diversity action plans, focusing on:

▶ gender equality

▶ people from culturally and linguistically diverse backgrounds

▶ Aboriginal and Torres Strait Islander people

▶ people with disability.

Except for the Reconciliation Action Plan, which commenced in 2018, the plans were framed to run from 2017 to 2019 and later extended to include 2020.

In 2019–20, we developed the Diversity Action Plan Progress Scorecard to summarise and report on progress against the action plans. The scorecard highlights key successes as well as initiatives in progress to track, monitor and review the implementation of the action plans for DISC members.

Gender

Our *Gender Action Plan 2017–2020* outlines our commitment and intention to address gender equality and aims to build on our inclusive culture by fostering a broader and more diverse talent base to strengthen capability and operational effectiveness.

Since the plan was introduced, we have:

▶ launched our Gender Equality Pledge, signed by members of the ACIC Executive

▶ offered opportunities for women to participate in leadership programs, such as the Women in Law Enforcement Strategy mentor program

▶ developed and implemented an e-learning program on unconscious bias, which has been completed 1,055 times

▶ provided a diversity statement of equity to all recruitment panels

▶ participated in agency-wide and portfolio-wide events for International Women's Day.

In 2019–20, the ACIC:

▶ provided opportunities for staff across all state and territory offices to celebrate International Women's Day by attending forums and leadership conferences

▶ hosted a panel discussion and staff Q&A event in our national office, on the theme of 'Women, Community and the Frontline', to celebrate International Women's Day in March 2020. This focused on the role of women as senior leaders in operational response environments, and working with culturally and linguistically diverse communities

▶ assisted with coordinating the National Intelligence Community's International Women's Day event and panel discussions. The 2020 event focused on Indigenous perspectives on creating culturally safe working environments to foster respect and understanding for Aboriginal and Torres Strait Islander people with gender and intergenerational considerations

▶ shared success stories of staff enjoying flexible working arrangements.

Women made up 49.6 per cent of our organisation in 2019–20, as shown in Table 3.10.

Table 3.10: Australian Public Service employees and statutory office holders by gender at 30 June 2020

Gender	Number	Percentage
Male	394	50.4
Female	387	49.6
Indeterminate	–	–

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC Annual Report.

At 30 June 2020, the gender distribution of our female APS employees by classification was 64.3 per cent in APS levels 1–6 and 35.7 per cent in Executive Levels 1 and 2 and the SES. The gender distribution of our male APS employees by classification was 33.8 per cent in APS levels 1–6 and 66.2 per cent in Executive Levels 1 and 2 and the SES. A further breakdown of the gender distribution of our APS employees by classification is in Appendix C, tables C.5 to C.8.

Cultural and linguistic diversity

The ACIC acknowledges, respects and promotes the culturally and linguistically diverse demographic of our workforce. Our *Cultural and Linguistic Diversity Action Plan 2017–2020* embraces multiculturalism in our workplace, creating safe and inclusive environments and a sense of cultural awareness among our staff.

In 2019–20, we continued to foster an inclusive, positive and productive working environment by:

▶ celebrating significant events such as Harmony Day, including by developing a shared Harmony Day recipe book

▶ continuing to develop our multilingual capabilities, including by offering staff an opportunity to register their skills in our language registry, which currently has over 37 languages registered to assist with operations

▶ holding a corporate membership with Diversity Council Australia and promoting this resource to all new starters in the agency

▶ promoting the ACIC as an employer of choice in all position descriptions and diversity groups, including by publishing a statement of diversity and inclusion for externally advertised vacancies.

Of our staff, 15 per cent have self-identified as being from a non-English speaking background, 8 per cent have stated that they do not have English as their first language, and 16 per cent have stated that Australia is not their country of birth.

Reconciliation Action Plan

Our *Reconciliation Action Plan 2018–20* was launched on 19 April 2018. The plan, which is supported by two Senior Executive Champions and a working group, allows the ACIC to foster respectful and productive relationships with Aboriginal and Torres Strait Islander people and communities. In implementing the plan, we are making a meaningful contribution to reconciliation.

