



AUSTRALIAN
**CRIMINAL
INTELLIGENCE
COMMISSION**



ANNUAL REPORT

2022-23

Snapshot of 2022–23

PERFORMANCE HIGHLIGHTS



We delivered **mission critical intelligence** on the highest-level transnational serious and organised crime threats impacting Australia, and played a critical role in bringing partners together to build operational strategies and coordinate disruption activities.



We produced **101** analytical intelligence and **2,618** tactical intelligence products.



We made **15,781** disseminations of intelligence products among **191** partners.



Our intelligence contributed to **78** disruptions of criminal entities.



Our intelligence contributed to the seizure of drugs with an estimated street value of **\$7.9 billion** and cash and assets worth **\$28.0 million**.



We provided **national policing information** systems and services to law enforcement and intelligence partners to keep them and the Australian community safe.



We provided **12** information systems to help our partners prevent, detect and reduce crime in the community.



Our policing information systems met **100%** of availability benchmarks set by the ACIC Board.



Our National Criminal Intelligence System grew from **2,876** to **36,492** unique users.



Of our surveyed stakeholders, **96%** agreed that our information systems are valuable to their work.



We delivered world-class background **checking services** to support employment or entitlement decisions.



We processed **7.2 million** nationally coordinated criminal history checks.



We conducted **149** compliance audits for National Police Checking Service accredited bodies.

RESOURCES



Our financial performance was underpinned by an accountable and transparent governance framework.



\$298.4 million total revenue



\$146.6 million revenue from government



\$151.8 million own source income



\$288.2 million total expenses



\$10.2 million operating surplus



Our people were skilled, experienced and diverse.



874 staff – **394** male, **468** female and **12** non-binary – at 30 June



126 secondees and task force members on assignments with the ACIC



16.6% of employees from non-English speaking backgrounds



2.3% of employees from Indigenous backgrounds



2.4% of employees with disability

ACIC at a glance

The Australian Criminal Intelligence Commission (ACIC) provides mission critical intelligence to partners and government to reduce the harm from serious criminal threats impacting Australia.

Our vision

An Australia hostile to criminal exploitation.

Our purpose

To protect Australia from serious criminal threats by collecting, assessing and disseminating intelligence and policing information.

Our work

- ▶ Detect and assess changes in the serious criminal threat landscape through the provision of mission critical intelligence.
- ▶ Work with international and domestic partners as the trusted source of criminal intelligence to pursue transnational serious criminal threats impacting Australia from around the globe.
- ▶ Conduct special ACIC operations and special ACIC investigations addressing the criminal activities that pose the greatest threats to Australians.
- ▶ Deliver comprehensive intelligence and information-sharing solutions between law enforcement agencies that assist with biometric matching, child protection, firearm tracing and information services, police reference services, missing persons and domestic violence.
- ▶ Deliver background checking services, including criminal intelligence assessments, to support employment or entitlement decisions.

About this report

This report summarises the performance of the ACIC for the financial year ending 30 June 2023, as required by the *Public Governance, Performance and Accountability Act 2013*.

This report details our performance against the performance measures in the portfolio budget statements and corporate plan, and provides information on our financial performance, accountability and management of people and resources.

A separate annual report by the Chair of the ACIC Board documents the operations of the ACIC as required by the *Australian Crime Commission Act 2002*.

Performance in 2022–23

Performance criterion	Result	Comments
1. The ACIC discovers and targets current and evolving criminal threats to Australia		Met – We generated intelligence to identify and assess the most serious criminal threats impacting Australia and assist law enforcement agencies to undertake actions to impact high-threat criminal entities. At 30 June 2023, we were tracking 15 Australian Priority Organisation Targets and 44 Regional Priority Organisation Targets. Three priority organisation targets were disrupted during 2022–23.
2. The ACIC produces criminal intelligence products to better inform partners and stakeholder agencies		Substantially met – Criminal intelligence was collected via our core intelligence capabilities and combined with information from partner agencies to create and share a comprehensive national picture of criminality in Australia. We produced 2,719 unique analytical and tactical intelligence products addressing our 7 priority crime themes. ACIC examiners conducted 196 examinations, of which 66.8% directly generated insights used in intelligence products.
3. The ACIC informs partners of the current and evolving criminal threats to Australia		Partially met – We received 1,175 requests for information and made 15,781 disseminations to 191 partners – while the number of disseminations was above the 4-year average, the numbers of requests and partners were below average. Of the products disseminated, 67.0% were disseminated to board partners, 19.1% to non-board Australian partners and 13.8% to international partners.
4. ACIC intelligence facilitates a response to criminal activity affecting Australia		Met – The intelligence we collated, analysed and provided to law enforcement agencies contributed to our partners achieving 77 significant disruptions and one severe disruption of criminal activities. We initiated 48 Joint Project Proposals to generate intelligence and coordinate a strategic response to criminal threats.
5. ACIC intelligence is helping to make Australia more hostile to crime		Met – Our strategic assessment of serious and organised crime threats to the Australian supply chain, which is driving plans for Australian Border Force Operation Jardena, was an example of our unique capabilities to collect and disseminate intelligence that led to operational outcomes for our partners.
6. Stakeholders agree that ACIC intelligence is meaningful and useful		Substantially met – We received 466 requests for additional disclosure of our products, slightly fewer than the 4-year average. All respondents to our stakeholder survey agreed or strongly agreed that the ACIC provides intelligence products that identify changes within the criminal environment.
7. ACIC information systems are available when required by partner agencies		Met – Our national policing information systems met all board-agreed availability benchmarks. The systems were also reliable, with 8 of 12 systems experiencing no unplanned outages.
8. ACIC information systems provide useful information to police partners		Partially met – Our systems achieved mixed results. Where results were able to be compared to 4-year averages, 7 of 10 systems exceeded the average for number of users, 3 of 7 systems exceeded the average for number of searches, and 2 of 3 systems exceeded the average for positive data matches.
9. The ACIC continues to enhance information systems		Met – We enhanced the National Automated Fingerprint Identification System by implementing NAFIS NextGen, to ensure that the system is fit for purpose and meets stakeholder expectations.
10. Stakeholders are satisfied that the national policing information systems are meaningful and fit for purpose		Substantially met – Our stakeholder survey results indicated that a large majority of our stakeholders agree or strongly agree that our national policing information systems are reliable, and are of value to their work. The proportion of stakeholders who agree or strongly agree that our national policing information systems meet their needs was 8 percentage points below the target.
11. The National Police Checking Service is available to conduct checks as requested		Met – The National Police Checking Service/National Police Checking Service Support System were available 99.83% of the time, exceeding the board-agreed benchmark of 99.00%.
12. The ACIC contributes to community safety by delivering timely information to support employment decisions		Partially met – The timeliness of processing urgent checks met the 95.00% benchmark, but the timeliness of standard (non-urgent) checks was slightly below that benchmark. Performance was affected by resourcing issues and high demand: the number of requests for checks, more than 7.1 million, was 18.75% higher than the 4-year average. Performance against this measure is dependent on our police partners and accredited bodies providing this service to the wider community.
13. ACIC-accredited bodies comply with obligations		Met – We undertook 149 audits as part of the National Police Checking Service Assurance Program. As a result of the audits, 2 bodies self-terminated their accreditation. We also completed 24 investigations following referrals made to the ACIC about accredited bodies' alleged non-compliance.

Letter of transmittal



AUSTRALIAN
**CRIMINAL
INTELLIGENCE
COMMISSION**

25 September 2023

The Hon Mark Dreyfus KC MP
Attorney-General
Parliament House
Canberra ACT 2600

Dear Attorney-General

I am pleased to present the annual report of the Australian Criminal Intelligence Commission (ACIC) for the year ending 30 June 2023, prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The report outlines the ACIC's performance for 2022–23 and includes audited financial statements.

Section 46(1) of the PGPA Act requires me to provide you with a report for presentation to the Australian Parliament.

In addition, I certify that I am satisfied that the ACIC has undertaken all appropriate fraud control measures as set out in section 10 of the Public Governance, Performance and Accountability Rule 2014.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Matthew Rippon'.

Matthew Rippon
Acting Chief Executive Officer
Australian Criminal Intelligence Commission

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INTEGRITY IS
AT THE **CORE** OF
EVERYTHING WE DO



SECTION

AGENCY OVERVIEW

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Chief Executive Officer's review

During 2022–23, the Australian Criminal Intelligence Commission (ACIC) continued to provide mission critical intelligence to combat the threats Australia faces from transnational serious and organised crime.

We have an integrated view of crime, made possible through the connected systems and unique capabilities that we use to coordinate decision-making with state and territory, Commonwealth and international partners to confront the threats we face.

Improving intelligence sharing for our partners

We have reached significant milestones with some of our national policing information and intelligence systems. We have successfully transitioned from the legacy National Automated Fingerprint Identification System (NAFIS) to full operation of NAFIS NextGen. NAFIS NextGen is the national capability that provides Australian law enforcement agencies with the critical fingerprint matching capability to support law enforcement operations at all levels. This achievement demonstrates our agency's continued enhancement and delivery of mission critical intelligence.

The National Criminal Intelligence System (NCIS) is a key law enforcement and criminal intelligence information-sharing platform. NCIS is highly regarded by our partners because of the advances and efficiencies it provides in facilitating a truly national picture of crime. It is a system of national significance. Four 'early adopters' – Queensland Police Service, Victoria Police, Western Australia Police Force and New South Wales Police Force – are now sharing extensive operational policing data and have integrated NCIS into their local systems. Other police agencies are using NCIS and work is underway to enhance the data they share.

Focusing on compliance

Our agency is entrusted with special powers to combat serious crime threats to Australia. Security and integrity are critical to using these powers, and we continue to focus on compliance. As an intelligence agency, we exercise some of the most intrusive powers of any agency in the country, with appropriate oversight and public expectation to apply these powers properly and lawfully at all times.

In June 2023, the Intelligence Services Legislation Amendment Bill 2023 was introduced to parliament. If enacted, this Bill would expand the jurisdictions of the Inspector-General of Intelligence and Security and introduce oversight by the Parliamentary Joint Committee on Intelligence and Security to all of the ACIC, as well as intelligence functions in a number of other agencies. We are preparing for the pending change in oversight arrangements and ensuring that our current compliance processes are fit for purpose under new arrangements.

Expanding our international reach

Our international reach allows us to target high-priority offshore locations, directly enhancing our criminal intelligence collection operations. We have staff permanently based in the United States, the United Kingdom and United Arab Emirates.

We also established a presence in the Pacific region during 2022–23, with staff deployed to Fiji on short-term missions. Pacific Island countries are some of Australia's closest neighbours, and a significant opportunity exists to build criminal intelligence relationships and develop capabilities with our Pacific family to jointly combat the threats from transnational serious and organised crime impacting our region.

Protecting vulnerable Australians from serious and organised crime

We are leading the delivery of mission critical intelligence to the Fraud Fusion Taskforce, through the establishment of the Fraud Fusion Centre within the ACIC in November 2022. The Fraud Fusion Taskforce is led by the National Disability Insurance Agency and Services Australia, and aims to improve how government agencies work together to rapidly detect, resolve and prevent fraud and serious and organised crime in the National Disability Insurance Scheme (NDIS) and other government programs.

As this work progresses, our understanding of the nature, scale and drivers of fraud against the NDIS will evolve. Preventing serious criminal entities and groups from exploiting schemes such as the NDIS, which are in place to support the most vulnerable Australians, is the ACIC's highest priority within the Fraud Fusion Taskforce.

Looking ahead

In 2023–24, we will undertake work to improve our long-term base funding model into the future. We are a high-performing intelligence agency, and we need to ensure that we are equipped with the appropriate funding to be able to sustain and build capabilities matched to the current and future transnational serious and organised crime threat environments.

We will also be working closely with our National Intelligence Community partners through the Independent Intelligence Review. These reviews are held every 5 to 7 years and are an important part of Australia's national security governance architecture.

As we look ahead, I would like to thank former CEO Michael Phelan APM, whom we farewelled in November 2022. I am proud to have led the agency in the role of Acting CEO since that time. Collectively, we have accomplished a significant and critical body of work, as described in this report. Our people are our greatest asset and it is a privilege to work with some of the country's most innovative, passionate and intelligent people.



Matthew Rippon
Acting Chief Executive Officer
Australian Criminal Intelligence Commission



About us

The Australian Criminal Intelligence Commission (ACIC) is Australia's national criminal intelligence agency.

Our purpose is to protect Australia from serious crime threats by collecting, assessing and disseminating intelligence and policing information.

The agency is part of the Attorney-General's portfolio, and a member of the National Intelligence Community and the Five Eyes Law Enforcement Group.

Role

We work with our national and international partners to conduct special ACIC investigations and special ACIC operations, collect intelligence, and furnish advice and assessments to combat serious and organised crime.

We are the conduit for sharing criminal intelligence and information between Commonwealth, state and territory law enforcement agencies.

To perform our role and achieve our purpose, we:

- ▶ collect, correlate, analyse and disseminate criminal intelligence and information
- ▶ maintain a national criminal intelligence database
- ▶ develop strategic criminal intelligence assessments and advice on national criminal intelligence priorities
- ▶ conduct special ACIC investigations and special ACIC operations
- ▶ provide and maintain systems that allow information sharing for policing and law enforcement agencies
- ▶ provide nationally coordinated criminal history checks and conduct criminal intelligence assessments.

Objectives

Our vision is 'An Australia hostile to criminal exploitation'.

We achieve that vision by delivering the 4 objectives set out by the ACIC Board in our *Strategic Direction 2023–27*:

- ▶ a trusted source of criminal intelligence
- ▶ comprehensive information and intelligence
- ▶ accurate and timely background checks
- ▶ a high-performing agency.

Specialist capabilities

The capabilities that enable us to perform our role include:

- ▶ **National criminal intelligence data holdings** – We collect criminal intelligence and combine it with information and intelligence from partner agencies to create and share a comprehensive national and international picture of serious criminal threats impacting Australia.
- ▶ **National information and intelligence sharing services and systems** – We provide timely and reliable police and law enforcement information services and, through consultation and collaboration, we develop new and innovative capabilities.
- ▶ **Coercive powers** – We have coercive powers, similar to those of a royal commission, which may be exercised by an ACIC examiner in the course of a special ACIC operation or special ACIC investigation.
- ▶ **International collaboration** – We work in collaboration with international law enforcement and criminal intelligence networks and have deployed ACIC officers to countries of strategic importance in our efforts to counteract serious and organised crime impacting Australia.
- ▶ **Strategic products** – Our strategic intelligence products build a comprehensive picture of criminality impacting Australia to support our partners in decision-making, strategic targeting and policy development.
- ▶ **Australian Priority Organisation Target strategy** – This ACIC-led framework focuses on identifying and assessing serious and organised criminal entities who pose the greatest harm to Australia's interests and enables the ACIC to work with partners to coordinate national operational responses. This approach improves understanding and facilitates disruption efforts in collaboration with our domestic and offshore intelligence partners, within the local, regional and global contexts.
- ▶ **Legislative framework allowing appropriate data sharing** – By sharing intelligence, information, resources and expertise with our partners, and with private industry where permitted and appropriate, we maximise the collective impact against serious criminal threats. We are a conduit between the states and territories and the Commonwealth for the sharing of criminal intelligence and information.
- ▶ **Specialist technology and skills** – Our work is underpinned by sophisticated and tailored intelligence gathering and analytical capabilities.

Culture and values

We promote a culture that strives for excellence, enables personal and professional growth, values workplace diversity, models respectful behaviour, and achieves agency unity through collaboration and inclusiveness.

We value our professionally diverse people as our greatest asset. We engage with each other and our stakeholders ethically, and with integrity and respect. We are capable, agile, innovative, adaptable and service focused.

We are committed to the Australian Public Service values of being impartial, committed to service, accountable, respectful and ethical.

Our organisational values, shown in Figure 1.1, guide our behaviour and help us work together towards common goals.

Figure 1.1: Organisational values

Integrity	Integrity is at the core of everything we do. We are objective. We make ethical decisions. We obey the law. We comply with policy. We make difficult decisions and are accountable for our decisions. We are trustworthy and trusted. We do what we say we will. We use intrusive powers appropriately. We are accountable, admit mistakes and don't repeat them.
Respect	We respect all colleagues, partners and stakeholders. We are tolerant and kind. We value diversity and inclusion. We value everyone's contribution and consider alternative views. We trust others' expertise. We debate the issue, not the person. We are reasonable and fair. We are flexible. We care about well-being and look after our people.
Innovation	Innovation is rewarded. We are curious. We are explorers. We are problem solvers and world leaders in what we do. We are committed to continuous improvement. We are open to change and change before we have to. We are efficient and nimble. We are dynamic and anticipate what's over the horizon.
Excellence	We strive for excellence in everything we do. We are responsive and deliver what we say we will. We provide mission critical intelligence. We are driven to succeed. Our people are proficient in their fields. Our capabilities are world class and world leading. Peers look to our example.
Courage	We are audacious in our thinking and bold in our actions. We engage with risk. We pursue the hard targets. We stand by our assessments. We lead out in front and are front runners. We are prepared to try and fail. We are resilient and tenacious. We are stronger together.

Our organisation

The ACIC is a Commonwealth statutory agency, established under the *Australian Crime Commission Act 2002* (ACC Act). We began operating on 1 July 2016.

Our role and functions are defined in the ACC Act and underpinned by state and territory legislation. We have a permanent presence in each state and territory and 3 offshore locations.

Accountability

During 2022–23, the ACIC was part of the Attorney-General's portfolio and reported to the Attorney-General.

The ACIC is a non-corporate Commonwealth entity for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The Chief Executive Officer (CEO) is the accountable authority of the ACIC for the purposes of the PGPA Act.

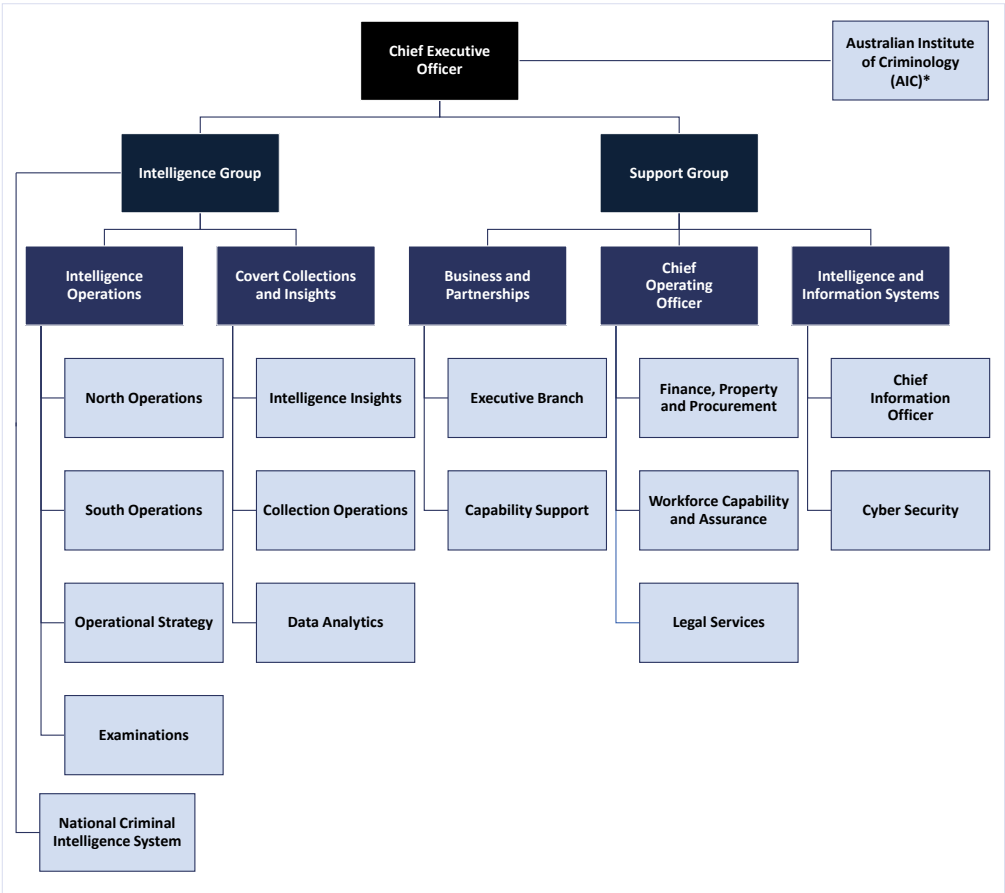
During 2022–23, the role of accountable authority was performed by:

- ▶ Michael Phelan APM, who was appointed CEO on 13 November 2017 and completed his 5-year term on 12 November 2022
- ▶ Matthew Rippon, who acted in the CEO position from 13 November 2022 to 30 June 2023.

Structure

Figure 1.2 sets out the organisational structure of the ACIC.

Figure 1.2: Organisational structure at 30 June 2023



*The ACIC Chief Executive Officer is also Director of the Australian Institute of Criminology.