During 2019–20:

▶ The ACIC celebrated and promoted the *Reconciliation Action Plan 2018–20* and encouraged employees to participate in National Reconciliation Week and NAIDOC Week events. This included a cultural immersion tour on Ngunnawal country and attendance at the National NAIDOC Awards. We also invited an Indigenous elder to conduct a Welcome to Country and traditional dancers to perform at a major national office event.

▶ We featured an Acknowledgement of Country in all ACIC meetings, with wording displayed in each meeting room. Supporting guidelines are available for our staff on the intranet. We also published a permanent Acknowledgement of Country on our external website and internal intranet, in line with advice provided by the National Indigenous Australians Agency.

▶ We encouraged and supported our Reconciliation Action Plan Working Group members to attend external events such as the 14th National Indigenous Legal Conference and Indigenous Health Justice Conference held on Larrakia land in 2019. Working group members also attended the Nyiyanang wuunggalu! Symposium hosted by the Australian Institute of Aboriginal and Torres Strait Islander Studies in 2020, as well as RAP Learning Circles hosted by Reconciliation Australia.

▶ We continued to participate in Indigenous employment programs, including the Jawun secondment program and entry-level programs such as the Indigenous Australian Government Development Program and the APS Indigenous Graduate Pathway.

▶ We held regular Reconciliation Action Plan Working Group meetings to assist in the implementation of the plan.

Of our staff, 1.2 per cent have self-identified as being from an Indigenous background. The ACIC continues to look at ways to increase development and leadership opportunities for Indigenous staff, including career development. A breakdown of Indigenous staffing by classification level is provided in Table 3.11.

Table 3.11: Indigenous staffing by classification at 30 June 2020

Classification	Indigenous employees
SES 1–3	–
EL 2	–
EL 1	2
APS 6	–
APS 5	1
APS 4	6
APS 1–3	–
Total	**9**

APS = Australian Public Service, EL = Executive Level, SES = Senior Executive Service

Disability

The ACIC is committed to changing attitudes and removing barriers by providing an inclusive workplace for employees and potential employees with disability.

The *Disability Action Plan 2017–2020* has provisions to ensure that our workplace is accessible and inclusive. During 2019–20, the ACIC:

▶ hosted and celebrated International Day of People with Disability events across state and territory offices to create an opportunity for employees to listen to the perspectives and experiences of people with disability

▶ partnered with JobAccess and the National Disability Recruitment Coordinator to undertake a review of recruitment processes and practices to ensure equitable access and inclusion for candidates with disability

▶ hosted face-to-face disability awareness training sessions for staff and managers

▶ attended the Australian Network on Disability's annual virtual conference as a member organisation

▶ implemented a disability awareness e-learning program available to all staff and managers.

We are changing attitudes by:

▶ ensuring that our two SES Disability Champions promote access and inclusion in the agency

▶ maintaining a silver membership of the Australian Network on Disability

▶ developing a reasonable adjustment policy, factsheets and an accessibility passport

▶ developing an organisational wellbeing and mental health strategy which promotes mental health and wellbeing in the workplace

▶ improving our leadership capability in leading diverse teams by participating in disability mentoring programs, such as the Positive Action towards Career Engagement program coordinated by the Australian Network on Disability. The program connects graduates and job seekers with disability with professionals who assist them in gaining confidence and developing skills for the workplace.

Of our staff, 1.9 per cent have identified as having disability.

The *National Disability Strategy 2010–2020* is Australia's overarching framework for disability reform. It acts to ensure that the principles underpinning the United Nations *Convention on the Rights of Persons with Disabilities* are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

All levels of government will continue to be held accountable for the implementation of the strategy through biennial progress reporting to the Council of Australian Governments. Progress reports can be found at <dss.gov.au>.

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at <https://www.apsc.gov.au>.

Remuneration and benefits

During 2019–20, our *ACIC Enterprise Agreement 2016–19* covered all APS employees (not including substantive SES officers or examiners). The agreement commenced on 30 December 2016 with a nominal expiry date of 30 December 2019. It provides a range of flexible working arrangements and aligns key ACIC conditions with APS-wide conditions.

On 8 November 2019, the CEO signed a determination under section 24(1) of the *Public Service Act 1999* to extend the terms and conditions of the *ACIC Enterprise Agreement 2016–19* and increase pay rates by 2 per cent on 30 December each year for three years, subject to the determination signed on 14 April 2020 by Assistant Minister to the Prime Minister and Cabinet the Hon Ben Morton MP, under section 24(3) of the Act, to pause general wage increases and salary-related allowances in Commonwealth agencies for six months.

Non-salary benefits available under the enterprise agreement include flexible working arrangements for staff at APS levels 1–6, time-off-in-lieu arrangements for EL staff, tertiary studies assistance and our comprehensive Performance Development System. We also offer free influenza vaccinations and an employee assistance program that provides counselling and support for staff and their family members.

Details of salary ranges available under the enterprise agreement are provided in Appendix C, Table C.14. Details of the remuneration of key management personnel, senior executives and other highly paid staff are provided in Appendix D, tables D.1 to D.5.

Incremental advancement is available to eligible staff as part of our Performance Development System. The ACIC does not have a system of performance payments.

Staff retention and turnover

In 2019–20, a total of 156 staff left the ACIC. Reasons for leaving included moving to another APS agency, retirement, redundancy and the completion of non-ongoing contracts, as shown in Table 3.12.

Table 3.12: Australian Public Service employees and statutory office holders turnover

Reason for termination	Number
Completion of non-ongoing contract	4
Early termination of non-ongoing contract	1
External promotion	11
External transfer	42
Invalidity retirement	1
Resignation	64
Retired after age 55	10
Involuntary redundancy	2
Voluntary redundancy	21

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC Annual Report.

In 2019–20, our average retention rate was 81.0 per cent.