Three changes were made to executive responsibilities in 2022–23:

- ▶ The role of National Manager Data Analytics was created within the Covert Collections and Insights division to focus on data analytics and data governance.
- ▶ The role of National Manager Capability Support was created within the Business and Partnerships division to support the agency’s extensive portfolio of capability development. This role replaced the role of National Manager Business Services.
- ▶ The role of National Manager Cyber Security was created within the Intelligence and Information Systems division to focus on the protection of national policing, law enforcement and research capabilities, and the response to detected threats and cyber events.

Section 3 of the report provides more information on the members of our executive, our staffing and the locations of our activities.

Board

The ACIC Board is established by section 7B of the ACC Act. Its members are senior officeholders of Commonwealth, state and territory law enforcement bodies and key regulatory and national security agencies. The CEO of the ACIC is a non-voting member.

The role of the board includes:

- ▶ providing strategic direction and determining agency priorities
- ▶ determining national criminal intelligence priorities
- ▶ authorising, by determination, special ACIC investigations and special ACIC operations, which allow the use of our coercive powers, to occur
- ▶ making recommendations about charges for national policing information services, including criminal history checks
- ▶ determining priorities in relation to national policing information systems and services, and providing recommendations to the Attorney-General for investment to improve, maintain and expand those information systems and services.

As a powerful law enforcement, intelligence and national security body, the board provides a significant platform to drive the collegial approach necessary to make Australia better connected, informed and capable of responding to serious criminal threats.

Relationship with the Australian Institute of Criminology

The ACIC supports and works closely with the Australian Institute of Criminology (AIC), to ensure that criminological research and evidence remain central to law enforcement's collective response to crime.

Our CEO is Director of the AIC, and the 2 agencies are co-located. While the AIC operates independently, its high-quality research is integral to our work.

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 board-approved special ACIC operations and special ACIC investigations.

An examiner may exercise coercive powers only where relevant for the purposes of a special ACIC operation or special ACIC investigation and only when all legislative requirements are met.

Six examiners (4 full-time and 2 part-time) were active in 2022–23, based in Adelaide, Brisbane, Melbourne, Perth and Sydney.

Our performance framework

We achieve our purpose through a planning and reporting framework that harmonises portfolio and corporate objectives and performance measures.

Our annual portfolio budget statements detail our outcome and program structure. The ‘outcome’ is the intended result, impact or consequence of our actions. We work towards our outcome by performing the functions that make up our program.

The core documents in our strategic planning framework – our strategic direction and our corporate plan – articulate how we will perform those functions.

The criteria to measure how well we performed our functions during the financial year are set out in the portfolio budget statements and the corporate plan, and addressed in the CEO’s annual report against the PGPA Act reporting requirements.

Our outcome and program structure for 2022–23 is shown in Figure 1.3, along with its relationship to key elements of our *Strategic Direction 2022–26* and *Corporate Plan 2022–23*. Those documents and a link to our *Portfolio Budget Statements 2022–23* are available on our website at acic.gov.au/publications/corporate-documents.

Figure 1.3: Strategic, portfolio and corporate performance framework for 2022–23

PURPOSE			
To protect Australia from serious criminal threats through coordinating a strategic response and collecting, assessing and disseminating intelligence and policing information.			
STRATEGIC DIRECTION: STRATEGIC OBJECTIVES			
Trusted source of criminal intelligence	Provide comprehensive Commonwealth and policing intelligence	Keep the community safe	Deliver a sustainable agency
PORTFOLIO BUDGET STATEMENTS: OUTCOME AND PROGRAM			
Outcome 1			
To protect Australia from criminal threats through coordinating a strategic response and the collection, assessment and dissemination of intelligence and policing information.			
Program 1.1: Australian Criminal Intelligence Commission			
The ACIC supports the protection of Australia from criminal threats through developing and coordinating innovative disruption strategies that disable or dismantle criminal groups. The ACIC, through Board-approved special investigations and special operations collects, assesses and disseminates criminal intelligence to improve the national ability to respond to crime affecting Australia. The ACIC provides high-quality national policing information systems and services to Commonwealth and law enforcement partners and keeps the community safe through delivery of background checking services to support employment or entitlement decisions.			
PORTFOLIO BUDGET STATEMENTS: PERFORMANCE MEASURES			
The ACIC provides our law enforcement, other government and industry partners with intelligence on serious and organised crime threats to Australia.	The ACIC provides effective and efficient information-sharing systems and services to support our law enforcement partners.	The ACIC facilitates the National Police Checking Service, to allow people to apply for a nationally coordinated criminal history check.	
PORTFOLIO BUDGET STATEMENTS: PLANNED PERFORMANCE RESULTS			
ACIC intelligence is disseminated to partners, and facilitates disruption activities against criminal entities affecting Australia. Our intelligence supports legislative, policy or regulatory reform. Partners find ACIC intelligence to be meaningful and useful.	ACIC national policing intelligence systems and services are available to our police partners when required, and provide information that leads to successful outcomes.	The National Police Checking Service delivers community safety benefits by providing accurate and timely policing information, allowing organisations to make informed decisions about the suitability of applicants.	
CORPORATE PLAN: PERFORMANCE OBJECTIVES			
Criminal intelligence delivery	National policing information systems and services	National Police Checking Service	
PORTFOLIO BUDGET STATEMENTS AND CORPORATE PLAN: PERFORMANCE CRITERIA			
1. The ACIC discovers and targets current and evolving criminal threats to Australia.	7. ACIC information systems are available when required by partner agencies.	11. The National Police Checking Service is available to conduct checks as requested.	
2. The ACIC produces criminal intelligence products to better inform partners and stakeholder agencies.	8. ACIC information systems provide useful information to police partners.	12. The ACIC contributes to community safety by delivering timely information to support employment decisions.	
3. The ACIC informs partners of the current and evolving criminal threats to Australia.	9. The ACIC continues to enhance information systems.	13. ACIC-accredited bodies comply with obligations.	
4. ACIC intelligence facilitates a response to criminal activity affecting Australia.	10. Stakeholders are satisfied that the national policing information systems are meaningful and fit for purpose.		
5. ACIC intelligence is helping to make Australia more hostile to crime.			
6. Stakeholders agree that ACIC intelligence is meaningful and useful.			

Our stakeholders

We cannot achieve our vision and purpose without the support of others. The responsibility to make Australia safer and to reduce the impact of serious criminal threats is shared by many government departments, law enforcement and intelligence agencies and other entities, in Australia and overseas.

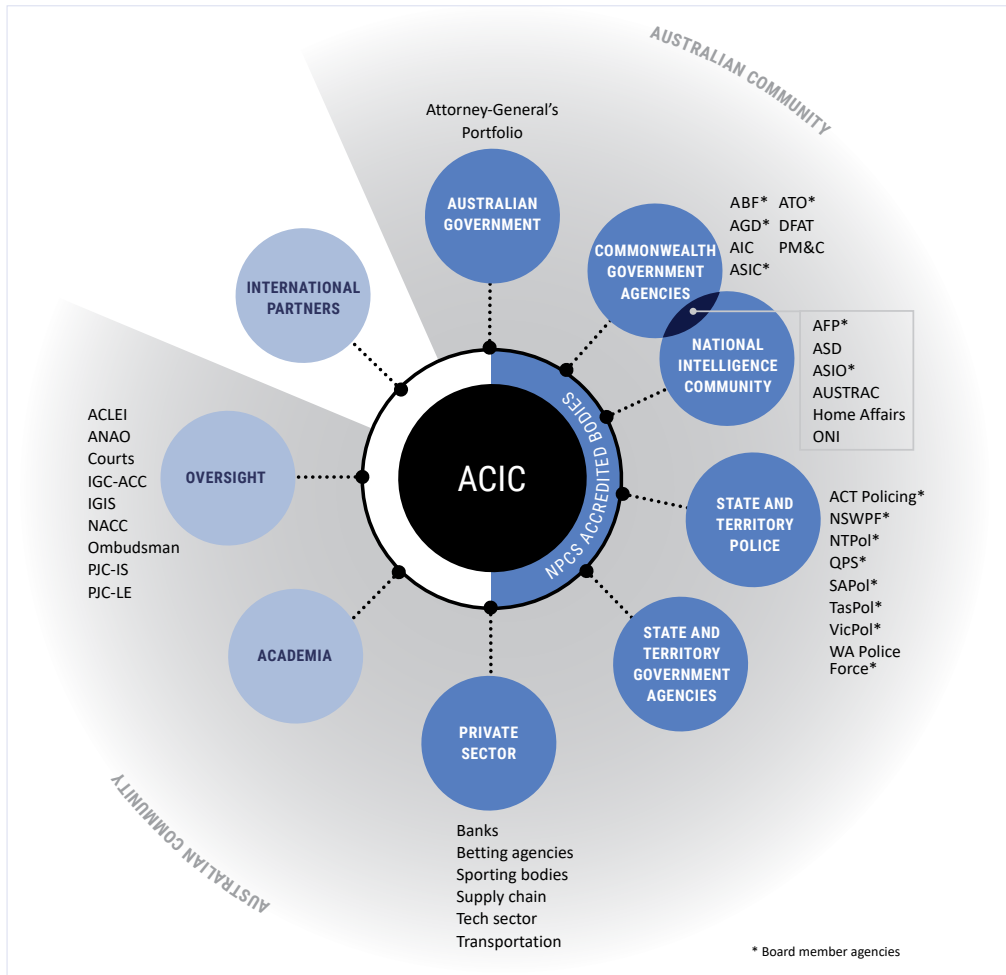
We aim to be the trusted source of criminal intelligence for all our stakeholders. Effective engagement is critical.

Our stakeholders include:

- ▶ **Australian community** – We undertake our activities in order to support and improve the safety of the Australian community, through generating and sharing intelligence about serious crime threats, supporting police partners to respond to crime, or providing information to support decision-making on entitlement or employment through the National Police Checking Service.
- ▶ **Australian Government** – We report to the Attorney-General and work within the Attorney-General's portfolio to ensure that our response to serious crime threats is coordinated across government.
- ▶ **Australian Government agencies** – We leverage our unique position to link Commonwealth, state and territory law enforcement and intelligence agencies. We generate intelligence that is shared among relevant Australian Government partners to support responding to serious crime threats in Australia. The heads of a number of Australian Government agencies are members of the ACIC Board.
- ▶ **State and territory police** – We provide state and territory law enforcement agencies with information and services that support them to undertake their role. Every police commissioner is a member of the ACIC Board and provides strategic direction and oversight to the ACIC.
- ▶ **State and territory governments** – We generate intelligence that can be used by state and territory governments to minimise opportunities for serious criminal activity, strengthen regulations or disrupt criminal activity.
- ▶ **International agencies** – We work in collaboration with international law enforcement and intelligence agencies and leverage those relationships to support our response to serious crime threats to Australia. The ACIC is a member of international law enforcement and intelligence groups.
- ▶ **Private sector** – We rely on private sector partners to support the delivery of national policing information systems, act as accredited bodies and build relationships to support responses to the evolving criminal threats that Australia faces.
- ▶ **Academia** – We partner with established sources of scientific and intellectual expertise within Australian academic institutions to ensure that we remain at the forefront of responding to serious crime threats to Australia.
- ▶ **Oversight bodies** – We are properly subject to external oversight, to make sure that the agency uses its powers responsibly, effectively and in accordance with the law at all times.
- ▶ **Accredited bodies** – We have accredited certain organisations to help individuals apply for and submit police checks. These organisations are entrusted with direct access to the National Police Checking Service system and play a vital role to help safeguard the Australian community.

Figure 1.4 illustrates the connections between our key stakeholder groups.

Figure 1.4: Stakeholders



ABF = Australian Border Force, ACLEI = Australian Commission for Law Enforcement Integrity, ACT Policing = Australian Capital Territory Policing, AFP = Australian Federal Police, AGD = Attorney-General's Department, AIC = Australian Institute of Criminology, ANAO = Australian National Audit Office, ASD = Australian Signals Directorate, ASIC = Australian Securities and Investments Commission, ASIO = Australian Security Intelligence Organisation, ATO = Australian Taxation Office, AUSTRAC = Australian Transaction Reports and Analysis Centre, DFAT = Department of Foreign Affairs and Trade, Home Affairs = Department of Home Affairs, IGC-ACC = Inter-Governmental Committee on the Australian Crime Commission, IGIS = Inspector-General of Intelligence and Security, NACC = National Anti-Corruption Commission, NPCS = National Police Checking Service, NSWPF = New South Wales Police Force, NTPol = Northern Territory Police, ONI = Office of National Intelligence, PJC-IS = Parliamentary Joint Committee on Intelligence and Security, PJC-LE = Parliamentary Joint Committee on Law Enforcement, PM&C = Department of the Prime Minister and Cabinet, QPS = Queensland Police Service, SAPol = South Australia Police, TasPol = Tasmania Police, VicPol = Victoria Police, WA Police Force = Western Australia Police Force

Australia's criminal environment

Serious and organised crime poses a grave and enduring threat to Australia's national security and prosperity. Criminal actors are profit driven and increasingly globalised, collaborative and enabled. We use our unique collection and analytical capabilities to illuminate the hidden, complex and dynamic criminal environment so that Australia can bring a coordinated national response to the fight against serious criminal threats.

- ▶ **Serious criminal threats contribute to Australia's national security threat.** There are links between national security issues and serious and organised crime groups, including illicit activities that undermine the integrity of Australia's border and governance. Offshore safe havens and jurisdictions of risk pose challenges to intelligence and law enforcement agencies trying to protect Australia's national interests in an increasingly fraught global strategic context.
- ▶ **Serious criminal threats impact everyone.** Serious and organised criminals are highly adept at using everyday systems and services to enact destructive, pervasive and complex illicit ventures. Serious and organised criminals create unfair competition for legitimate businesses and industries, exploit vulnerable people, and increase pressure on the economy and vital health and welfare services.
- ▶ **Criminals prioritise profits above all else.** The heads of criminal networks are driven by greed, with all elements of their illicit business acting in service of maximising profits. These high-level criminals will go to great lengths to achieve their goals, regardless of traditional club or group ties or geographical boundaries.
- ▶ **Serious and organised criminal enterprises are globalised and collaborative.** Even the highest threat criminal enterprises have limitations to their reach, and rely on the services, access and expertise of other criminals to succeed in their illicit ventures. More than ever, serious and organised crime groups are prioritising collaboration over competition.
- ▶ **Technology is expanding opportunities for criminals across every category of crime.** Criminals are quick to adopt emerging and advancing technologies across the full spectrum of serious criminal threats. As Australians rely more heavily on online services and platforms, global opportunities for cybercrime, serious financial crime and victim-based crime expand. The increasingly digital world has also granted easier access for criminals to illicit commodities, specialist tools and peers who readily share techniques and expertise across dark web forums and marketplaces.
- ▶ **Criminal groups are enabled by trusted insiders and professional facilitators.** Serious and organised crime groups rely on a range of skills to help conceal their activity and manage the profits of crime. Criminals exploit trusted insiders in Australian supply chains, leveraging their unique access and knowledge to evade detection by law enforcement and border security. Professionals such as lawyers, accountants and real estate agents are also wittingly or unwittingly used to apply their skills in masking complex criminal activities.

Reflecting on 20 years of modern criminal intelligence

Our anniversary publication looks back at how the modern-day ACIC is built on decades of experience and developments in Australia's serious and organised crime landscape.

The history of the ACIC in its modern form dates back more than 20 years to 2002, and the establishment of the Australian Crime Commission. To celebrate this important historical milestone, we developed a publication that provides an overview of our predecessors and partner organisations.

Criminal intelligence operations can be traced back to the First World War and the formation of the Commonwealth Police on 1 December 1917. Our publication recollects the turning points in history that initiated change.

Our story reveals an engaging timeline shaped by early state-based and Commonwealth intelligence bureaus and a series of royal commissions held in the 1970s and 1980s. During that time, a dramatic increase in gang violence generated significant public and political concern about the impact of organised crime on the Australian community. The royal commissions recognised the need for coercive powers to deal with the investigation of serious and organised crime when traditional police methods prove ineffective.

Our anniversary publication outlines the development of a modern approach to national criminal intelligence. It also covers efforts to coordinate the collection and sharing of essential police information. By following the timeline of the agencies that came before the ACIC, we can retrace the path we have taken to combat serious and organised crime.

2002–2022 Twenty years of modern criminal intelligence shows how we have evolved and achieved substantial operational outcomes and criminal disruptions, working with our law enforcement and intelligence partners. The publication offers a small glimpse into what has been accomplished during our rich history and what we look towards for our future.

The publication is available on our website at acic.gov.au/publications/corporate-documents.



WE **RESPECT** ALL
COLLEAGUES, PARTNERS
AND STAKEHOLDERS



SECTION 2

ANNUAL PERFORMANCE

*HOW WE ACHIEVED OUR PURPOSE AND
MANAGED OUR FINANCES*

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Annual performance statements

Statement by the accountable authority

As the accountable authority of the Australian Criminal Intelligence Commission (ACIC), I present the 2022–23 annual performance statements of the ACIC, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these annual performance statements accurately present the ACIC's performance during 2022–23 and comply with subsection 39(2) of the PGPA Act.



Matthew Rippon

Acting Chief Executive Officer

Australian Criminal Intelligence Commission

19 September 2023

Purpose

The purpose of the ACIC in 2022–23 was to protect Australia from criminal threats through coordinating a strategic response and collecting, assessing and disseminating intelligence and policing information.

The ACIC delivered its purpose in accordance with the *Australian Crime Commission Act 2002* (ACC Act), the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the *Public Service Act 1999* and other legislation.

How we measure our performance

As a statutory agency within the Attorney-General's portfolio during 2022–23, we managed our performance through the outcome and program structure in the Attorney-General's portfolio budget statements, and the key activities in our corporate plan.

Our corporate plan is available on our website at [acic.gov.au/publications/corporate-documents](https://www.acic.gov.au/publications/corporate-documents). The website also provides a link to our portfolio budget statements.

Our performance in achieving our purpose is assessed against the performance measures and planned performance results on page 107 of the *Attorney-General's Portfolio Budget Statements 2022–23 (October 2022)*, and the 13 detailed performance criteria set out on pages 22, 23 and 24 of the *Corporate Plan 2022–23*.

The planned performance results in the portfolio budget statements are measured and assessed against the detailed targets in the corporate plan. Figure 1.3 in this annual report summarises our performance framework.





How we report our results

The annual performance statements begin with an analysis of the ACIC's performance across the performance criteria, then provide detailed results against each criterion.

For statistical results, we include up to 4 years of historical data to enable comparative assessment of performance. Some performance criteria are addressed qualitatively, by examples that provide short insights into the work of the ACIC or case studies that provide more in-depth reviews of our work.

Many of our performance criteria have multiple targets. Table 2.1 shows how the targets were used to assess the result for each criterion, and the symbols used to summarise the results. Where a target required a benchmark or 4-year average that was yet to be established, we excluded that target from our assessment of the result.

Table 2.1: Assessment of results

Performance against targets	Result for criterion	Symbol
All targets were met	Met	
2 of 3 targets or 4 of 5 targets were met	Substantially met	
1 of 2 targets or 2 of 4 targets were met	Partially met	
No targets were met	Not met	

Analysis of performance against purpose

In 2022–23, the ACIC protected Australia from serious criminal threats, particularly serious and organised crime, through the dissemination of mission critical intelligence. To develop mission critical intelligence, we used our coercive powers and other collection capabilities, including human intelligence, technical intelligence and advanced analytics. We provided and maintained systems and services to share national policing information with policing and law enforcement agencies, and provided nationally coordinated criminal history checks.

As shown in Figure 2.1, in 2022–23, the ACIC fully met 7 performance criteria, substantially met 3, and partially met 3.

Figure 2.1: Summary of results

Performance criterion		Result	Performance criterion		Result
Criminal intelligence delivery					
1	The ACIC discovers and targets current and evolving criminal threats to Australia.		2	The ACIC produces criminal intelligence products to better inform partners and stakeholder agencies.	
3	The ACIC informs partners of the current and evolving criminal threats to Australia.		4	ACIC intelligence facilitates a response to criminal activity affecting Australia.	
5	ACIC intelligence is helping to make Australia more hostile to crime.		6	Stakeholders agree that ACIC intelligence is meaningful and useful.	
National policing information systems and services					
7	ACIC information systems are available when required by partner agencies.		8	ACIC information systems provide useful information to police partners.	
9	The ACIC continues to enhance information systems.		10	Stakeholders are satisfied that the national policing information systems are meaningful and fit for purpose.	
National Police Checking Service					
11	The National Police Checking Service is available to conduct checks as requested.		12	The ACIC contributes to community safety by delivering timely information to support employment decisions.	
13	ACIC-accredited bodies comply with obligations.				

Criminal intelligence delivery

Our role as the national criminal intelligence agency is to deliver mission critical intelligence to reveal the complex and ever shifting serious and organised crime threat to Australia and enable our law enforcement partners to disrupt criminal networks and enterprises.

In 2022–23, we generated intelligence that assisted law enforcement agencies to impact high-threat criminal entities, including Australian Priority Organisation Targets (APOTs) and Regional Priority Organisation Targets (RPOTs). APOTs and RPOTs are resilient, well resourced, criminal entities that exploit national and international connections posing significant threats to Australia's national interests. We gathered intelligence on these targets and coordinated national and international operational strategies with partners to reduce the threats.

We produced and disseminated a range of intelligence products derived from our collection capabilities: human intelligence, technical intelligence, advanced analytics, and coercive powers. Those products informed partner operational activities and investigations.

The number of unique intelligence products we disseminated was higher than the historical average. These results are influenced by the ACIC's priorities, activities and environmental factors for a particular year. The historical average for the number of partners receiving disseminations continues to be affected by a spike that occurred during the early stages of the COVID–19 pandemic, when we provided intelligence on novel threats to partners that usually would not have received disseminations from the ACIC.

Much of our work is sensitive and cannot be disclosed publicly as it may prejudice ongoing investigations, the safety of people or the fair trial of people charged with criminal offences. The qualitative examples on pages 26, 31, 32 and 37 and the case study on page 40 show how the ACIC is making Australia hostile to crime, by illustrating the ACIC's discovery of criminal threats and provision of mission critical intelligence to our partners to collaboratively target and disrupt criminal entities.

National policing information systems and services

We provide national policing information and intelligence services to police and law enforcement agencies. This includes rapid access to up-to-date, consolidated, national information to support our partners to respond quickly and effectively to crime and protect the public.

In 2022–23, we commenced reporting on system reliability to understand how consistently our national policing information systems are performing. System reliability is impacted by the duration of unplanned outages and the number of unplanned outages during the year. Together with system availability, this measure tells us whether our systems are meeting the demands of partner agencies. All systems met their benchmarks for national availability.

The number of users in 2022–23 was higher than the historical average for most systems, while results for the numbers of searches performed were mixed. The implementation of the National Criminal Intelligence System (NCIS) resulted in a decrease in searches of the National Police Reference System (NPRS) compared to 2021–22 because NPRS data has been made available through NCIS.

The number of fingerprint searches in 2022–23 was much higher than the 4-year average, which was impacted by a steep drop in searches in 2020–21, when COVID-19 restrictions impacted police partners' activities. Recovery from the effects of COVID-19 restrictions on international travel led to a surge in fingerprint searches for visa applications in 2022–23. More users were registered in the National Automated Fingerprint Identification System (NAFIS) in anticipation of the transition to NAFIS NextGen, which permits access to the system from all partner agencies' corporate workstations.

The numbers of users, searches and positive data matches are affected by factors outside our control. These factors may not relate to the quality of the information systems but they affect our performance against the 4-year average, as shown in some of the tables in these annual performance statements. Nonetheless, we monitor these results because a significant, unexplained decline could indicate an issue with the performance of our systems.

We are committed to continually improving our information systems to ensure that they are fit for purpose and meet partner needs to respond to the current operating environment. During 2022–23, we implemented enhancements across a number of systems to improve stability and increase capability and functionality. The benefits included higher quality identity resolution searches, more effective data matching and a better-informed national view of criminal activities. The case study on page 50 discusses the enhancement to NAFIS NextGen in June 2023, which has already delivered results to our partners.

National Police Checking Service

We work with Australian police agencies to deliver the National Police Checking Service (NPCS), which provides access to nationally coordinated criminal history checks. Police checks assist organisations to make informed decisions about the suitability of applications for a range of matters, including employment, working with children or vulnerable people, and firearm licensing.

While we did not meet the timeliness benchmark for standard (non-urgent) checks in 2022–23, we processed the highest annual number of checks since the NPCS was established. In 2022–23, the NPCS processed 7.18 million checks, 6.74% more than the 2021–22 total and 18.75% more than the 4-year average. We made significant progress to improve the proportion of checks completed on time, which increased from 94.45% in 2021–22 to 94.72% in 2022–23 for standard checks and from 89.00% in 2021–22 to 95.68% in 2022–23 for urgent checks. We met the timeliness benchmark for urgent checks for the first time in years and were within 0.28% of meeting the benchmark for standard checks.

As the demand for NPCS continued to rise, we increased our focus on the correct submission of urgent checks and implemented a permanent secondary clearing capability in 2022–23 to improve the time taken to process checks. The secondary clearing capability has had a positive impact on overall processing times, with more applicants receiving their check results within 48 hours, and increased the matching accuracy of referrals that are sent to police jurisdictions for review, thus reducing the strain on jurisdictional resources. The secondary clearing capability clears checks upon submission, which reduces the number of checks that are sent to police jurisdictions for manual review and processing.

The ACIC accredits certain organisations to help individuals apply for and submit police checks. The accredited bodies are entrusted with direct access to the NPCS. We undertake compliance audits to ensure that the accredited bodies are fulfilling their obligations to protect individuals' sensitive information and provide an accurate and reliable service.

Compliance by accredited bodies demonstrates that our approach applies the best practice principles of Australian Government regulation: continuous improvement and building trust, risk based and data driven, and collaboration and engagement.

In 2022–23, we undertook 149 audits of accredited bodies. Two of the accredited bodies that were audited self-terminated their agreements with the ACIC. We also completed 24 referred investigations of accredited bodies following alleged non-compliance. The ACIC worked with the accredited bodies to address the non-compliance, which included provision of education sessions to their staff to ensure that the NPCS remains a trusted source of criminal history checks.

Stakeholder survey

Our annual stakeholder survey assists the ACIC to better understand stakeholders' perceptions and levels of satisfaction with our delivery of intelligence, systems and services. This allows us to assess our results against our related performance criteria. Specific survey findings related to our performance criteria are discussed in these annual performance statements.

In 2022–23, we sent a questionnaire to 218 of our stakeholders, consisting of:

- ▶ ACIC Board liaison officers
- ▶ members of the Law Enforcement Information Services Capability Committee, the National Criminal Intelligence Capability Committee and the Technology Capability Committee
- ▶ the ACIC's national policing information systems user advisory group.

Respondents were asked 14 questions relating to criminal intelligence delivery, national policing information systems and services, the NPCS, and the ACIC's service and engagement efforts. A rating scale from 'strongly agree' to 'strongly disagree' was used. Respondents were also asked to provide comments to support their ratings and suggest improvements that the ACIC could make.

We received 31 responses, equating to a response rate of 14%. Stakeholders were encouraged to complete the survey and provide feedback, but the voluntary nature of the survey contributed to a low response rate. We acknowledge that the low response rate impacts on the validity of the survey results as an accurate reflection of all stakeholders' feedback. We are exploring options to capture feedback from more stakeholders in future.

All stakeholder survey respondents in 2022–23 agreed that the ACIC's advice identifies changes within the criminal environment. More than three-quarters of respondents agreed that our intelligence products provide a comprehensive and relevant understanding of serious criminal threats impacting Australia.

The stakeholder survey results and feedback we received from other channels indicated that most of our partners find that we provide informative intelligence to assist them to understand crimes impacting Australia and to facilitate disruption activities. The feedback also showed us the importance of providing timely intelligence to our partners, leveraging our unique collection capabilities to collate and develop intelligence, and continuing to engage and consult with our partners to provide relevant and actionable intelligence.

The survey results met our target for satisfaction that national policing information systems are valuable and reliable. However, we did not meet the target for satisfaction that the national policing information systems meet our stakeholders' needs. The feedback we received through the survey indicated that we need to continue to enhance our systems to improve the information available in the systems, futureproof our systems to ensure that they remain fit for purpose, and provide timely responses to requests for support relating to information systems.

The 2022–23 survey was streamlined in contrast to the 2021–22 survey. In 2021–22, an independent contractor was engaged to conduct interviews and a questionnaire. The 2021–22 stakeholder survey was confined to 52 respondents, of whom 34 (65%) responded. As the survey sample and methodology were changed in 2022–23, the results cannot be directly compared with 2021–22 results. Historical results have been included to maintain transparency.

Conclusion

In 2022–23, we fully met 7 of 13 performance criteria. Some of our performance results against the remaining 6 criteria were driven by factors outside of our control, such as changes to the criminal environment and partner agencies' demands for our information systems. We also observed changes in our results from 2020–21 and 2021–22 to 2022–23. In those earlier years, the impacts of COVID-19 on our operating environment resulted in increases and decreases that were against the established trends. We are continually evaluating our performance to identify areas for improvement.

Overall, we met most of the targets in each category of our key activities: criminal intelligence, national policing information systems, and checking services. This demonstrates our work to deliver timely and actionable mission critical intelligence to our partners and stakeholder agencies.

We are continuing to enhance our systems, improve our checking service and adapt the way we operate, to ensure that we meet the needs of our partners and stakeholders and contribute to making Australia hostile to criminal exploitation.

Criminal intelligence delivery

The ACIC delivers insights and intelligence on the highest-level transnational serious and organised crime threats. This work underpins all our activities, contributing to our purpose by enabling disruption outcomes and intelligence insights, providing timely and targeted intelligence products to inform partners and government, filling strategic information gaps and supporting law enforcement operations.

During 2022–23, our intelligence and analysis work led to the identification and understanding of new criminal methodologies and the disruption of criminal threats to Australia. We performed a critical coordination role in bringing partners together to build operational strategy and coordinate efforts.

PERFORMANCE CRITERION 1	The ACIC discovers and targets current and evolving criminal threats to Australia.		
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 22		
	MEASURED BY	TARGET	
	Identification of high-risk criminal targets	High-risk criminal targets are identified	
	Disruption of high-risk criminal targets	High-risk criminal targets are disrupted	
	Qualitative examples of ACIC discovery of evolving criminal threats to Australia	≥ 1	

We fully met this performance criterion, as all targets were met.

Identifying high-risk criminal targets

High-risk criminal targets pose a grave, enduring threat to Australia's national security and prosperity.

APOTs and RPOTs exert significant influence over Australia's illicit commodity markets in all Australian states and territories. APOTs and RPOTs are involved in several criminal enterprises, including outlaw motorcycle gangs, cybercrime, money laundering and illicit drugs activities. The ongoing threat presented by these targets underscores the importance of a nationally coordinated intelligence and investigative response.

Only the most serious criminal actors are identified as APOTs and RPOTs. This allows us to coordinate efforts to achieve maximum effect against the highest-risk serious and organised criminal threats impacting Australia. During 2022–23, we continually monitored and assessed the criminal threats posed by existing targets and emerging criminal actors to determine whether they should be designated as APOTs or RPOTs.

At 30 June 2023, the ACIC was tracking 15 APOTs. During 2022–23, new targets were designated as APOTs, including one target that was co-designated as part of a network with an existing target. Five targets were downgraded from APOT status due to law enforcement disruptions or were assessed as no longer meeting APOT status. At 30 June 2023, the ACIC was tracking 44 RPOTs. Thirteen targets were designated as RPOTs and 32 were removed during 2022–23. There were co-designations of RPOTs during the year where 2 or more individuals were jointly identified as heads of a priority criminal network.

Targets may be removed as priority organisation targets for reasons such as the target having been affected by disruption activities or ceasing to operate at the APOT or RPOT level.

Disrupting high-risk criminal targets

We worked with law enforcement agencies to disrupt high-risk criminal targets in 2022–23. Two APOTs and one RPOT were disrupted by law enforcement partners as a result of ACIC intelligence, with consequences including arrests for drug importation and trafficking, and the degradation of a criminal entity to the extent that it is no longer a criminal threat impacting Australia.

The following is a qualitative example of our discovery of emerging criminal threats.



Qualitative example: Discovery of a sailing yacht likely involved in serious organised crime activities

In early 2023 the Northern Territory Joint Agency Group (NT JAG) identified a sailing yacht that had arrived in the Northern Territory and assessed it as likely to have been involved in past serious and organised crime activities, and to potentially be involved in future activities.

In collaboration with NT JAG partners, the ACIC developed intelligence in relation to the vessel's movements and recent changes in the ownership and the official name of the sailing yacht. We identified linkages between the crew of the sailing yacht and another vessel that had been previously intercepted off the coast of Australia carrying over 900 kilograms of methylamphetamine. The broker of the second vessel had been previously identified as a key maritime facilitator involved in trafficking illicit drugs via small craft, in collaboration with several serious and organised crime groups, including Australian Priority Organisation Targets.

The ACIC's intelligence report was disseminated to domestic and international partners to assist law enforcement agencies to monitor the vessel for future involvement in serious and organised crime activity. A joint agency taskforce operationalised the intelligence and subsequently identified a facilitator for the Comanchero outlaw motorcycle gang attempting to flee Australia onboard the sailing yacht.

PERFORMANCE CRITERION 2	The ACIC produces criminal intelligence products to better inform partners and stakeholder agencies.		
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 22		
	MEASURED BY	TARGET	
	Number of intelligence products produced	≥ 4-year average	
	Proportion of ACIC examinations that generate intelligence insights	≥ 90%	
	Intelligence products are derived from the ACIC's core capability pillars	Intelligence products are developed from activities undertaken	
	Spread, in percent, of intelligence products produced by priority crime theme	Products are produced by priority crime theme	
	Qualitative examples of products developed for different crime themes	≥ 3	

We substantially met this performance criterion, as 4 of the 5 targets were met. The target for the proportion of ACIC examinations that generate intelligence insights was not met.

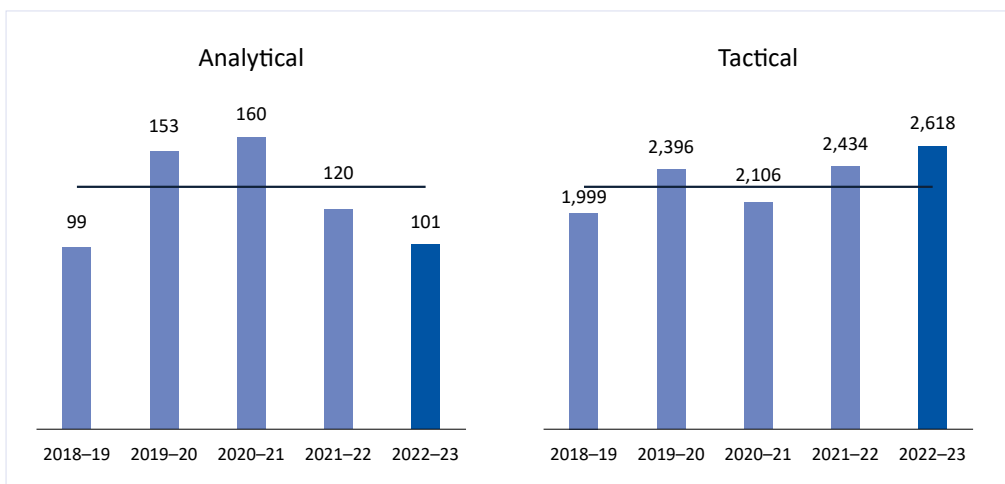
Producing intelligence products

We develop intelligence products to address intelligence requirements and support our partner agencies in line with board-agreed priorities. As the criminal environment is evolving, our intelligence focus can shift from year to year.

Intelligence products produced

We produced 2,719 unique intelligence products in 2022–23, exceeding the historical average of 2,367. Figure 2.2 shows the numbers of unique analytical products and tactical products produced over the past 5 reporting periods, split by type.

Figure 2.2: Intelligence products produced



Examinations that generated intelligence insights

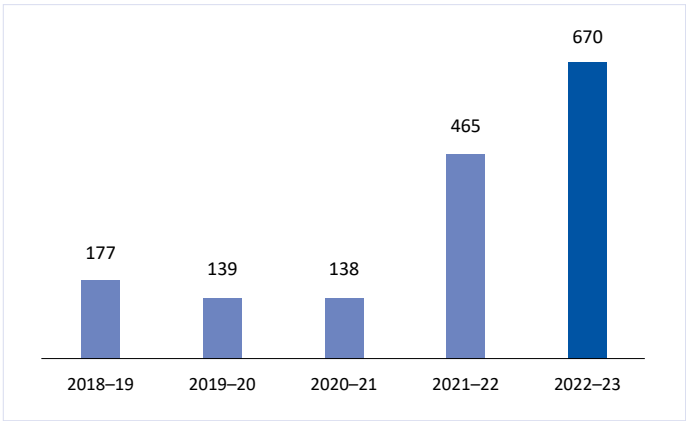
Under the ACC Act, ACIC examiners have the powers to summon a person to attend an examination and answer questions, or produce documents or things, in relation to a special ACIC operation or special ACIC investigation authorised by the board. Examinations are conducted to collect information which may then lead to the dissemination of an intelligence product to our partners.

We analysed examination and intelligence product data to understand the linkage between examinations and the production of intelligence products. Our analysis shows that most intelligence products derived from examinations are disseminated within 30 days of the examination but some complex intelligence products derived from multiple sources or multiple examinations take longer to produce. The period between when an examination is conducted and when an intelligence product is produced is to allow us to analyse the information collected, prepare the intelligence product and provide the product to partners and stakeholder agencies.

In 2022–23, 66.8% of ACIC examinations directly generated a number of intelligence insights, less than the target of 90%. This proportion is calculated from the examinations that were conducted between 1 June 2022 and 30 May 2023 and intelligence products disseminated between 1 July 2022 and 30 June 2023. The different periods used in the calculation account for 30 days to produce intelligence products following an examination. Intelligence products that were disseminated in 2022–23 but derived from examinations that were conducted before 1 June 2023 were excluded from the proportion.

Overall, there were 196 examinations conducted and 670 intelligence products produced with examination material as a source in 2022–23, compared with 236 examinations conducted and 465 intelligence products produced in 2021–22. This represents a significant increase in the ratio of total intelligence products produced to examinations conducted in 2022–23 compared with previous years. Prior to 2021–22, the ratio was approximately one to one. Figure 2.3 shows the numbers of intelligence products derived from examinations material over the past 5 reporting periods.

Figure 2.3: Intelligence products derived from examinations material



Our analysis shows that not all examinations directly resulted in at least one intelligence product as initially expected. Some examinations resulted in multiple intelligence products derived from them. The examinations with direct products averaged 3.9 products each.

The development of intelligence products does not fully capture all intelligence insights that are generated by examinations. A range of factors may result in examinations having no direct intelligence products while still generating insights or value. Examples of insights that were derived from examinations but not directly captured in intelligence products included:

- ▶ direction for other collection activities, such as covert targeting of another person of interest and telecommunications interception that resulted in a product
- ▶ validation and consolidation of current intelligence holdings, which influenced confidence in products derived from known information
- ▶ information relevant to developing operational strategy for future projects.

As a result of our analysis, we have removed this target from our performance criteria in 2023–24. We are exploring other measures to assess our performance on the use of examinations to generate intelligence insights.

Intelligence products derived from the ACIC's core capability pillars

Intelligence is collected through the ACIC's 4 pillars: coercive powers, technical intelligence, human intelligence and data analytics. Coercive powers include examinations and notices issued under section 21A of the ACC Act to compel a document or thing to be produced.

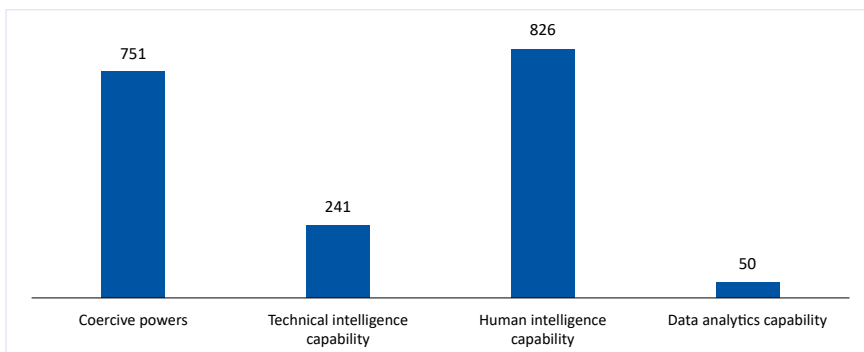
We measure the number of intelligence products derived through each capability pillar to demonstrate how our powers directly relate to our ability to provide partners and stakeholder agencies with relevant and actionable intelligence. A product may be derived from multiple sources.

The number of products containing intelligence derived from examinations material increased in 2022–23, following the appointment of 3 additional examiners in 2021–22.

Figure 2.4 shows the numbers of intelligence products derived through each collection capability.

Because system changes to allow the capture of data on intelligence products by data analytics capability were not implemented until quarter 3 of 2022–23, the number of products reported for data analytics capability (50) does not reflect the result for the full year.

Figure 2.4: Intelligence products derived by core collection capability



Note: A single product may be derived through multiple capabilities. The number of products derived from data analytics capability does not reflect the result for the full year, as system changes to allow for data capture were not implemented until quarter 3 of 2022–23.

Intelligence products by priority crime theme

Priority crime themes, determined by the ACIC Board, direct our work. These themes relate to crime types posing a significant threat to Australians and cover a wide variety of offences.