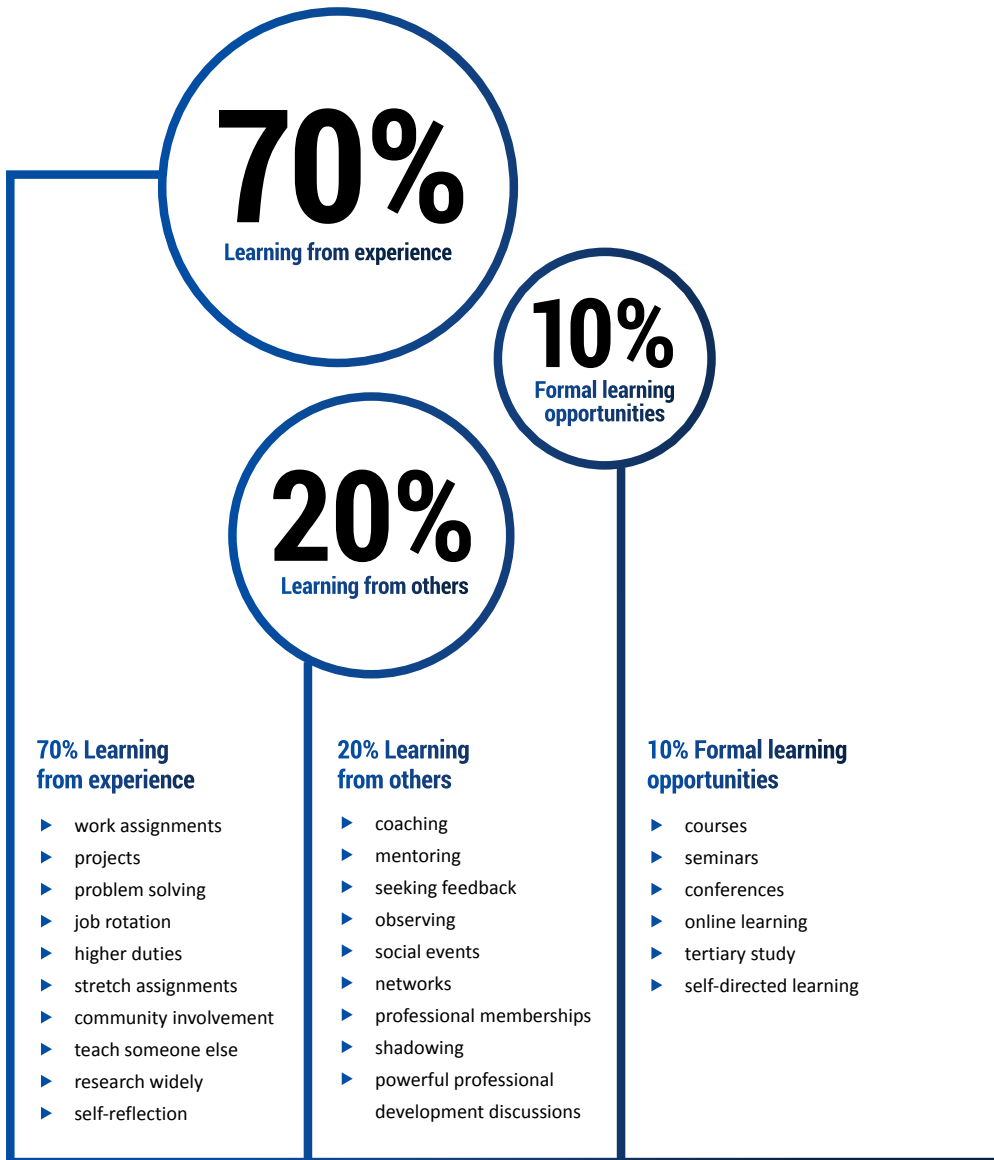Our staff retention strategies include:

- performance recognition and development
- performance feedback and support
- learning and development opportunities
- mentoring and coaching
- 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 entry/exit surveys.

Learning and development

Our learning and development strategies are designed to develop an agile and high-performing workforce, enabling us to deliver on our strategic direction and priorities, including the delivery of the *Intelligence and Specialist Capability Development Strategy 2019–2022*. Our programs support the development of capability in identified priority areas.

We adopt a blended learning approach which recognises that experience within the workplace provides for the most effective learning when blended with learning from others through coaching, mentoring and formal learning opportunities. This learning approach follows the 70:20:10 learning philosophy shown in Figure 3.4.

Figure 3.4: Learning and development 70:20:10 philosophy

70%
Learning from experience

10%
Formal learning
opportunities

20%
Learning from others

**70% Learning
from experience**

- ▶ work assignments
- ▶ projects
- ▶ problem solving
- ▶ job rotation
- ▶ higher duties
- ▶ stretch assignments
- ▶ community involvement
- ▶ teach someone else
- ▶ research widely
- ▶ self-reflection

**20% Learning
from others**

- ▶ coaching
- ▶ mentoring
- ▶ seeking feedback
- ▶ observing
- ▶ social events
- ▶ networks
- ▶ professional memberships
- ▶ shadowing
- ▶ powerful professional
  development discussions

**10% Formal learning
opportunities**

- ▶ courses
- ▶ seminars
- ▶ conferences
- ▶ online learning
- ▶ tertiary study
- ▶ self-directed learning

Corporate learning

We provide corporate learning and development opportunities in two key areas:

▶ **Core skills**—We provide learning activities to support positive workplace culture and enable our staff to work effectively in the ACIC environment. Our core skills programs ensure that staff can competently meet the expectations of the APS Integrated Leadership Skills framework and are aware of key legal and policy obligations. Our programs include induction, APS Core Skills programs, culture strategies, performance development training and project management courses.