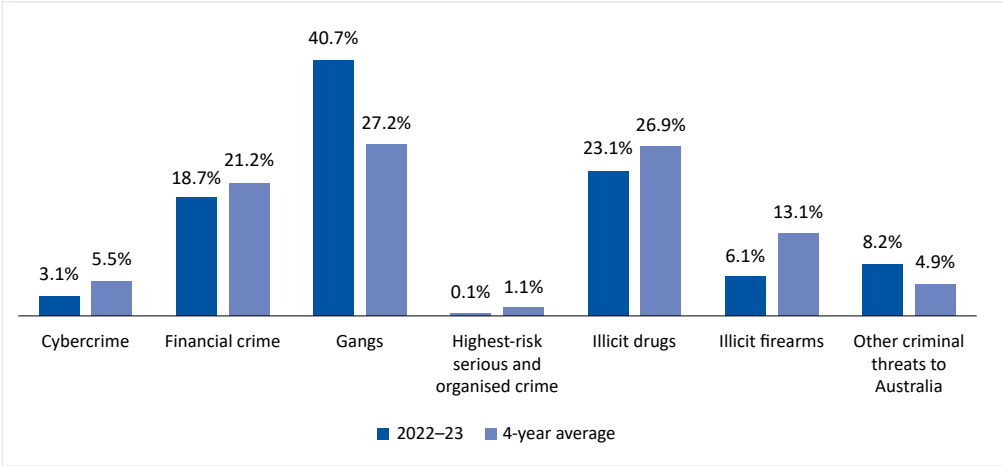
Much of our criminal intelligence effort goes towards understanding the nature of these crime types and enabling the prevention, disruption, disabling and dismantling of criminal enterprises. We also work closely with the Australian Institute of Criminology to build an evidence base informing policy and practice for understanding and addressing crime in Australia.

In 2022–23, the priority crime themes were:

- ▶ cybercrime
- ▶ financial crime
- ▶ gangs
- ▶ highest-risk serious and organised crime
- ▶ illicit drugs
- ▶ illicit firearms
- ▶ other criminal threats to Australia.

Figure 2.5 shows the spread, by percentage, of intelligence products produced by priority crime theme. The 4-year average is included as it demonstrates the shifting focus of our intelligence products to respond to the changing criminal environment. Only the 2022–23 results are required to meet reporting requirements.

Figure 2.5: Spread of products produced by priority crime theme



Note: Percentages may not total 100 due to rounding.

The following qualitative examples describe intelligence products related to priority crime themes that we developed and provided to partners and stakeholder agencies to assist them with their operations and investigations in 2022–23.



Qualitative example: Professional facilitators and the laundering and concealment of proceeds of crime

Priority crime theme – financial crime; gangs

The ACIC produced and disseminated a strategic intelligence product discussing the findings from a project investigating the use of legitimate industry professionals to facilitate the laundering and concealment of proceeds of crime on behalf of serious and organised crime entities.

Focusing on 'white-collar industries', the assessment considered the way professional facilitators, including accountants, financial advisers, and real estate agents, knowingly or unknowingly facilitated the laundering and concealment of proceeds of crime.

The assessment found:

- ▶ serious and organised crime entities exploit professional facilitators in the legal, finance and real estate sectors to launder and conceal proceeds of crime
- ▶ professional facilitators recruited or exploited by serious and organised crime entities are often subject to coercion or threats
- ▶ better regulation would increase the administrative burden on individuals and companies engaged in legitimate use of these structures and instruments; however, it would impede the ability of serious and organised crime to misuse these mechanisms, and make professional facilitators less likely to engage with serious and organised crime in this manner.

The assessment noted that some regulatory changes are occurring, including that by 30 November 2023 company directors must apply for a Director Identification Number, which will enhance regulators' ability to trace a director's relationship with companies over time, and should result in an enhanced ability to identify 'straw directors' and other individuals who are linked to shell companies.

The assessment provided information on the operating environment, the mechanisms serious and organised crime entities use to the launder and conceal proceeds of crime, and considerations for the regulation of these mechanisms. The assessment also provided information on opportunities to identify, disrupt and deter professional facilitators from undertaking criminal activities with serious and organised crime entities.



Qualitative example: Use of non-containerised drug importation methodologies to import illicit drugs into Australia

Priority crime theme – illicit drugs; gangs

In 2023, a strategic intelligence product was disseminated to domestic and international partners on the use of non-containerised drug importation methodologies aboard large commercial seagoing vessels by serious and organised crime.

The report provides intelligence on the various non-containerised methodologies used by serious and organised crime to import drugs. The report also discusses the challenges law enforcement agencies face to detect the concealments, due to resource limitations, remoteness of locations and minimal law enforcement presence where many retrievals of drugs occur, and engagement of trusted insiders at both source and domestic entry ports to assist with the importation.

The report provides information on 2 examples of attempts to import drugs using non-containerised drug importation methodologies and identifies vulnerabilities that are being exploited by serious and organised crime.




Qualitative example: Assessment of domestic manufacture of methylamphetamine

Priority crime theme – illicit drugs

In May 2023, we disclosed an intelligence product that provides an overview of the current understanding of domestic methylamphetamine manufacturing in Australia. We assess that domestic manufacture accounts for around 30% of methylamphetamine consumed in Australia.

The product includes a summary of the Australian methylamphetamine market and 3 case studies to illustrate serious and organised crime's access to the drug and options for/possible disruption activities. The product also details a number of ACIC initiatives underway to build a greater understanding of domestic methamphetamine manufacture to assist law enforcement targeting.

We identified several options for consideration to target the Australian methylamphetamine market. This product was disseminated to a range of domestic and international partner agencies, including law enforcement agency partners.

PERFORMANCE CRITERION 3	The ACIC informs partners of the current and evolving criminal threats to Australia.		
	Source: <i>Portfolio Budget Statements 2022–23</i> , page 107; <i>Corporate Plan 2022–23</i> , page 22		
	MEASURED BY	TARGET	
	<ul style="list-style-type: none"> ▶ Number of requests for information the ACIC finalised ▶ Number of intelligence products disseminated ▶ Number of partners receiving disseminations ▶ Number of products disseminated to ACIC Board agencies, non-board agencies and international partners 	≥ 4-year average	

We partially met this performance criterion, as 2 of the 4 targets were met. The targets for number of requests for information finalised and number of partners receiving disseminations were not met.

Informing our partners

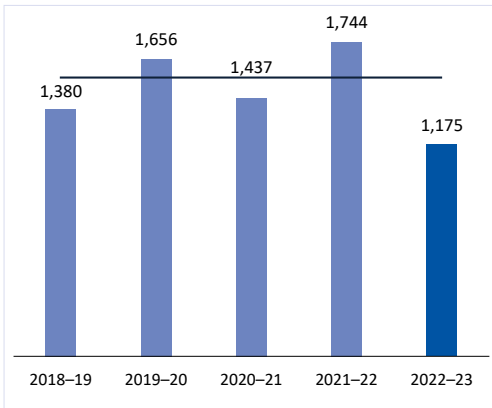
Our criminal intelligence is collected and combined with information and intelligence from partner agencies to create and share a comprehensive national picture of serious and organised crime in Australia.

Tracking the numbers of requests for information we have responded to and products and alerts we have disseminated helps to demonstrate the volume and breadth of criminal intelligence, and other relevant information, that we produce and provide to our partners each year.

Requests for information

We are committed to providing information on request within operational and legal constraints. Responses to requests for information are one of the ways we disseminate information to our stakeholders. Sometimes, just being informed that we do not hold the requested information can be useful to requesting stakeholders.

We received 1,175 requests for information in 2022–23. That total was lower than the 4-year average of 1,554, as shown in Figure 2.6.

Figure 2.6: Requests for information received

Note: The trendline represents the 4-year historical average.

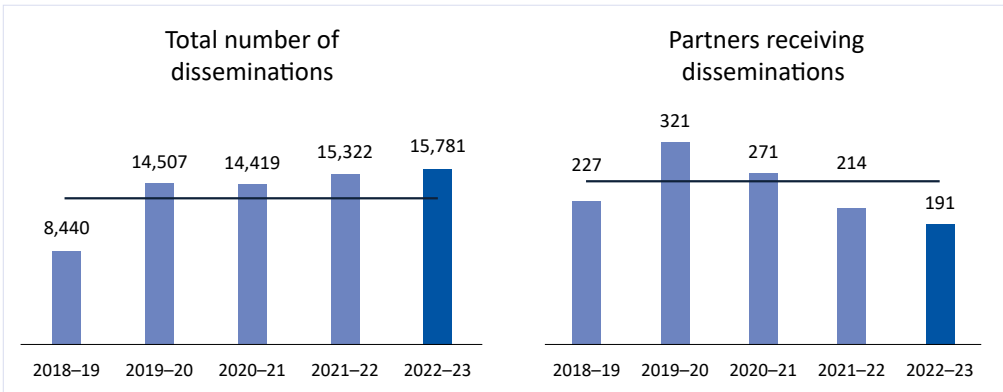
Two themes related to COVID-19 led to peaks in 2019-20 that contributed to the high 4-year average. Requests for information from health agencies increased significantly, particularly during 2019-20: the number of health-related requests for information was 3.9 times higher in 2019-20 than in 2022-23. The announcement of the temporary zero-dollar approval threshold that was implemented as part of Australia's foreign investment framework from 29 March to 31 December 2021 also resulted in a significant increase in requests, for foreign investment information.

A large peak in firearms-related requests in 2021-22 also increased the 4-year average. Of the 1,175 requests for information in 2022-23, 801 were requests for information on firearms. This was a significant decrease from the 1,284 requests for information on firearms received in 2021-22. Reasons for the 2021-22 peak included the introduction of the national amnesty for surrender of unregistered firearms without penalty, phase 2 of the national illicit firearms campaign, and the allocation of police resources to submit firearms requests. The 2022-23 total is more in line with the 823 requests for information on firearms in 2020-21.

Product disseminations

During 2022-23, we made 15,781 disseminations to 191 partners. We exceeded the historical average of 13,172 for the number of times products were disseminated, but fell below the historical average of 258 for the number of partners receiving disseminations, as shown in Figure 2.7.

Figure 2.7: Products disseminated and partners receiving disseminations



Note: The trendline represents the 4-year historical average.

The overall number of partners receiving disseminations peaked in 2019–20 and has followed a downward trend in subsequent financial years. As discussed in the 2021–22 annual report, we have ceased disseminating products to some agencies that would not usually receive products from us but had a temporary need for criminal intelligence because of the COVID–19 pandemic, and changes in the way we interact with a number of our international partners have impacted our dissemination of products to those partners.

While there was a decrease in the number of partners receiving disseminations in 2022–23, the number of times our products were disseminated to partners increased. The number of disseminations for 2022–23 is the highest ever recorded by the ACIC, demonstrating that we continue to inform partners and provide them with intelligence on current and evolving criminal threats to Australia.

Partners receiving disseminations

Our partners include: the agencies that make up the membership of the ACIC Board; other Australian partners; and law enforcement agencies that we partner with outside Australia, such as the United Kingdom National Crime Agency and the United States Drug Enforcement Administration.

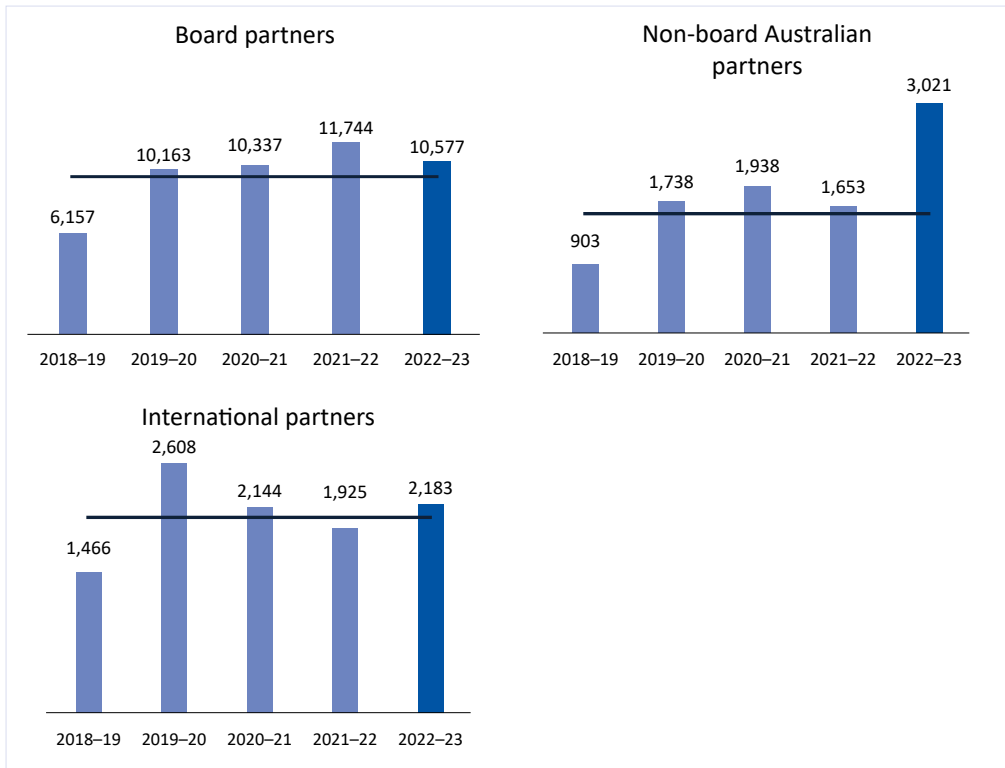
Our non-board Australian partners include stakeholders not involved in traditional law enforcement, such as bodies in the health sector or the sports integrity sector, who benefit from our intelligence around vulnerabilities and potential criminal threats.

Of the 15,781 times ACIC products were disseminated to partners in 2022–23, 67.0% were disseminated to board agencies, 19.1% were disseminated to non-board Australian partners, and 13.8% were disseminated to international partners.

The number of times products were disseminated to non-board partners increased significantly in 2022–23. This is attributed to the ACIC’s move from the Home Affairs portfolio to the Attorney-General’s portfolio on 1 July 2022, as a result of which the Department of Home Affairs became a non-board partner. Disseminations to the Department of Home Affairs made up almost one-third of the disseminations to non-board partners in 2022–23.

Figure 2.8 shows the numbers of times products were disseminated to partners, by type of partner.

Figure 2.8: Times products were disseminated, by partner type



Note: The trendline represents the 4-year historical average.

PERFORMANCE CRITERION 4	ACIC intelligence facilitates a response to criminal activity affecting Australia.	
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 22	
	MEASURED BY	TARGET
	▶ Number of disruptions recorded	≥ 4-year average
	▶ Number of Joint Project Proposals initiated	
	Qualitative examples of response to criminal activity affecting Australia	≥ 1

We fully met this performance criterion, as we met the target for the number of disruptions recorded and included a qualitative example of response to criminal activity affecting Australia. We excluded the measure on the number of Joint Project Proposals initiated from our assessment of performance as a 4-year average is not yet available.

Facilitating a response to criminal activity

To reduce the threat to Australia from transnational serious and organised crime, we use specialist capabilities and powers to collect, assess and distribute actionable intelligence to domestic and international law enforcement and intelligence partners.

This includes working in, and with, multi-agency task forces to investigate and collect intelligence on high-risk criminal entities operating domestically and offshore. Our intelligence may also result in joint projects with partners, such as the Australian Federal Police and the Australian Taxation Office. We aim to illuminate and enable responses to the activities of criminal entities operating domestically or offshore.

Disruption of criminal entities

We work with international and domestic partners to collect mission critical intelligence and enable disruption of criminal networks. We collate, analyse and provide intelligence to enable law enforcement agencies' disruption of criminal entities to reduce or eliminate threats to Australia.

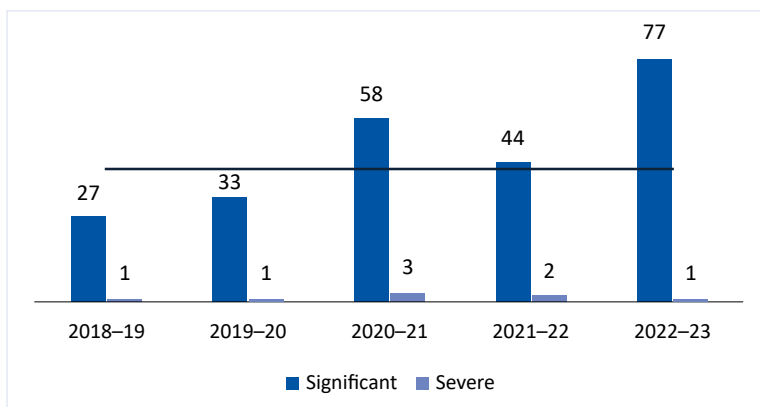
Disruption by law enforcement is the interruption, reduction or cessation of criminal behaviour or a criminal enterprise. Disruption is considered to be either 'significant' or 'severe'. To be considered significant, a disruption must achieve a significant impact to reduce the threat of a crime entity, but not the complete disruption or dismantling of the entity.

To be considered severe, a disruption must result in the complete disruption or dismantling of a crime entity and the cessation of its serious criminal activities. The complete dismantling of a crime entity or cessation of its serious and organised crime is exceptionally difficult, due to the large, complex and often transnational networks many serious and organised criminal syndicates employ.

Multi-agency collaboration and cooperation are essential in combating serious criminal threats to Australia. In 2022–23, we worked with our partners to enable successful disruption outcomes including arrests of outlaw motorcycle gang members, arrests of crime entities for trafficking in illicit drugs, and seizures of large quantities of illicit drugs, firearms and cash.

We report on disruptions where the ACIC had a material contribution: that is, the disruption is unlikely to have occurred without our contribution in providing intelligence to partners or stakeholder agencies. Disruption is a measure of our ability to make Australia hostile to criminal exploitation.

We contributed to 77 significant disruptions and one severe disruption in 2022–23. As shown in Figure 2.9, the total of 78 disruptions is well above the historical average of 42 disruptions.

Figure 2.9: Disruptions

Note: The trendline represents the 4-year historical average for total disruptions.

The following qualitative example illustrates the way in which ACIC intelligence facilitated responses to criminal activity affecting Australia in 2022–23.



Qualitative example: Disruption of an Australian Priority Organisation Target criminal network

The ACIC partnered with the Australian Federal Police (AFP) and other National Intelligence Community agencies to develop a sequenced and integrated strategy to disrupt and isolate key components of an Australian Priority Organisation Target (APOT) network targeting Australia. This included the ACIC developing unique offshore human intelligence collection which informed a collaborative multi-agency strategy designed to deliver an effect against the targeted network, both in Australia and offshore. We implemented this strategy through a Joint Agency APOT Disruption Strategy meeting, in March 2023, which also secured non-traditional partner support to harden the offshore operating environment against the network.

Key deliverables under this strategy include our:

- ▶ provision of intelligence support to the New South Wales Police Force and the AFP through unique collection and analysis
- ▶ generation of joint operational targeting opportunities, and identification of previously unknown entities facilitating the network's drug trafficking and money laundering capability
- ▶ ongoing use of our coercive capability in support of strategic objectives.

This strategy is ongoing; however, our intelligence indicates the strategy has likely reduced the APOT network's longstanding offshore protection, supplied by a corrupt offshore powerbroker, and forced this network to seek similar services from an alternative, inferior and increasingly nefarious source.

Commodities seized in disruption activities

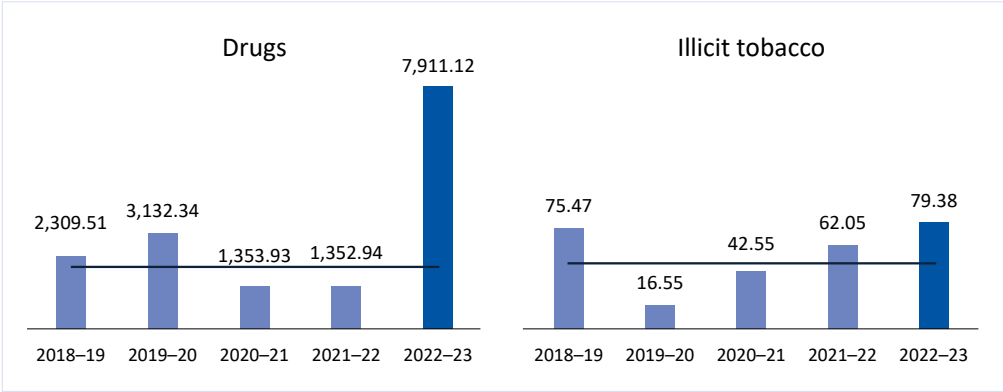
Our intelligence is used by law enforcement agencies to undertake disruption activities that include seizures of drugs, illicit tobacco, cash and assets. We report on the total value of seizures over time to demonstrate that we are providing actionable intelligence to support our partners and contribute to making Australia hostile to criminal exploitation.

In 2022–23, our intelligence led to a number of seizures of drugs, cash and illicit tobacco as part of disruption activities undertaken by our partners. Figures 2.10 and 2.11 summarise outcomes where our support and provision of intelligence materially contributed to seizures by our partners.

Figure 2.10 shows the total estimated street value of seizures of illicit drugs and drug precursors, and illicit tobacco. The total for 2022–23 includes one multi-tonne seizure of drugs valued at over \$5 billion.