▶ **Leadership and management**—In 2019–20, we developed and piloted the ACIC Leadership Program and Emerging Leaders Program. These programs, delivered through a combination of face-to-face and digital platforms, support the current and future leaders of the organisation to build their knowledge of public service policies, management practices, innovation, productivity, and engaging with people.

We also provide leadership and executive coaching opportunities through external programs, such as those delivered through the Australian Institute of Police Management, the Australian Public Service Commission, the National Security College, the Australia and New Zealand School of Government, the AFP, and the Women in Law Enforcement Strategy mentor program.

Operational training and tradecraft

We provide operational training and tradecraft development to ensure that our operational workforce has the knowledge and skills to effectively tackle the complex nature of transnational serious and organised crime. This includes the delivery of training programs and facilitation of learning opportunities which develop our intelligence collection and analytical capabilities. Examples include training related to covert intelligence collection, critical thinking, intelligence analysis and intelligence writing, investigations, intelligence systems and databases, and strategic and financial intelligence.

Outcomes

In 2019–20, ACIC staff collectively attended more than 4,715 individual training and development opportunities and events through a combination of e-learning and face-to-face modes, on topics including core/business skills; coaching and mentoring; leadership and management; conferences/networking; intelligence and specialist capability development; induction; and compliance.

Enhancing criminal intelligence capability

The ACIC delivers a range of training opportunities as part of the Criminal Intelligence Training and Development Continuum. The continuum aims to develop intelligence professionals in both intelligence collection and analytical roles, to ensure a consistent, best practice approach to criminal intelligence. It awards vocational qualifications and is tertiary aligned, providing a formal pathway for staff to continuously develop and specialise in their roles.

In 2019–20, four iterations of the Criminal Intelligence Development Program were delivered to develop our intelligence professionals. The 30-week program combines classroom and work-integrated learning components. The course inducts staff into the ACIC, develops their knowledge of intelligence processes and methodology, and gives them the skills to be effective in a variety of intelligence collection or analytical roles.

To enhance specialist skills and tradecraft, we delivered or facilitated training opportunities focused on covert intelligence collection, human intelligence, behavioural intelligence and critical thinking. We also invested in the development of technical skills through the innovative delivery of advanced systems training, ensuring that our collectors and analysts can manage and exploit data to better understand the criminal environment.

As a centre of excellence for criminal intelligence, the ACIC works closely with partner agencies to develop criminal intelligence capability in Australia. Through various forums, the ACIC championed the development of consistent standards, as well as hosting or delivering 13 joint criminal intelligence training opportunities for Commonwealth, state and territory agencies. This collaborative approach contributes to the effectiveness and interoperability of all agencies operating in the criminal intelligence domain.

Business capability

We provide a wide range of management and core business development opportunities for staff, to enhance our workforce capability. In 2019–20, such programs covered:

- ▶ APS ethics and values

- ▶ writing, editing and proofreading

- ▶ influencing, negotiation and persuasion

- ▶ leadership and management

- ▶ responding to conflict

- ▶ working effectively in the APS

- ▶ work health and safety

- ▶ presentation and briefing skills

- ▶ procurement

- ▶ operational ICT systems

- ▶ change management

- ▶ project management.

Studies assistance

The ACIC supported 44 eligible employees to undertake tertiary studies resulting in a diploma qualification or higher, in fields such as business, criminology, forensics, cybersecurity, intelligence analysis, accounting, project management, psychology, IT, and law.

Evaluations

We adopt a continual improvement approach to learning and development, embedding evaluation into our training and development program management. Our evaluations seek to assess whether we have met our intended objectives and achieved continuous improvement while using resources wisely and ensuring value for money.

In 2019–20, we conducted ongoing evaluation of all our programs, with a particular focus on our pilot leadership programs, the ACIC induction program, APS core skills programs, and intelligence and specialist capability training.