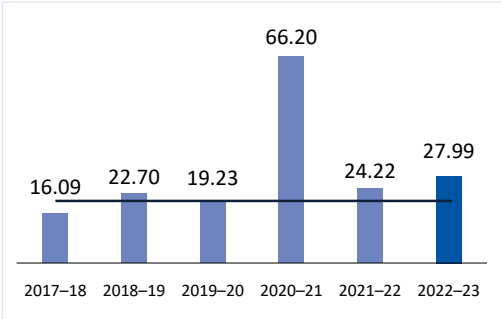
Figure 2.11 shows the total value of cash and assets seized by our national and international partners as a result of ACIC intelligence. Assets may include foreign cash, cryptocurrency and associated paraphernalia, vehicles, digital devices, and jewellery, including luxury watches. In 2020–21, partners made 17 cash seizures of over \$1 million each, including 4 individual seizures of over \$5 million. In contrast, 8 seizures of over \$1 million each were made in 2022–23, which was more in line with other years.

Figure 2.10: Estimated street value of drugs and illicit tobacco seized (\$m)



Note: The trendline represents the 4-year historical average. Figures for drugs include drug precursor chemicals. The total for 2022–23 includes one multi-tonne seizure of drugs valued at over \$5 billion.

Figure 2.11: Value of cash and assets seized (\$m)



Note: The trendline represents the average of results for the 2017–18, 2018–19, 2019–20 and 2021–22 financial years. The 2020–21 result has been excluded due to a one-off spike in large cash seizures during COVID-19 border and movement restrictions that does not accurately reflect the average amount of seizures that ACIC intelligence supports.

Joint Project Proposals

A Joint Project Proposal (JPP) is a joint initiative between the ACIC and a partner or partners that arises as a result of ACIC intelligence. JPPs show that we work with partners to respond to criminal activity, generate intelligence insights, and coordinate a strategic response to serious criminal threats.

In 2022–23, we initiated 48 JPPs, a decrease compared with the total of 58 JPPs initiated in 2021–22. This was a new performance measure in 2020–21 and a 4-year average will not be available for comparison until 2024–25.

PERFORMANCE CRITERION 5	ACIC intelligence is helping to make Australia more hostile to crime. 	
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 22	
	MEASURED BY	TARGET
	Case study of an intelligence product developed that has resulted in an operational outcome or legislative, policy or regulatory reform	≥ 1

We fully met this performance criterion, as the single target was met.

Making Australia more hostile to crime

To help achieve our vision of an Australia hostile to criminal exploitation, we participate in the development, implementation and evaluation of policy and legislation relating to our powers and functions, emerging issues and trends, and oversight of the broader intelligence and law enforcement community.

We also directly contribute to operational outcomes that make Australia more hostile to serious criminal threats, through the criminal intelligence products that we provide to our partners, as illustrated by the case study on page 40.

While we are committed to transparency, we are unable to provide reports or updates on active operations, and much of our work cannot be publicly discussed or can be discussed only years after the event.

In 2022–23, we developed a pool of potential case study topics at the start of the year. The topics in the pool were monitored throughout the year for suitability. A topic may cease to be suitable for reporting at the end of the year for a number of reasons. For example, the topic may not be suitable if it touches on a matter that has not come to a resolution or it contains sensitive information that is not suitable for public reporting because it may cause harm or prejudice investigations.

The topic of the following case study was identified in quarter 2 of 2022–23, and monitored to ensure that it remained suitable for publication.



CASE STUDY

Delivering mission critical intelligence to support our partners

We used our unique collection capabilities to collect and disseminate intelligence to partners, resulting in an operational outcome.

Supply chain threat assessment

We disseminate intelligence insights on serious and organised crime threats to Australia to support our law enforcement partners. We use a range of collection capabilities including data analytics, human intelligence, technical intelligence and coercive examination powers to collect and analyse information.


An example of the value of the intelligence insights provided by the ACIC to partners is the strategic assessment into serious and organised crime threats to the Australian supply chain that was released by the ACIC in November 2022. We applied strategic tradecraft capabilities to gather and analyse information to identify threats and exploitation opportunities available to serious and organised crime in the Australian supply chain. The strategic assessment was released following a collaborative process, with input from multiple partner agencies, including the Australian Border Force (ABF), Australian Federal Police and Department of Home Affairs.

ACIC analysis identified 3 key threat areas by serious and organised crime:

- ▶ targeting of Customs-controlled premises
- ▶ exploiting regional and remote maritime activity to import illicit commodities
- ▶ accessing and abusing supply chain information systems.

Our assessment has provided the basis for major planning, reforms, and operational activity by the ABF and partners. In particular, the assessment is driving plans for ABF Operation Jardena, which is targeted at key threats in the supply chain, including trusted insiders and the misuse of licensed businesses operating under provisions of the *Customs Act 1901*, and is the critical platform to drive forward reform across the supply chain.

We also used the assessment to inform the planning of future strategic work to reduce the threats in the supply chain space.

PERFORMANCE CRITERION 6	Stakeholders agree that ACIC intelligence is meaningful and useful.		
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 22		
	MEASURED BY	TARGET	
	Number of requests for additional disseminations of our intelligence products	≥ 4-year average	
	<ul style="list-style-type: none"> Proportion of stakeholder survey respondents who agree or strongly agree that the ACIC provides intelligence products that identify changes within the criminal environment Proportion of stakeholder survey respondents who agree or strongly agree that ACIC intelligence products provide a comprehensive and relevant understanding of crime impacting Australia 	80%	

We substantially met this performance criterion, as 2 of the 3 targets were met. The target for the number of requests for additional disseminations of our intelligence products was not met.

Delivering meaningful and useful products

Requests for additional disclosures and feedback provided through our stakeholder survey demonstrate the usefulness of our criminal intelligence products.

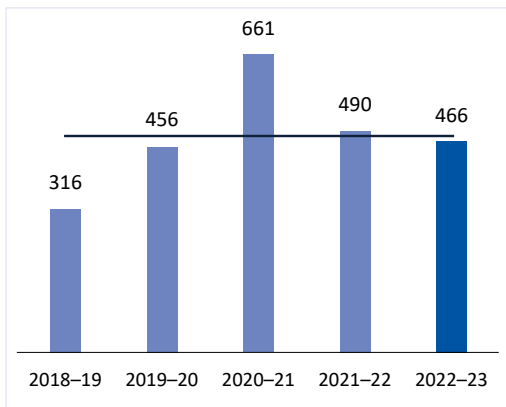
Requests for additional disclosures

Demand for additional disclosures shows that our criminal intelligence products are useful to our partners and their stakeholders.

As Figure 2.12 shows, we completed 466 requests for additional disclosures in 2022–23. This is slightly lower than the 4-year historical average of 481. Of the requests in 2022–23, 64 were for analytical products and 402 were for tactical products.

We analysed data to understand the decrease in the number of requests for additional disclosures. While COVID-19 had some impacts on requests for additional disclosures in 2020–21 and 2021–22, there was no clear theme to explain the spike in 2020–21.

Figure 2.12: Requests for additional disclosures



Note: The trendline represents the 4-year historical average.

Stakeholder feedback

The ACIC receives feedback on its intelligence products through the annual stakeholder survey, feedback forms and informal channels. Under this performance criterion, our performance is assessed based on the feedback collected from the annual stakeholder survey.

As shown in Table 2.2, we exceeded the targets for positive responses to stakeholder survey questions regarding the intelligence products we produced in 2022–23. Due to changes in survey methodology, the results for 2022–23 and 2021–22 are not directly comparable to the results for other years. The historical results have been included in the table for information only.

Table 2.2: Stakeholder survey results – Performance criterion 6

Survey statement	Proportion of respondents who agreed or strongly agreed (%)				
	2022–23	Target	2021–22	2020–21	2019–20
ACIC provides intelligence products that identify changes within the criminal environment	100	80	94	77	85
ACIC intelligence products provide a comprehensive and relevant understanding of crime impacting Australia	86	80	100	66	74

Note: Due to changes in survey methodology, results for 2022–23 and 2021–22 are not comparable with results for other years.

Stakeholder survey respondents also provided positive feedback about our intelligence products, such as:

- ▶ ‘ACIC intelligence reports provide insight into emerging crimes and changes in the criminal environment. High-level reports like [report name] show changes in the criminal environment. Updates to the [name of list] provide a good overview of the criminal priority targets and threats that are diminishing and increasing.’
- ▶ ‘Wastewater data has been valuable to [partner agency] in directing specific operations. Critically the ACIC were able to partner with [partner agency] during operations targeting [serious and organised crime]. This activity and the agility of the ACIC allowed a better picture of [serious and organised crime] activity.’
- ▶ ‘Intelligence bulletins are timely and accurately reflect activity observed in the operational environment. Insights we receive in relation to [crime themes], is accompanied by strong indications of changes to the environment – changes that are critical in understanding where resource and effort need to be directed.’

Stakeholders also volunteered formal feedback on 76 intelligence products in 2022–23, an increase from 35 products in 2021–22, in addition to various types of informal feedback. The formal feedback indicates that almost 30% of respondents found that the tactical products they received were of real interest or directly assisted them with their operational activities. Analytical products are rated across 4 criteria – quality, purpose, knowledge and decision making – to a maximum of 5 points per criterion. On average, respondents gave the analytical products they received 15 points out of 20, indicating that our intelligence products are meaningful and useful.


National policing information systems and services

The ACIC provides a range of policing information systems that deliver mission critical intelligence to our partners and enable Australian police agencies to share essential policing information with each other. In this way, we contribute directly to the effectiveness and efficiency of policing and law enforcement in Australia.

We provide 4 types of service designed to equip police with the information they need to investigate, solve and prevent crimes:

- ▶ **Frontline systems** – These systems enable police agencies to rapidly access and share essential policing information with each other in relation to persons of interest, vehicles and firearms and ballistics. This can assist them to undertake a broad range of community policing and criminal investigations.
- ▶ **Biometric and forensic systems** – These systems help police to solve crimes through our biometric services, including fingerprint and DNA systems, and assist police to identify missing persons, human remains and disaster victims.
- ▶ **Protection systems** – These systems assist police with finding information on domestic violence orders, managing child sex offenders and identifying child exploitation images.
- ▶ **Criminal intelligence systems** – These systems facilitate dissemination and sharing of criminal intelligence, including databases of intelligence holdings that can be accessed and analysed by approved users.

During 2022–23, we further extended the capability of NCIS, which is fast becoming a core information-sharing platform for the Australian law enforcement and intelligence communities.

PERFORMANCE CRITERION 7	ACIC information systems are available when required by partner agencies. 	
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 23	
	MEASURED BY	TARGET
	<ul style="list-style-type: none"> ▶ System availability ▶ System reliability 	Board-agreed benchmarks

We fully met this performance criterion, as we met the target for system availability. We excluded the measure on system reliability from our assessment of performance as the benchmark for system reliability has not yet been developed.

System availability

System availability reporting details the percentage of time systems were nationally available, excluding scheduled outages, during the reporting period. We measure the national availability by user notifications of outages impacting multiple jurisdictions.

As many of our systems are integrated or routed via partner agency systems, issues unrelated to our service can affect availability. To reduce the likelihood of reporting when availability is affected by issues beyond the control of the ACIC, we require an outage to impact all jurisdictions in order to be considered a national outage.

An agreed availability benchmark is developed by the ACIC Board for each of our systems that directly support police operations.

As shown in Table 2.3, all board-agreed system availability benchmarks were met in 2022–23.

To show availability for all systems, we have also included the internal benchmarks for the Australian Law Enforcement Intelligence Network/Australian Criminal Intelligence Database: Desk and NCIS. The board-agreed availability benchmarks for these systems have been established and will be applied in 2023–24.

Table 2.3: System availability

Service type	System	2022–23 (%)	Board-agreed benchmark (%)	Benchmark met
Frontline	Australian Ballistic Information Network	100.00	95.00	✓
	Australian Firearms Information Network	100.00	99.00	✓
	National Firearms Identification Database	100.00	96.00	✓
	National Police Reference System	99.89	99.50	✓
	National Vehicles of Interest System	99.98	99.00	✓
Biometric and forensic	National Automated Fingerprint Identification System	100.00	99.50	✓
	National Criminal Investigation DNA Database	100.00	99.00	✓
	National Missing Persons and Victim System	100.00	96.00	✓
Protection	National Child Offender System	100.00	99.50	✓

Service type	System	2022–23 (%)	ACIC internal benchmark (%)	Benchmark met
Criminal intelligence	Australian Law Enforcement Intelligence Network/ Australian Criminal Intelligence Database: Desk	99.69	98.50	✓
	National Criminal Intelligence System	100.00	99.90	✓

System reliability

In 2022–23, we commenced measuring the reliability of national policing information systems. System reliability reporting indicates how long a system is operating without unplanned outages. It is measured by the average time between unplanned outages and expressed as the number of days. The higher the number of days between unplanned outages, the more reliable the system.


Table 2.4 shows that 8 of 12 systems were at peak reliability, with no unplanned outages, during 2022–23. Two of the systems had one unplanned outage each during the year. The combined Australian Law Enforcement Intelligence Network and Australian Criminal Intelligence Database: Desk systems had 2 unplanned outages, in October 2022 and March 2023. As a result, the average duration for which those systems operated without outages was 181.9 days.

Board-agreed benchmarks for system reliability will be developed during 2023–24. We expect to report against those benchmarks in the 2023–24 annual performance statements.

Table 2.4: System reliability

Service type	System	2022–23 (days ^a)
Frontline	Australian Ballistic Information Network	365.0
	Australian Firearms Information Network	365.0
	National Firearms Identification Database	365.0
	National Police Reference System	364.6
	National Vehicles of Interest System	364.9
Biometric and forensic	National Automated Fingerprint Identification System	365.0
	National Criminal Investigation DNA Database	365.0
	National Missing Persons and Victim System	365.0
Protection	National Child Offender System	365.0
Criminal intelligence	Australian Law Enforcement Intelligence Network/Australian Criminal Intelligence Database: Desk	181.9
	National Criminal Intelligence System	365.0

a Average period of operation between unplanned outages.

PERFORMANCE CRITERION 8	ACIC information systems provide useful information to police partners.		
	Source: <i>Portfolio Budget Statements 2022–23</i> , page 107; <i>Corporate Plan 2022–23</i> , page 23		
	MEASURED BY	TARGET	
	<ul style="list-style-type: none"> ▶ Number of users ▶ Number of searches performed ▶ Number of positive data matches 	≥ 4-year average	

We partially met this performance criterion, as the different systems achieved mixed results for numbers of users, searches performed and positive data matches.

System users and searches

The numbers of users and searches are indicative of the uptake of our information systems by partner agencies. However, there is considerable variation in how our systems are used. For example, some of our systems may be accessed through web service integration or mobile platforms, neither of which require unique user accounts or allow for the counting of individual users.

In 2022–23, the numbers of users increased across most of our information systems. The numbers of searches performed varied between systems. While some systems significantly exceeded the 4-year average, others fell short of meeting it.

Numbers of searches performed for NAFIS increased by more than 50% compared with 2021–22. A large increase of almost 600,000 searches initiated by the Department of Home Affairs, likely due to an increase in visa applications from offshore, contributed to the significantly higher number of searches performed. Additional users were registered in 2022–23 in anticipation of the transition to the NAFIS NextGen platform, which permits access to NAFIS from all partner agencies' corporate workstations. The case study on page 50 discusses the transition to NAFIS NextGen.

We also observed an increase in the numbers of users and searches in the National Firearms Identification Database as a result of increased use of the system by our police partner agencies. We expect this to increase further, due to increasing knowledge of firearms and use of the database as a cross-referencing tool to confirm information that is captured in the Australian Firearms Information Network.

Tables 2.5 and 2.6 show that, of the systems able to be compared to 4-year averages in 2022–23, 7 of 10 systems exceeded the average for users and 3 of 7 systems exceeded the average for searches.

Table 2.5: Service users

Service type	System	2022–23	4-year average	Result ≥ average
Frontline	Australian Ballistic Information Network	112	103	✓
	Australian Firearms Information Network	540	739	✗
	National Firearms Identification Database	354	165	✓
	National Police Reference System	66,977	65,294	✓
	National Vehicles of Interest System	38,927	28,356	✓
Biometric and forensic	National Automated Fingerprint Identification System	561	N/A ^a	N/A
	National Criminal Investigation DNA Database	123	113	✓
	National Missing Persons and Victim System	1,003	867	✓
Protection	National Child Offender System	1,391	1,083	✓
Criminal intelligence	Australian Law Enforcement Intelligence Network	4,256	4,684	✗
	Australian Criminal Intelligence Database	2,096	2,436	✗
	National Criminal Intelligence System	36,492	N/A ^b	N/A

a The 4-year average is not available because the National Automated Fingerprint Identification System changed the way it counts 'active users' in 2021–22. Previously, all accounts were considered 'active' if they received an automated email; however, this does not indicate whether the accounts were actually being used. The current method cannot be applied historically. The number of users in 2021–22 was 470.

b The 4-year average is not available because the National Criminal Intelligence System was new to production in 2021–22.

Table 2.6: Searches performed

Service type	System	2022–23	4-year average	Result ≥ average
Frontline	Australian Ballistic Information Network	3,237	4,160	✗
	Australian Firearms Information Network	320,945	348,279	✗
	National Firearms Identification Database	78,741	49,379	✓
	National Police Reference System	32,189,524	38,565,449	✗
	National Vehicles of Interest System	7,543,517	6,999,980	✓
Biometric and forensic	National Automated Fingerprint Identification System	2,026,802	1,373,472	✓
Criminal intelligence	Australian Criminal Intelligence Database	266,233	384,701	✗
	National Criminal Intelligence System	1,940,226	N/A ^a	N/A

a The 4-year average is not available because the National Criminal Intelligence System was new to production in 2021–22.

Positive data matches

Some of our services are able to capture the moment when a user makes a positive data match via our system, which provides us with an indication of whether the systems are of use to police partners.

This does not give full insight into the discoveries that our partners make when using our systems. A failure to match may be just as important as a positive match, revealing new criminality or highlighting flaws in the system so that we are able to correct them.


Table 2.7 shows that, for 2 of 3 systems, the number of matches in 2022–23 was higher than the 4-year average.

Table 2.7: Positive data matches

Service type	System	2022–23	4-year average	Result ≥ average
Frontline	Australian Ballistic Information Network	69	78	✗
Biometric and forensic	National Automated Fingerprint Identification System	99,486	98,755	✓
	National Criminal Investigation DNA Database	126,902	106,841	✓

The number of positive data matches in the Australian Ballistic Information Network was lower than the 4-year average, but comparable to the total of 65 positive data matches in 2021–22. The number of positive data matches in the network has been trending downward; however, this is not a reflection of system functionality, as a failure to match may be just as important as a positive match for our partners that use the system.

The increase in the number of positive data matches in NAFIS is attributed to the increase in the number of searches performed in 2022–23.


PERFORMANCE CRITERION 9	The ACIC continues to enhance information systems.		
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 23		
	MEASURED BY	TARGET	
	Case study on information system enhancements	≥ 1	

We fully met this performance criterion, as the single target was met.

System enhancements

Information systems are central to our delivery of mission critical intelligence to partners. We are committed to ensuring that ACIC systems are appropriate and fit for purpose and meet stakeholder expectations. This includes enhancing systems and features.

In 2022–23, we enhanced NAFIS, as described in the case study on page 50.

PERFORMANCE CRITERION 10	Stakeholders are satisfied that the national policing information systems are meaningful and fit for purpose.		
	Source: <i>Portfolio Budget Statements 2022–23</i> , page 107; <i>Corporate Plan 2022–23</i> , page 23		
	MEASURED BY	TARGET	
	Proportion of stakeholder survey respondents who agree or strongly agree that ACIC national policing information systems are of value to their work	90%	
	▶ Proportion of stakeholder survey respondents who agree or strongly agree that ACIC national policing information systems are reliable	80%	
	▶ Proportion of stakeholder survey respondents who agree or strongly agree that ACIC national policing information systems meet the needs of their organisation		

We substantially met this performance criterion, as 2 of 3 targets were met. The target for the proportion of stakeholder survey respondents who agree or strongly agree that ACIC national policing information systems meet the needs of their organisation was not met.

Stakeholder satisfaction

As Table 2.8 shows, responses to our stakeholder survey confirmed that stakeholders considered that ACIC systems were reliable and provided value to their work. However, responses from stakeholders agreeing that our information systems meet the needs of their organisation did not meet the target.

Some stakeholders provided comments on how systems could be improved, with the overall theme being updating and futureproofing national information systems. Stakeholders' feedback will inform our efforts to ensure that our systems remain useful to our partners.

As a result of changes to the stakeholder survey methodology, the results for 2022–23 and 2021–22 are not directly comparable to the results for other years. They have been included in the table for information only.

Table 2.8: Stakeholder survey results – Performance criterion 10

Survey statement	Proportion of respondents who agreed or strongly agreed (%)				
	2022–23	Target	2021–22	2020–21	2019–20
ACIC national policing information systems were of value to their work	96	90	100	92	89
ACIC national policing information systems are reliable	80	80	85	68	75
ACIC national policing information systems meet the needs of their organisation	72	80	80	54	46

Note: Due to changes in survey methodology, results for 2022–23 and 2021–22 are not comparable with results for other years.



CASE STUDY

NAFIS NextGen delivering benefits to law enforcement

In June 2023, the NAFIS NextGen project delivered an upgraded, fully supported system, with advanced latent fingerprint processing and integration with partner agency systems.

Improving technology

The National Automated Fingerprint Identification System (NAFIS) is the national system that provides Australian police partners with 24/7 critical fingerprint matching capability to support law enforcement operations at all levels. It is the only national fingerprint and palmprint capability in Australia.

The system helps to solve crimes by matching crime scene evidence to persons of interest. It enables real-time uploads of prints from crime scenes, helping police to identify suspects in minutes.

The upgrade to NAFIS NextGen has delivered:

- ▶ increased matching effectiveness via advanced algorithms and improved automation that quickly returns matches to investigators to identify latent fingerprints from a crime scene
- ▶ simplified infrastructure to enable flexible and remote working for partner agencies
- ▶ increased security compliance with the Australian Government Information Security Manual
- ▶ improved efficiency and flexibility of information sharing and interoperability within the ACIC and partner agencies
- ▶ cutting-edge, interactive training, which is setting a new global benchmark for fingerprint software training.

Delivering results

Within hours of implementing NAFIS NextGen, the New South Wales Police Force (NSWPF) commenced a ground-breaking Tenprint to Unsolved Latent (TPUL) analysis that delivered the successful resolution of a homicide case. While TPUL identifications constitute a significant portion of the fingerprint analysis results reported, this case stands out due to the astonishing fact that it was the 18th set of charge prints taken from the same individual. Despite multiple previous comparisons against the unsolved crime database, identification of the fingerprint associated with the homicide had remained elusive, making this breakthrough even more remarkable.

In another compelling case, the NSWPF commenced an investigation of a serious recidivist drug offender, with a significant history of drug manufacturing, who had previously been investigated extensively within the legacy NAFIS system. The enhanced performance and accuracy of the new algorithm within NAFIS NextGen enabled fingerprint experts to link the offender to 2 additional unsolved major crime cases within minutes.

The NSWPF is working through a list of 17,000 latent prints delivered via NAFIS NextGen. Homicide cases are a priority and the NSWPF achieved 139 hits from the first 140 cases. While it remains too early to determine the probative value (if any) of those matches, this is an excellent example of the significant improvement the new NAFIS NextGen algorithm has delivered to law enforcement in Australia.

NAFIS NextGen will deliver additional enhancements for police partners to further increase efficiency and latent print matching in 2023–24 and protected government cloud capability in 2024–25.

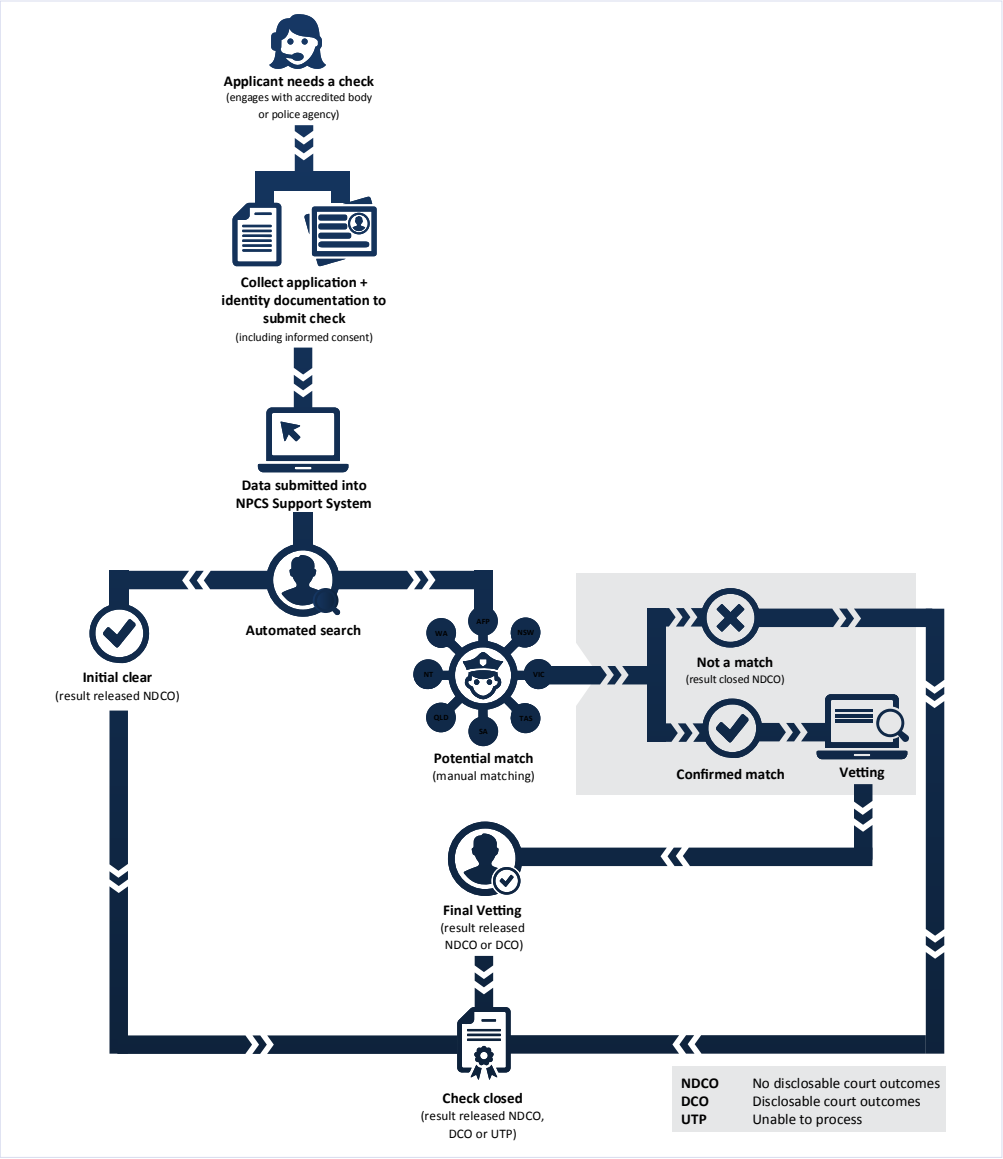
National Police Checking Service


The ACIC works with Australian police agencies and accredited bodies to deliver the NPCS.

The NPCS allows people to apply for a nationally coordinated criminal history check, which is often required when applying for employment, Australian citizenship, appointment to positions of trust, or a variety of licensing and registration schemes.

The NPCS facilitates millions of checks each year, which may result in thousands of referrals to police each day. Figure 2.13 outlines the checking process.

Figure 2.13: National Police Checking Service process



PERFORMANCE CRITERION 1.1	The National Police Checking Service is available to conduct checks as requested.		
	Source: <i>Portfolio Budget Statements 2022–23</i> , page 107; <i>Corporate Plan 2022–23</i> , page 24		
	MEASURED BY	TARGET	
	<ul style="list-style-type: none"> ▶ System availability ▶ System reliability 	Board-agreed benchmarks	

We fully met this performance criterion, as we met the target for system availability. We excluded the measure on system reliability from our assessment of performance as the benchmark for system reliability has not yet been developed.

System availability

System availability reporting details the percentage of time systems were available, excluding scheduled outages, during the reporting period. We measure the national availability by user notifications of outages impacting multiple jurisdictions. An outage has to impact all jurisdictions in order to be considered a national outage.

The ACIC Board has agreed on an availability benchmark for the NPCS system, based on usage requirements. As Table 2.9 shows, the NPCS met the benchmark in 2022–23.

Table 2.9: National Police Checking Service system availability

Service type	System	2022–23 (%)	Board-agreed benchmark (%)	Benchmark met
Checking	National Police Checking Service/NPCS Support System	99.83	99.00	✓

System reliability

In 2022–23, we commenced measuring the reliability of the NPCS system. System reliability reporting indicates how long a system is operating without unplanned outages. It is measured by the average time between unplanned outages and expressed as the number of days. The higher the number of days between unplanned outages, the more reliable the system.


Table 2.10 shows that the average time between unplanned outages for the NPCS is 121.5 days. Three unplanned outages affected the reliability of the system in 2022–23.

A board-agreed benchmark for system reliability will be developed during 2023–24. We expect to report against the benchmark in the 2023–24 annual performance statements.

Table 2.10: National Police Checking Service system reliability

Service type	System	2022–23 (days ^a)
Checking	National Police Checking Service/NPCS Support System	121.5

a Average period of operation between unplanned outages.

PERFORMANCE CRITERION 12	The ACIC contributes to community safety by delivering timely information to support employment decisions.		
	Source: Portfolio Budget Statements 2022–23, page 107; Corporate Plan 2022–23, page 24		
	MEASURED BY	TARGET	
	▶ Time taken to perform urgent checks	Board-agreed benchmarks	
	▶ Time taken to perform non-urgent checks		

We partially met this performance criterion as 1 of the 2 targets was met. The target for time taken to perform standard (non-urgent) checks was not met.

Timeliness of checks

This measure is not only an ACIC performance measure but also a measure dependent on our police partners and accredited bodies providing this service to the wider community. The checking process may be complicated and may cause delays beyond the agreed timeframes.

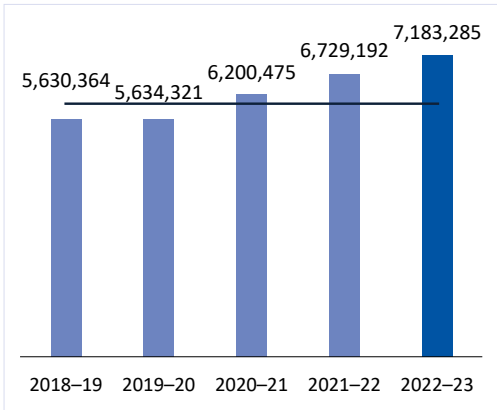
As shown in Table 2.11, the timeliness benchmarks for the NPCS were met for urgent checks but were not met for standard checks in 2022–23.

Table 2.11: National Police Checking Service checks completed on time

Measure	2022–23 (%)	Board-agreed benchmark (%)	Benchmark met
Non-urgent checks: 10 business days	94.72	95.00	✗
Urgent checks: 5 business days	95.68	95.00	✓

Our performance against these benchmarks has improved since 2021–22, when neither benchmark was met. During 2022–23, we met the benchmark for standard checks in 5 months and were within 1% of the benchmark for a further 3 months. While we did not meet the timeliness benchmark for standard checks, we processed more checks during the year than ever before.

In 2022–23, the number of requests exceeded 7 million, as shown in Figure 2.14, equivalent to an average of more than 598,000 requests per month. This is the highest number since the NPCS was established, 6.74% higher than last year’s result and 18.75% higher than the 4-year historical average.


Figure 2.14: Volume of National Police Checking Service checks processed

Note: The trendline represents the 4-year historical average.

As demand for checking services has risen, processing times have been impacted and the average time taken to process checks has increased. We have implemented a number of initiatives to improve the timeliness of checks and the performance of the NPCS, including an increased focus on the correct submission of urgent checks, and a permanent secondary clearing capability.

The secondary clearing capability increases the number of checks which are cleared upon submission. This has reduced the number of checks that are sent to police jurisdictions for manual review and processing. Enhancement was made to the NPCS as part of the secondary clearing capability project, to allow the system to quarantine checks, after the initial automated name matching has been completed. NPCS staff review the quarantine checks and closed checks in instances where the person of interest details in our police database do not match the applicant's details, and refer checks to police only where a match is likely. This has had a positive impact on overall processing times, with more applicants receiving their check results within 48 hours, and has increased the matching accuracy of referrals that are sent to police jurisdictions for review, thus reducing the strain on jurisdictional resources.

The timeliness of standard checks is also impacted by peaks in the volume of checks received, and availability of staff, especially during public holidays and school holidays. We received over 700,000 checks in March 2023 and just under 700,000 checks in May 2023. Together with availability of staff, the high demand affected the time taken to complete standard checks in quarter 4 of 2022-23. The NPCS is working with partners to improve the timeliness of checks.

PERFORMANCE CRITERION 13	ACIC-accredited bodies comply with obligations.		
	Source: <i>Portfolio Budget Statements 2022–23</i> , page 107; <i>Corporate Plan 2022–23</i> , page 24		
	MEASURED BY	TARGET	
	Number of audits of compliance undertaken by the ACIC on accredited bodies	≥ 100 audit activities occurred	
	Number of breaches by accredited bodies	Downward trend	

We fully met this performance criterion, as we met the target for the number of audits of compliance undertaken by the ACIC on accredited bodies. We excluded the measure on number of breaches by accredited bodies from our assessment of performance as the trend has not yet been established.

Compliance audits

Accredited bodies are entrusted with access to the NPCS Support System in order to submit applications and retrieve check results for consenting applicants. Having access to check results supports organisations to determine the suitability of applicants for positions of trust in an efficient and timely manner.

To ensure that accredited bodies are complying with requirements, audits are undertaken by the NPCS Assurance Program. Audits may also be undertaken following allegations of non-compliance, including allegations from sources within the ACIC, partner agencies or external public organisations, or from members of the public.

In addition to the auditing program, the ACIC also conducts information and education sessions to ensure that ACIC-accredited bodies are aware of, and comply with, their obligations. In 2022–23, we conducted education sessions, including NPCS induction and user acceptance testing.

If non-compliance is identified through audit activity, the accredited body is given the opportunity to rectify the issue. If the accredited body is unable or unwilling to rectify the issue to the satisfaction of the NPCS Assurance Program, the ACIC may commence termination of the accredited body's contractual arrangement.

Special provisions audits review the granting of special provisions, which can occur only under exceptional circumstances where an applicant is unable to provide required identity documentation.

In 2022–23, we undertook 149 audits as part of the NPCS Assurance Program to monitor accredited bodies' compliance with the key requirements of their agreements with the ACIC. Table 2.12 shows the types of compliance audits undertaken.

Table 2.12: National Police Checking Service audits of compliance

Activity being audited	2022–23	2021–22
Identity verification	15	13
Collection of application data	15	13
Submission of correct purpose description	15	13
Volunteer check type submission	10	9
Provision of nationally coordinated criminal history check results	93	63
Special provisions audit	1	1
Total	149	112

Two accredited bodies that were audited self-terminated their agreements with the ACIC because they did not implement the process improvement recommended by us and therefore could not meet the agreements.

We also undertook 24 referred investigations of accredited bodies following alleged non-compliance. Referred investigations are referrals made to the ACIC about accredited bodies' alleged non-compliance. We worked with the accredited bodies that were referred for further investigation to implement improvement processes, and provided education sessions to staff from those accredited bodies, to address the non-compliance that had been identified.

Non-compliance may include:

- ▶ failing to suitably compare the identity documents to the details submitted on the application form
- ▶ using incorrect terminology on the accredited body's website
- ▶ trading under a name not registered with the ACIC
- ▶ altering police or personal information
- ▶ failing to collect minimum identity documents
- ▶ using special provisions incorrectly.

In 2022–23, following our compliance audits, 12 accredited bodies were found to have breached their agreements with the ACIC. Depending on the seriousness of a breach, the ACIC may issue a direction to the accredited body to rectify the breach. As this is a new measure for the 2022–23 financial year, a trend pattern on breach data has not yet been established.

We undertake daily data integrity monitoring to identify and remove incorrect checks submitted. Incorrect checks can create multiple potential matches and have a significant impact on the accuracy of the check result. They may also result in inaccurate disclosure of information being provided to decision-makers. Our elimination of the incorrect checks submitted removes the need for jurisdictions to manually eliminate incorrect matches.

Daily data monitoring is crucial to ensure the integrity of data being submitted. In 2022–23, the NPCCS reviewed approximately 32,500 checks of which 2,449 checks were investigated and 2,207 were removed as having been incorrectly submitted. This prevented approximately 73,000 incorrect matches from being referred to police for manual review.



FEATURE

Working with partners to combat illicit drugs

Operation Nashton exemplifies what can be achieved through multi-agency collaboration and cooperation. We applied a number of our capabilities to support partner agencies in this complex operation.

The importation and consumption of illicit drugs poses a very high risk to the Australian community. As the complex nature of the illicit drugs market changes, so must our operational response.

We were proud to contribute to a multifaceted, multi-agency collaboration which seized 52 kilograms of methylamphetamine off a black flight from Papua New Guinea to Australia in March 2023.

This success was achieved under Operation Nashton, led by the Australian Federal Police (AFP) with the New South Wales Police Force's State Crime Command (Strike Force Redground), which saw 5 alleged criminal syndicate members charged.

It was alleged that they were members of a transnational serious and organised crime syndicate who handled the practical arrangements of the importation.

We provided mission critical intelligence to assist the AFP, New South Wales Police Force and Queensland Police Service, along with our international partners, to understand the network and provide key interdiction opportunities. The ACIC's specialist capabilities were at the forefront of collecting intelligence to progress this investigation with our partners.

The suspects were arrested by specialist AFP and Queensland Police Service members shortly after landing. The law enforcement officers located 5 duffle bags containing the methylamphetamine concealed in the plane, which had an estimated street value of more than \$15 million.

Our National Wastewater Drug Monitoring Program, and associated analysis, clearly shows that large law enforcement disruptions such as this one suppress the supply, and therefore consumption, of illicit drugs. Together with our partners, we are committed to keeping communities in our region safe from the damaging impacts of the illicit drug market.

Overview of financial performance

The ACIC's financial result for 2022–23 was an operating surplus of \$10.241 million.

With the exclusion of unfunded depreciation (\$5.465 million) and capital funding income (\$1.887 million), the ACIC would have realised a surplus of \$13.819 million for the financial year. This is an improvement from the budgeted loss of \$2.963 million excluding capital funding income.

The improvement was primarily driven by:

- ▶ growth in the national policing information services revenue of \$2.426 million
- ▶ underspend in the NCIS program of \$5.267 million
- ▶ underspend in employee benefits and supplier expenses of \$8.078 million due to resourcing and supply chain constraints.

During 2022–23, there were no instances of significant non-compliance with the finance law. The ACIC received an unmodified audit opinion from the Australian National Audit Office.

Revenue and expenditure

Figure 2.15 summarises sources of revenue and expenditure in 2022–23. The total ACIC revenue in the 2022–23 financial year consisted of \$148.581 million revenue from contracts with customers, \$146.620 million revenue from government, \$2.853 million in resources received free of charge, and \$0.382 million other gains including minor asset sales.

The total ACIC operating expenditure consisted of \$110.185 million employee benefits, \$140.463 million supplier and finance costs, \$34.694 million depreciation, write down and impairment costs, and \$2.853 million resources that are received free of charge.

More details of resources and expenses are provided in tables 2.13 to 2.15.

Figure 2.15: Revenue and expenditure

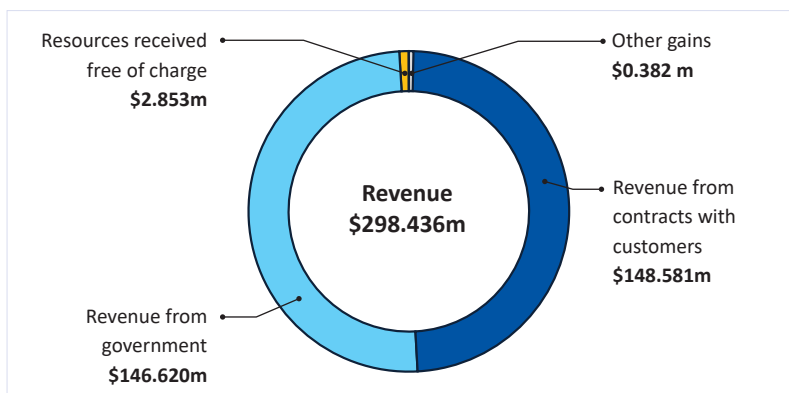
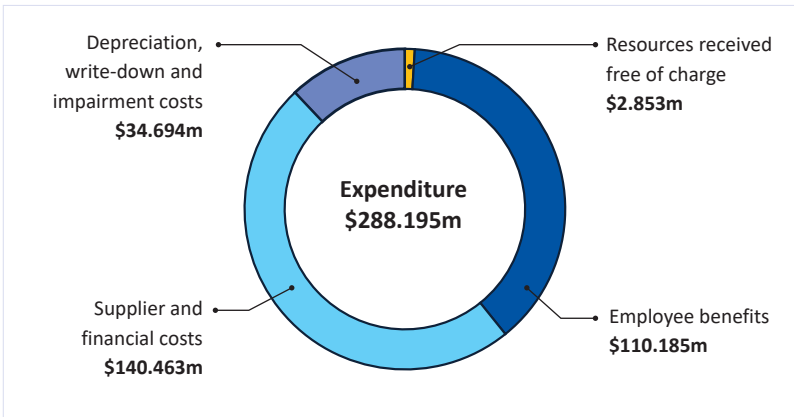


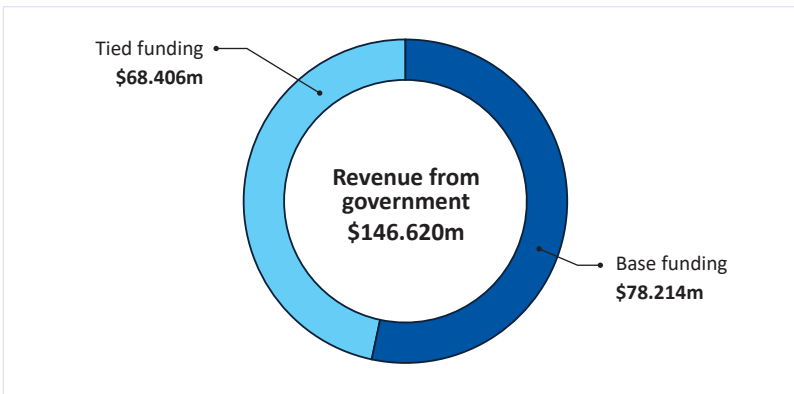
Figure 2.15: Revenue and expenditure (continued)



Revenue from government

The \$146.620 million revenue from government was made up of base appropriation funding of \$78.214 million plus \$68.406 million tied funding, as shown in Figure 2.16.