Employee engagement

The ACIC participates in the APS employee census survey to learn the views of staff and understand and increase their level of engagement. The survey planned for May 2020 has been postponed until October 2020 due to the COVID-19 pandemic. Employee participation results for this survey will be provided in the 2020–21 annual report.

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 B of this report details our 2019–20 work health and safety arrangements, initiatives and outcomes.

Resource management

The ACIC uses and manages resources in line with the principles of the Commonwealth Resource Management Framework, which is underpinned by the PGPA Act and related regulations, directions and guidance.

Asset management

A full physical stocktake of tangible assets across all locations was planned for 2019–20, and stocktakes were completed in the Australian Capital Territory, Queensland and South Australia. However, COVID-19 restrictions impeded the progress of the stocktakes in other locations. The national stocktake will be finalised after COVID-19 restrictions are eased.

During 2019–20, we again engaged an independent professional valuer to undertake a materiality review of the ACIC's leasehold improvements and property, plant and equipment assets. A materiality review determines whether there have been any material changes in asset book values since the previous year's financial statements. The 2019–20 report concluded, 'After undertaking qualitative, quantitative and uncertainty analyses for the asset classes, we are of the opinion that there are no significant material differences between the carrying amounts and fair values for the ACIC assets'.

Under ACIC policy, all assets (excluding intangible assets) are to be independently valued every three years and a materiality valuation review is to be conducted each year in between. The full asset valuation will be undertaken in 2020–21.

The ACIC also conducted its annual review of intangible assets to confirm whether intangible assets are still in use, and to determine whether there is any impairment. No material financial impacts arose from our 2019–20 review of intangibles. The review helps us to maintain the currency and accuracy of our records.

As newly required by Australian Accounting Standards Board Standard AASB 16, our 2019–20 Statement of Financial Position includes assets held by the agency under leases as right-of-use of assets.

Our asset mix (including assets under construction) at the end of 2019–20 comprised:

▶ $14.609 million of leasehold improvements

▶ $42.096 million of property, plant and equipment

▶ $37.302 million of intangibles

▶ $43.681 million of leased right-of-use building assets.

Property

We have ACIC offices in each capital city to support the delivery of our national service. Premises in Hobart and Darwin are provided by those jurisdictions' police forces and are not subject to formal lease arrangements. All other offices are under lease until at least 2022; most of those leases are due to expire from 2024 onward.

We will move our Victorian State Office into Victoria Police's new centre at 311 Spencer Street, Melbourne, in late 2020. The Minister for Finance and the Parliamentary Standing Committee on Public Works approved this project during 2017–18.

We monitor our property performance nationally with a view to minimising our property footprint and taking advantage of efficiency initiatives, including opportunities to share facilities. Overall, the agency has a fit-out density of 13.0 square metres per work point.

Purchasing

Our approach to procuring property and services, including consultancies, is consistent with Australian Government policy and legislation covering procurement. The Commonwealth Procurement Rules are applied to activities through the Accountable Authority Instructions and supporting operational policies and procedures, which are reviewed for consistency with the Commonwealth Procurement Framework.

The procurement framework reflects the core principle governing Australian Government procurement—value for money. Our policies and procedures also focus on:

▶ competitive, non-discriminatory procurement processes

▶ efficient, effective, economical and ethical use of resources

▶ accountability and transparency.

During 2019–20, we continued to participate in whole-of-government, coordinated procurement initiatives and used clustering and piggybacking opportunities to lower tendering costs and provide savings through economies of scale.

Consultants

Table 3.13 gives details of our use of consultants in 2019–20.

Table 3.13: Consultancy contracts

Measure	2019–20
No. of new contracts entered into during the period	3
Total actual expenditure during the period on new contracts (including GST)	$2,130,618
No. of ongoing contracts engaging consultants that were entered into during a previous period	–
Total actual expenditure during the period on ongoing contracts (including GST)	–

During 2019–20, three new consultancy contracts were entered into involving total actual expenditure of $1.735 million. No ongoing consultancy contracts were active during the period.

Consultants are typically engaged to investigate or diagnose a defined issue or problem, carry out defined reviews or evaluations, or provide independent advice, information or creative solutions to assist in the ACIC's decision-making. Prior to engaging consultants, we take into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise.

We make decisions to engage consultants in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies.

Information on the value of contracts and consultancies is available on the AusTender website at <www.tenders.gov.au>.

Access clauses

During 2019–20, we did not enter into any contracts of $100,000 or more that excluded provision for access by the Auditor-General.

Exempt contracts

Contract details are exempt from being published on AusTender if those details would disclose exempt matters under the *Freedom of Information Act 1982.* No such contract details were excluded from being published on AusTender in 2019–20.

Procurement initiatives to support small business

The ACIC supports small business participation in the Australian Government procurement market. Small and medium-sized enterprise (SME) and small enterprise participation statistics are available on the Department of Finance's website at <www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts>.

We support the use of SMEs through various means, including the use of template contracts for both low-risk and higher risk procurements, and compliance with the government's Supplier Pay On-Time or Pay Interest Policy.

The ACIC recognises the importance of ensuring that small businesses are paid on time. The results of the survey of Australian Government payments to small business are available on the Treasury's website <www.treasury.gov.au>.

Advertising and market research

Section 311A of the *Commonwealth Electoral Act 1918* requires us to provide details of amounts paid for advertising and market research in our annual report.

In 2019–20, the ACIC did not conduct any advertising campaigns or make any payments for polling, direct mail or campaign advertising. The ACIC did not make any payments related to non-campaign advertising that were higher than the reporting threshold of $14,000.

A total of $25,481 (including GST) was paid to Andrews Group Pty Ltd to undertake work on the 2018–19 and 2019–20 stakeholder-related surveys.

Grants

The ACIC did not award grants during 2019–20.

Ecologically sustainable development

The five principles of ecologically sustainable development identified in the *Environment Protection and Biodiversity Conservation Act 1999* are integration, precautionary, intergenerational, biodiversity and valuation.

We are aware of these principles in our daily operations. We strive to operate in an environmentally responsible manner, including by making efficient use of resources and managing waste effectively.

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

- ▶ using 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 owners to improve their buildings' energy performance

- ▶ ensuring that new leases entered into comply with the Australian Government's energy policy

- ▶ procuring energy-efficient equipment and lighting solutions, including smart lighting that activates only when areas are occupied

- ▶ providing recycling facilities in breakout areas.

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

FEATURE:

Diversity working group supports our LGBTIQ+ community

> The **ACIC is committed** to **increasing** the visibility of **LGBTIQ+ communities** to ensure that our **policies and workplace culture** are reflective of a **progressive** and **diverse Australian community.**

In September 2019, the ACIC established a working group to support the LGBTIQ+ community in the agency and help ensure workplace equality. The working group aims to generate a more inclusive and supportive workplace for people who identify as LGBTIQ+ (lesbian, gay, bisexual, transgender, intersex, queer and more), as well as their allies.

Starting with membership of Pride in Diversity, the national not-for-profit employer support program for LGBTQ workplace inclusion, the ACIC has been building a supportive space for LGBTIQ+ people and their allies. We are committed to supporting the diversity of the workforce and ensuring that everyone can be their authentic self at work.

The LGBTIQ+ Working Group is a staff-led network which meets regularly to discuss queer-themed initiatives in the Australian Public Service and at the ACIC. The group is dedicated to creating a safe and supportive space for LGBTIQ+ people in the unique environments of law enforcement, security and intelligence.

The group meets every two months to discuss ways to make progressive changes in the workplace, based on equality, including the creation of inclusive policies and easily accessible resources.

The ACIC is committed to increasing the visibility of LGBTIQ+ communities to ensure that our policies and workplace culture are reflective of a progressive and diverse Australian community.