Figure 2.16: Revenue from government



The tied funding in 2022–23 consisted of:

- ▶ \$34.777 million additional funding to increase the ACIC base funding
- ▶ \$23.879 million to connect NCIS with mid-late adopters and sustain NCIS
- ▶ \$5.686 million to support development of a criminal intelligence assessment capability
- ▶ \$1.197 million for the operation of the National Wastewater Drug Monitoring Program
- ▶ \$1.250 million to strengthen border and intelligence capabilities to detect and combat child sexual abuse
- ▶ \$1.180 million to address fraud and serious non-compliance in the National Disability Insurance Scheme through the cross-agency Fraud Fusion Taskforce

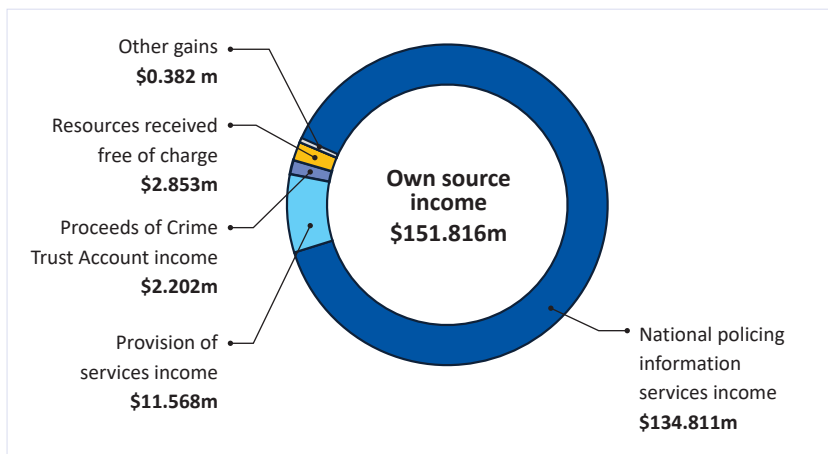
- ▶ \$0.005 million to provide family law courts with access to real-time detailed and accurate police information to support their issuing of family violence orders
- ▶ \$0.174 million to participate in the taskforce to reform Australia's electronic surveillance framework
- ▶ \$0.258 million to contribute to the implementation and sustainment of the cross-border serious crime data-sharing agreement.

Own source income

In addition to the government appropriation as detailed in Figure 2.16, the ACIC had own source income as detailed in Figure 2.17.

Own source income consisted of \$134.811 million as a result of the provision of national policing information services, \$2.202 million received from the Proceeds of Crime Trust Account, \$11.568 million from provision of services, \$2.853 million in resources received free of charge and \$0.382 million in other gains.

Figure 2.17: Own source income



Internal controls

The ACIC's internal controls that ensured compliance with our financial management responsibilities included:

- ▶ senior management involvement in budget development, allocation and monitoring
- ▶ internal and external reporting, including providing financial information to the ACIC Board on the National Policing Information Systems and Services Special Account and reporting monthly to the Department of Finance and the ACIC executive
- ▶ full engagement with the Joint ACIC–AIC Audit Committee
- ▶ periodic review of the Accountable Authority Instructions, policies and procedures to ensure compliance with the PGPA Act

- ▶ audit by the Australian National Audit Office and the ACIC's internal audit team
- ▶ engagement with the ACIC executive to identify breaches of financial management practices under the PGPA Act and to provide assurance to the accountable authority and the Chief Financial Officer
- ▶ centralised administration of procurement, property leases, assets, travel, credit cards, fleet vehicles, mobile phones and laptops.

Table 2.13: Entity resource statement

	Actual available appropriations for 2022–23 \$'000 (a)	Payments made 2022–23 \$'000 (b)	Balance remaining \$'000 (a – b)
Departmental annual appropriations – ordinary annual services			
Prior year appropriation available	68,228	68,228	0
Departmental appropriation (including departmental capital budget) ¹	152,471	74,312	78,159
Section 74 relevant agency receipts ²	17,453	17,453	0
Total ordinary annual services	238,152	159,993	78,159
Annual appropriation – other services non-operating			
Prior year appropriation available	75	75	0
Equity injections ³	4,240	2,781	1,459
Total other services	4,315	2,856	1,459
Total annual appropriations	242,467	162,849	79,618
National Policing Information Systems and Services Special Account			
Opening balance	146,320		
Appropriation receipts	27,634		
Non-appropriation receipts	135,077		
Payments made		166,076	
Total special account	309,031	166,076	142,955
Less: departmental appropriations drawn from annual appropriations and credited to special accounts	(27,634)		(27,634)
Total resourcing and payments	523,864	328,925	194,939

1 Annual departmental appropriation includes \$3.240m quarantined.

2 Section 74 agency receipts and payments exclude any GST component.

3 Equity injection funded for 2022–23 was \$4.240m of which \$1.459m is held for future years.

Table 2.14: Expenditure by outcome

Outcome 1: To protect Australia from criminal threats through coordinating a strategic response and the collection, assessment and dissemination of intelligence and policing information	Budget 2022–23	Actual expenses 2022–23	Variation
	\$'000	\$'000	\$'000
Departmental expenses			
Departmental appropriation and section 74 agency receipts	156,638	162,301	-5,663
National Policing Information Systems and Services Special Account	135,205	117,576	17,629
Expenses not requiring appropriation in the budget year	8,543	8,318	225
Total departmental expenses	300,386	288,195	12,191
Total expenses for Outcome 1	300,386	288,195	12,191

Table 2.15: Average staffing level

	Budget 2022–23	Actual 2022–23
Average staffing level (number)	852	760

Note: This figure excludes Australian Institute of Criminology employees.



FEATURE

Targeting cross-border organised crime

Our priority is to take a coordinated multi-jurisdictional approach to target criminal networks, collecting intelligence about their criminal activities in order to disrupt their operations and strip them of their criminal wealth.

In July 2022, we provided mission critical intelligence which significantly contributed to results achieved by our law enforcement partners on the New South Wales and Queensland border. Police dismantled a clandestine drug laboratory and seized prohibited drugs, cash, luxury cars and jewellery, following the conclusion of a joint agency operation targeting organised criminal networks.

Operation Viking was established by the New South Wales Police Force, to further disrupt the activities of organised criminal networks across the Northern Rivers and Gold Coast border region. In partnership with the New South Wales Crime Commission, the Queensland Police Service and the Australian Federal Police, the operation leveraged our unique capabilities, including coercive powers. Our intelligence identified key threats, significant offshore links, and the ability to more effectively target an emerging Regional Priority Organisation Target network and fed into a strategy to reshape the operating environment.

During the multi-agency operation, police seized 7 firearms, more than \$150,000 in cash, and a variety of prohibited drugs, including methylamphetamine, cocaine and cannabis, with an estimated street value of more than \$4.5 million. Multiple search warrants were also conducted in the region, where police located significant quantities of illicit substances, precursor chemicals and equipment consistent with the manufacture of prohibited drugs, cash and other items of interest.

Serious and organised crime threats undermine Australia's safety, institutions, markets and economy. Given the nature of criminal organisations, our relationships with state, territory and Commonwealth law enforcement partners are more important than ever before. This operation ensured that we now have greater knowledge of organised crime networks operating in this part of Australia and beyond.





**INNOVATION IS
REWARDED**



SECTION 3

MANAGEMENT AND ACCOUNTABILITY

OUR GOVERNANCE, PEOPLE AND RESOURCES

▶ Internal governance	68
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▶ Resource management	106

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.

Executive

On 30 June 2023, the ACIC executive comprised the CEO, the Deputy CEO Support, the Deputy CEO Intelligence, 4 executive directors, the Chief Operating Officer/Chief Counsel, the Chief Information Officer, the National Manager Finance, Property and Procurement/Chief Financial Officer, and 11 other national managers.

Table 3.1 provides details of the positions and responsibilities of the members of the ACIC executive at 30 June 2023.

Table 3.1: Executive positions and responsibilities at 30 June 2023

Position title and name	Responsibilities
Chief Executive Officer Office	
Acting Chief Executive Officer Matthew Rippon	Responsible for overseeing the management and administration of the ACIC, managing our relationships 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.
Acting Deputy CEO Intelligence Virginia Hartley	Responsible for leveraging the ACIC's unique intelligence collection capabilities to drive intelligence insights and disruption outcomes. This includes responsibility for examinations and covert collection capabilities, operational strategy, and the development of intelligence to deliver operational, policy and regulatory outcomes in response to the threat of serious and organised crime.
Deputy CEO Support Anne Brown	Responsible for leading business and engagement for our key national policing information and background checking services. This includes the provision of important enabling functions to the ACIC, including ICT, financial services, workforce capability and assurance, legal services, strategic engagement and communication.
Intelligence Operations	
Executive Director Intelligence Operations Jennifer Hurst	Responsible for ACIC investigations and intelligence operations, intelligence development and oversight of North Operations and South Operations.
National Manager North Operations Darshana Sivakumaran	Responsible for operations and stakeholder relationships (including oversight of state directors) in New South Wales and Queensland.
National Manager South Operations Damien Appleby	Responsible for operations and stakeholder relationships (including oversight of state directors) in Victoria, Western Australia, South Australia and Tasmania.

Table 3.1: Executive positions and responsibilities at 30 June 2023 (continued)

Position title and name	Responsibilities
Acting National Manager Operational Strategy Boyd Doherty	Responsible for operational strategy; Australian Priority Organisation Target disruption; joint agency operations; financial crime intelligence; Australian sports intelligence; and Commonwealth fraud intelligence.
National Manager Examinations Jason Halls	Responsible for the ACIC's examination capability.
Covert Collections and Insights	
Acting Executive Director Covert Collections and Insights Wendy Darling	Responsible for intelligence insights, covert intelligence collection operations and data analytics.
National Manager Data Analytics Katie Willis	Responsible for data analytics, bulk data collection and data governance.
Acting National Manager Collection Operations Craig Butler	Responsible for covert intelligence collection methodologies.
National Manager Intelligence Insights Chris Davey	Responsible for developing strategic intelligence products and intelligence analysis initiatives.
Business and Partnerships	
Executive Director Business and Partnerships Jeremy Johnson	Responsible for leading business and engagement for our key national policing information and background checking services and for supporting the ACIC to deliver its strategic priorities, stakeholder liaison, communication and governance functions.
National Manager Executive Branch Penny Edwards	Responsible for government relations and engagement; internal governance and stakeholder liaison; media and communication; planning and performance; and strategic policy.
National Manager Capability Support Laurent Berlioz-Nott	Responsible for the ACIC's capability lifecycle, planning and investment prioritisation, and business engagement and services to support the agency's extensive portfolio of capability development.
Chief Operating Officer	
Chief Operating Officer/Chief Counsel Nicole Mayo	Responsible for key enabling services, including people; security; finance; property; audit and risk; and legal services.
National Manager Finance, Property and Procurement/Chief Financial Officer Eneas Sokolowski	Responsible for the financial management of the agency, procurement, the national property portfolio and business support.
National Manager Workforce Capability and Assurance Tim Simpson	Responsible for the delivery of all human resource, people and wellbeing strategies; an integrated protective security and integrity function; niche operational enablement capabilities; and oversight of the agency's powers to ensure legislative compliance.

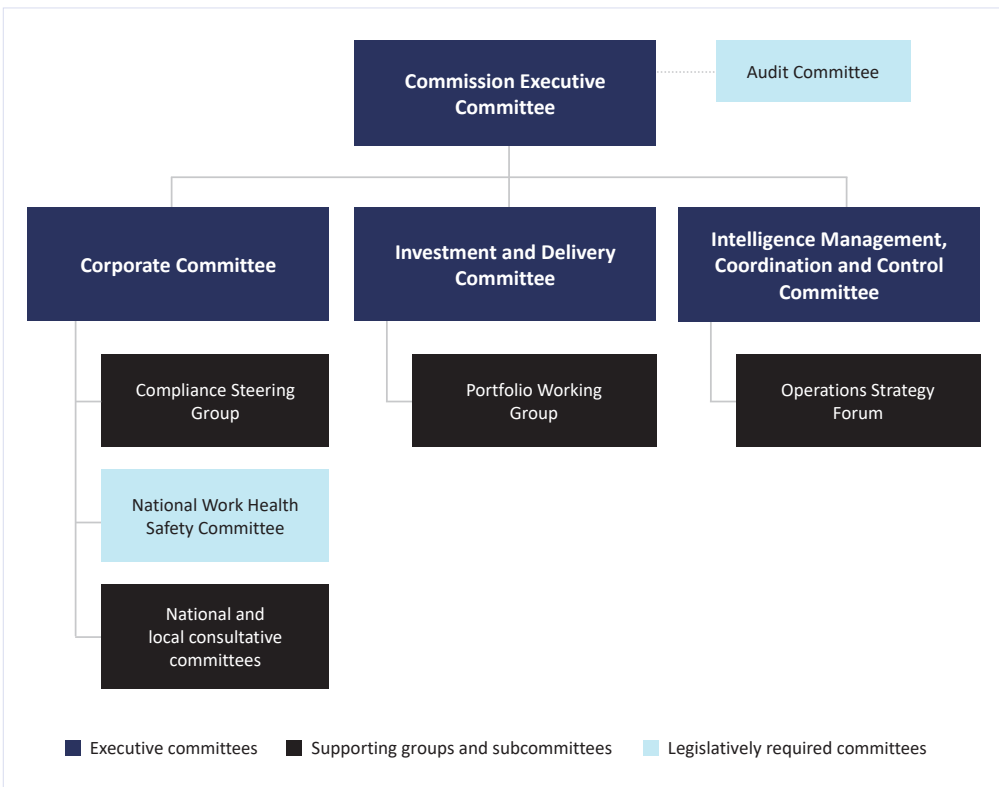
Table 3.1: Executive positions and responsibilities at 30 June 2023 (continued)

Position title and name	Responsibilities
Intelligence and Information Systems	
Executive Director Intelligence and Information Systems Heidi Madden	Responsible for providing critical ICT infrastructure, systems and services to the ACIC and its partner agencies. This includes provision of national law enforcement, intelligence, research and corporate information systems and services.
Chief Information Officer Sam Lewis	Responsible for providing and maintaining our national information capabilities and services to support policing and law enforcement.
National Manager Cyber Security Stewart Sibree	Responsible for the protection of national policing, law enforcement and research capabilities, the detection of threats to those capabilities, and the response to detected threats and cyber events.

Senior management committees

Our committee structure comprises the Commission Executive Committee, the Intelligence Management, Coordination and Control Committee, the Investment and Delivery Committee, the Corporate Committee, and several other committees, panels, working groups and consultative committees. The relationships between senior management committees are shown in Figure 3.1.

Figure 3.1: Senior management committee structure at 30 June 2023



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.

The committee 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 (as Chair), the deputy CEOs, the Chief Operating Officer and the executive directors. The Chief Financial Officer and the Chief of Staff to the CEO attend as observers to the committee, which meets monthly, or more often if 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 and the management of enterprise risk. It is supported by the Compliance Steering Group, the National Work Health Safety Committee and the Diversity and Inclusion Sub-committee (more information on the subcommittee is in the 'Diversity and inclusion' section of the report).

The committee consists of the Deputy CEO Support (as Chair), the Deputy CEO Intelligence, the Chief Operating Officer, and the executive directors. The Chief Financial Officer and the National Manager Workforce Capability and Assurance attend as observers. The committee meets quarterly, or more often if required.

Compliance Steering Group

The Compliance Steering Group provides strategic oversight and direction on all matters relating to compliance within the ACIC. The Compliance Steering Group promotes a positive compliance culture within the agency and provides oversight of compliance standards and obligations, systemic compliance breaches and areas of concern, and agency inspection and oversight regimes. The committee also ensures that agency staff are sufficiently supported in training, guidance, policy and procedures to position the ACIC to achieve 100% compliance.

The committee consists of the Deputy CEO Support (as Chair), the Deputy CEO Intelligence, the Chief Operating Officer, the Chief Financial Officer, the executive directors and the National Manager Workforce Capability and Assurance. The Deputy General Counsel North and Deputy General Counsel South attend as advisers. The committee is also attended by 3 observers – the directors of internal audit and risk; security and integrity; and covert human intelligence – and meets every 2 months.

National Work Health Safety Committee

Undertaking functions as described in section 77 of the *Work Health and Safety Act 2011*, the National Work Health Safety Committee is the ACIC's primary means of staff consultation on matters relating to health, safety and wellbeing. Composed of senior management and health and safety representatives, the committee supports the ACIC executive to identify, develop, implement and review health, safety and wellbeing arrangements in the workplace.

More information on National Work Health Safety Committee activities in 2022–23 is in Appendix B.

National and local consultative committees

The ACIC's Enterprise Agreement and the ACIC Workplace Consultation Policy, introduced in 2022–23, set out the arrangements for consultation at the ACIC.

The consultation arrangements are underpinned by the National Consultative Committee and a series of local consultative committees. These committees enable consultation between management and employees on changes which may affect their workplace, and provide a forum for all employees, and their representatives, to have direct input into a wide range of workplace issues and decisions.

Investment and Delivery Committee

The Investment and Delivery Committee is an enterprise-level committee that provides oversight of the ACIC's strategic investments, including monitoring the delivery of the portfolio of programs and projects that flow from these investments. The committee is responsible for ensuring that investments are aligned to the strategic objectives of the organisation as outlined in our strategic direction and corporate plan.

The committee consists of the Executive Director Business and Partnerships (as Chair), the Executive Director Intelligence Operations, the Executive Director Covert Collections and Insights, the Executive Director Intelligence and Information Systems, the Chief Operating Officer, the Chief Information Officer, the Chief Financial Officer, the National Manager Capability Support, and the National Criminal Intelligence System Program Director. The National Manager Executive Branch, the Principal Advisor Systems Design and Delivery, the Director Project Management Office and the Information Technology Security Advisor attend as advisers. The committee meets quarterly, or more often if required.

Intelligence Management, Coordination and Control Committee

The Intelligence Management, Coordination and Control Committee provides strategic direction and prioritisation instruction to the Operations Strategy Forum, and monitors and evaluates intelligence operations performance. The committee also facilitates appropriate reporting to the ACIC Board on ACIC projects and operational outcomes.

The committee consists of the Deputy CEO Intelligence (as Chair), the Deputy CEO Support, the Executive Director Intelligence Operations, the Executive Director Covert Collections and Insights, the Executive Director Business and Partnerships, and the national managers of Operational Strategy; Intelligence Insights; Collection Operations; Data Analytics; North Operations; South Operations; and Examinations. The Chief Counsel and the Head of Special Operations and Investigations attend as advisers to the committee, which meets quarterly.

Operations Strategy Forum

The Operations Strategy Forum provides strategic intent, oversight and accountability for the ACIC's intelligence operations, to achieve maximum national impact and insights. The committee manages the ACIC's operational work program and resource allocation.

The committee consists of the Executive Director Intelligence Operations (as Chair), the Executive Director Covert Collections and Insights, and the national managers of Operational Strategy; Intelligence Insights; Collection Operations; Data Analytics; North Operations; South Operations; and Examinations. The Deputy General Counsel North and the Head of Special Operations and Investigations attend as advisers. The Executive Officer Intelligence Group attends as an observer to the committee, which meets monthly.

Strategic planning

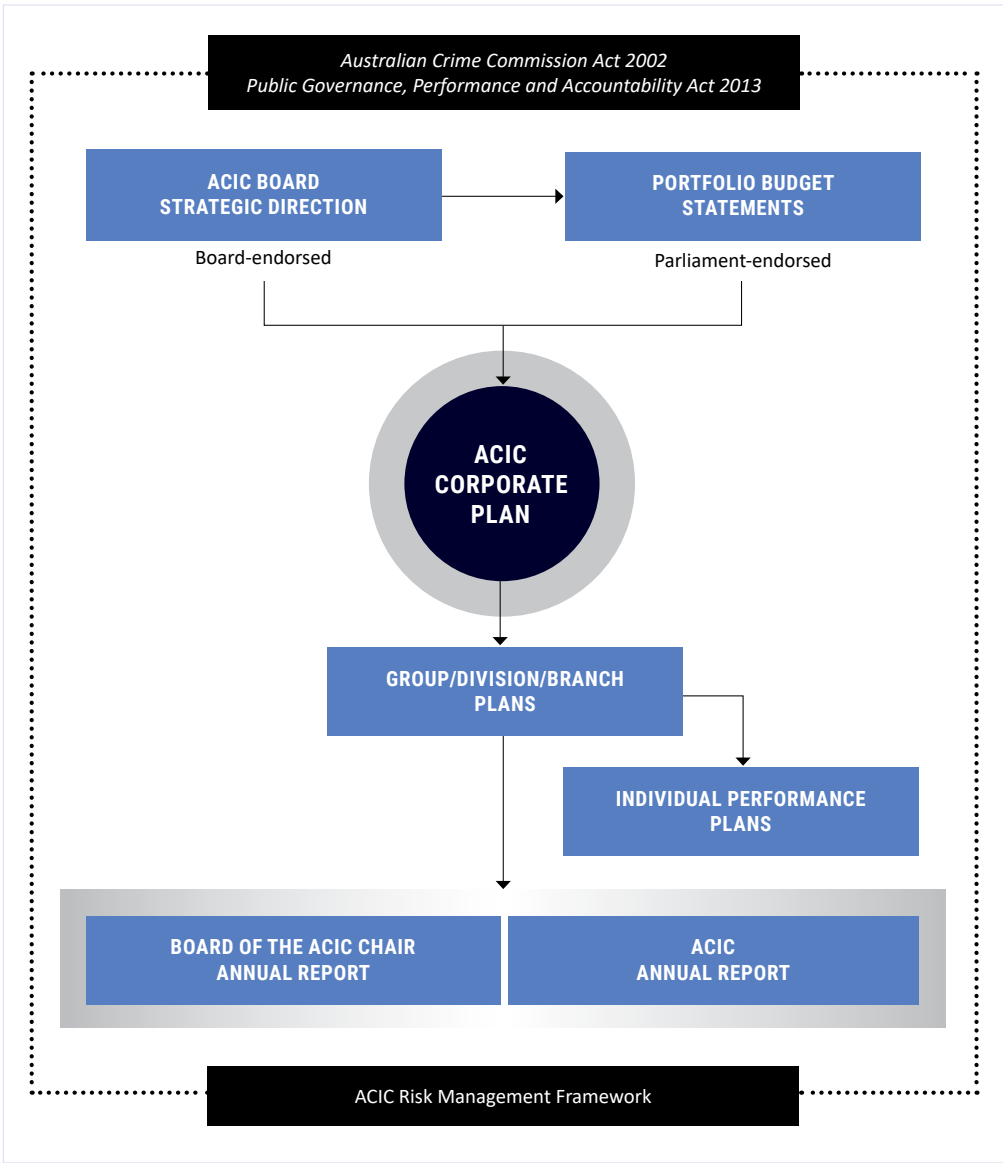
Strategic planning ensures that our activities and resources align with our strategic priorities and support the achievement of our purpose. Two key documents set out our goals and the approach we take to achieve them:

- ▶ the strategic direction, endorsed by the ACIC Board, which identifies our strategic objectives and articulates our capabilities, guiding principles and operating context
- ▶ the corporate plan, which describes the environment in which we operate, our strategies and activities to achieve our purpose, our plans to develop agency capabilities, and how we manage risk and measure our performance.

Both documents are updated annually and cover 4 financial years. They are available on our website at acic.gov.au/publications/corporate-documents.

Our integrated planning framework connects our strategic direction, operational plans, risk assessment, resource allocation, and performance measurement and monitoring, as shown in Figure 3.2.

Figure 3.2: Integrated planning framework



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.

We operate a co-sourced internal audit service and contract an external provider for a small number of our audits. The internal audit team is directly accountable to the CEO and the Audit Committee.

The 2022–23 internal audit program comprised 12 internal audits. The program was developed through consultation with executives and considered strategic priorities, enterprise risks, assurance activities and legislative or contractual requirements.

All recommendations delivered through internal audits and external reviews are tracked and monitored by the Audit Committee. There were 23 open recommendations in progress at 1 July 2022. During the financial year 38 new recommendations were raised and 29 recommendations were closed.

Audit Committee

In accordance with responsibilities under section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the CEO has established and maintains an independent audit committee.

The Joint ACIC–AIC Audit Committee provides independent advice to the CEO on financial and performance reporting responsibilities, risk oversight and management, and systems of internal control. It oversees the internal audit program and the implementation of recommendations arising from internal and external audits.

The committee's authority is established under the Audit Committee Charter, which is available at acic.gov.au/about-us/governance#accordion-7.

In 2022–23, the committee consisted of 3 independent members (including the Chair). Information on each member's qualifications, attendance at meetings and remuneration is set out in Table 3.2.

Table 3.2: Joint ACIC–AIC Audit Committee members

Name	Qualifications, knowledge, skills or experience	Meetings attended and remuneration ^a
Geoff Knuckey (Chair)	Bachelor of Economics (Australian National University), 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 \$23,100
Elizabeth Montano	Bachelor of Arts and Bachelor of Laws (University of New South Wales), FAICD Elizabeth has more than 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 \$23,100 ^b
Mark Ridley	Bachelor of Commerce and Bachelor of Accounting (University of the Witwatersrand), FCA, GAICD, CRISC Mark currently serves on audit and risk committees for numerous government entities. He has particular strengths in governance, risk and control in relation to ICT, including transformational ICT-based initiatives and the management of project and related risks in complex ICT environments, as well as financial management and organisational leadership. During 20 years as a partner with PricewaterhouseCoopers, he was the national leader of project assurance services and led the company's risk management and assurance business in Canberra.	6/6 \$23,100

a Total remuneration including GST. Independent members received \$3,850 (including GST) for each meeting, including meeting preparations. Associated travel costs were also reimbursed.

b Elizabeth Montano is also paid for her role as an independent adviser for the National Criminal Intelligence System, which is not included in this table.

Risk management

The ACIC's approach to risk oversight and management assists us to make risk-informed decisions that support our work to achieve our strategic objectives while meeting our corporate and operational accountabilities. More broadly, it enables us to operate effectively with our law enforcement and agency partners, and as part of the National Intelligence Community.

Governance and oversight

Risk governance oversight is provided by the agency's Commission Executive Committee and by the independent Joint ACIC–AIC Audit Committee, which has specific responsibilities under the PGPA Act to review and provide advice as to the appropriateness of our framework.

Our CEO has overall responsibility for risk management in the agency. The CEO is supported by the Chief Risk Officer and members of the executive who have defined accountabilities for specific risk domains.

Framework

The ACIC's risk management framework embeds risk management into agency planning, review and monitoring processes, and supports proactive management of risk as part of our staff's day-to-day responsibilities. This includes remaining vigilant to changes in our operating environment that could result in new and emerging risks or changes in our exposure to current identified risks.

The framework also assists the agency in complying with relevant legislation and guidance, including:

- ▶ section 16 of the PGPA Act
- ▶ the Commonwealth Risk Management Policy (2023)
- ▶ ISO 31000:2018 Risk management – Guidelines.

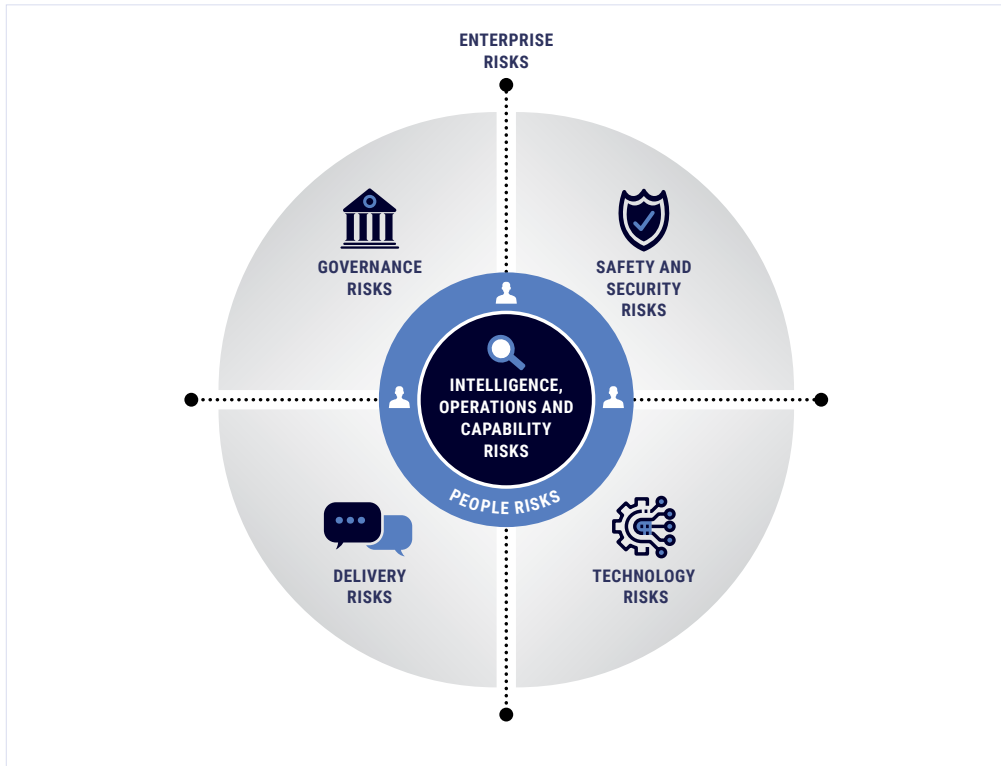
The framework's Risk Management Policy and Procedures guide and enhance our risk culture by clearly articulating desired behaviours, the agency's risk appetite, and relevant accountabilities.

The ACIC's risk appetite statements clearly articulate the level of risk that we are willing to accept as an agency, and direct the treatment and escalation of risk dependent on the nature of the objectives. The statements also reflect the inherently dynamic and complex criminal environment in which we operate.

Enterprise risks

To achieve a more pragmatic view of the ACIC's top risks, we maintain a dynamic register of enterprise risks that is regularly reviewed and updated. As shown in Figure 3.3, escalated enterprise-level risks are managed across 6 enterprise risk domains: Intelligence, Operations and Capability; People; Governance; Safety and Security; Technology; and Delivery.

Figure 3.3: Risk domains



Our top 5 sources of enterprise risks across the 6 risk domains are:

- ▶ service and/or program delivery and quality
- ▶ protective security, including physical, cyber and information security
- ▶ workplace capability, leadership and culture
- ▶ legislative compliance
- ▶ operational capability.

Capability

All staff are responsible for engaging with risk positively and ensuring that objectives are achieved through the effective management of uncertainty. The ACIC offers a Risk Community of Practice forum, training opportunities and risk advice for employees at all levels across the agency, to equip and enable them to effectively carry out their risk management responsibilities.

Security and integrity

Security and integrity are critical to the way we operate our agency and achieve our strategic objectives.

Our approach is to protect our people, information and assets and clearly articulate the responsibilities of our staff. We highlight the importance of the efforts of our staff in the security and integrity context and identify and respond to security and integrity matters in a proactive and proportionate way.

Our security and integrity framework includes policy, procedure and instruction documents designed to educate ACIC staff and support assurance initiatives.

Protective security

The ACIC has a comprehensive pre-employment screening process. We assess individual security risks and identify vulnerabilities when staff commence in the agency and apply proactive mitigations to monitor and manage those risks.

Our senior leadership have a positive security culture and adopt a risk-based approach when considering all security risks. They regularly engage with key security staff before undertaking any decision which could have security implications for our people, information or assets.

Our internal corporate and operational teams work collaboratively with our external partners to:

- ▶ provide a secure environment for ACIC personnel
- ▶ protect sensitive and classified information collected by and entrusted to the ACIC
- ▶ proactively monitor and manage the changing risks within our protective security ecosystem
- ▶ harness security risk opportunities by recognising and implementing change to increase the efficiency or effectiveness of protective security measures.

Security incidents

Our ability to detect, assess and mitigate security vulnerabilities relies upon accurate, timely and consistent reporting of all security incidents across the ACIC. All staff have an obligation to report security incidents.

The ACIC investigates all security incidents to determine whether the event constitutes an accidental or unintentional failure to observe the protective security mandatory requirements or a deliberate, negligent or reckless action that leads, or could lead, to the loss, damage, corruption or disclosure of official information or resources.

The ACIC's response may include internal investigations or external referral to other law enforcement agencies for investigation.

Incidents inform our ongoing engagement and communication strategies, which include providing additional security awareness training for relevant staff. Where possible, we incorporate specific examples of security incidents or breaches – from within the ACIC or shared by other agencies – into security awareness sessions and online learning modules.

The majority of security incidents reported in 2022–23 were low level, as shown in Table 3.3, 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.

Table 3.3: Potential security incidents reported

Risk level	2019–20	2020–21	2021–22	2022–23
Low	36	56	48	40
Medium	16	26	7	12
High	1	5	8	2
Total	53	87	63	54

Cyber security

Cyber attacks are becoming a more prevalent global threat, posing a significant risk to the ACIC, other agencies, businesses, families and individuals. The ACIC is committed to delivering accessible, reliable, secure and trusted information systems and services. We continuously enhance our cyber security capabilities to better protect, identify, detect and respond to cyber threats. We work in partnership with the Australian Cyber Security Centre and other agencies, leveraging our shared knowledge, skills and tools, to remain a high-performing agency and embed a strong cyber-aware culture.

Integrity assurance

In 2022–23, we further expanded the ACIC’s internal integrity capability. Specialist intelligence and investigations resources were engaged to contribute to discovery, investigation and disruption activities.

We continued to work closely with the Australian Commission for Law Enforcement Integrity (ACLEI) in relation to notifying corruption matters, supporting joint agency operations, and ensuring a smooth transition to the jurisdiction of the National Anti-Corruption Commission (NACC).

We also worked closely with our integrity counterparts at the Australian Federal Police (AFP) and jurisdictional partners, to support operations and enhance information sharing with prosecuting authorities in relation to potential criminal matters.

Our integrity focus demonstrates the ACIC’s commitment to an integrity and assurance culture in the protection of our people, information, assets and infrastructure, and reflects our unique operating environment and our inclusion in the National Intelligence Community.

Fraud and corruption

The ACIC's Fraud and Corruption Control Plan, in meeting the requirements set out in section 10 of the Public Governance, Performance and Accountability Rule 2014, 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 access 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. As a member of the ACLEI Community of Practice for Corruption Prevention, a network of integrity professionals from the agencies under ACLEI's jurisdiction, we have shared best practice strategies for detecting and deterring corrupt conduct and participated in discussions on key or emerging issues. We look forward to participating in a new community of practice under the NACC.

We are committed to deterring and preventing corruption by organised crime wherever it occurs.

Business continuity

Business continuity plans (BCPs) define the ACIC's approach to managing a break in business continuity, and outline the steps the agency should take to recover lost business functions following an event that has affected its ability to perform operational or business activities.

The ACIC Security Section is the designated BCP owner for each state office. They are responsible for ensuring that their plans are kept up to date and relevant staff are familiar with the arrangements outlined in the plans. BCPs for specialised business units that require their own contingency arrangements are the responsibility of the relevant business unit manager.

State directors are responsible for performing the role of, or nominating, an emergency operations centre manager in their location. In the event of a disruption in business continuity, the emergency operations centre manager is responsible for coordinating and managing the response, communicating with the Emergency Coordination Centre (ECC), and communicating information to staff, recovery teams and emergency services, as required.

The ECC is led by the Director of Security and comprises senior executives in the ACIC's national office. It supports the execution of a BCP by providing senior executive management of issues arising from an unexpected disruptive event. The ECC team's responsibilities include managing the incident; coordinating the recovery process through each phase of assessment and recovery; and documenting actions taken.

The BCP details the roles and responsibilities of the plan management team and key personnel who will be expected to manage and coordinate the recovery process. If a disruptive event occurs, all agency staff will know who is responsible for business recovery, what they are to do, and how they are to perform the critical functions necessary to sustain the agency's ability to continue operating until business as usual resumes.

The decision to activate a BCP and establish an emergency operations centre lies with the Chief Operating Officer and the National Manager Workforce Capability and Assurance. Generally, BCPs are activated when any of, or a combination of, the following occur:

- ▶ more than 50% of staff are affected by an incident and are unable to perform their standard duties from the office
- ▶ the impact of the incident is such that the office will be affected for more than one business day
- ▶ the incident impacts multiple business areas and requires BCPs to be activated in order to maintain business operations.

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.

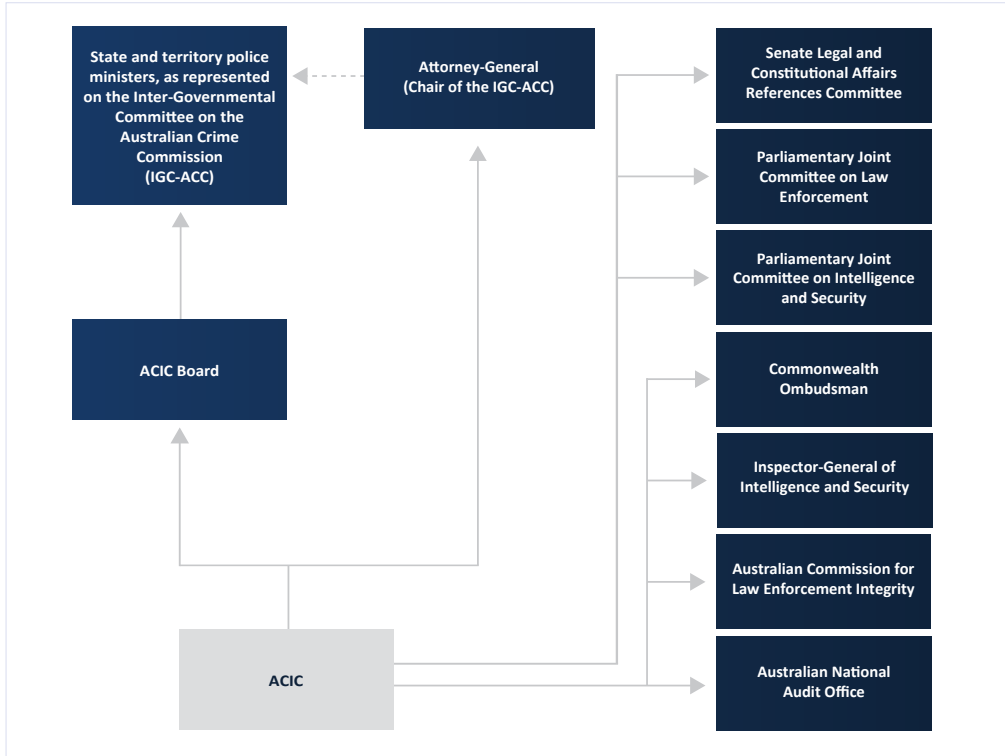
In 2022–23, as required under the legislation, we:

- ▶ 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.

External scrutiny

External scrutiny of the ACIC is exercised by the Australian Parliament, Commonwealth oversight agencies, and state and territory government agencies, as shown in Figure 3.4.

Figure 3.4: External accountabilities at 30 June 2023



Parliamentary committees

The Parliamentary Joint Committee on Intelligence and Security is established by section 28 of the *Intelligence Services Act 2001*. Its functions most relevant to the ACIC are:

- ▶ 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.

The Intelligence Services Legislation Amendment Bill 2023 was introduced to parliament on 22 June 2023. The Bill aims to enhance oversight of the National Intelligence Community, and if enacted would expand the jurisdictions of the Parliamentary Joint Committee on Intelligence and Security and the Inspector-General of Intelligence and Security (IGIS) to include all of the ACIC.

The Parliamentary Joint Committee on Law Enforcement (PJCLE) is established by the *Parliamentary Joint Committee on Law Enforcement Act 2010*, to:

- ▶ monitor and review the performance of the ACIC and 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 into and report on any question in connection with its functions that is referred to it by the parliament.

The ACIC appeared at a PJCLE public hearing in relation to its 2020–21 and 2021–22 annual reports on 25 November 2022. The PJCLE presented its *Examination of the Australian Criminal Intelligence Commission Annual Report 2020–21 and 2021–22* in March 2023. The ACIC also provided a submission to the PJCLE in 2022–23, on the Inquiry into Australia’s illicit drug problem: Challenges and opportunities for law enforcement.

The ACIC appeared before the Senate Legal and Constitutional Affairs References Committee as part of Budget Estimates hearings for the 2022–23 Budget, on 7 November 2022, and the 2023–24 Budget, on 25 May 2023. Transcripts of the proceedings and responses to questions on notice are available on the committee’s website.

The ACIC participates in the development, implementation and evaluation of policy and legislation relating to agency powers and functions, emerging issues and trends, and oversight of the broader intelligence and law enforcement community. Each year, we contribute to various parliamentary inquiries affecting the Commonwealth’s law enforcement and intelligence capability and activities.

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 *Australian Crime Commission Act 2002* (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 met on 9 June 2023.

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 authorising 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 through its membership and provide a significant platform from which to operate collaboratively with our partners.

Members

The ACIC Board membership consists of the:

- ▶ Commissioner, AFP (Chair)
- ▶ Secretary of the department responsible for administering the ACC Act
- ▶ Commissioner, Australian Border Force (Comptroller-General of Customs)
- ▶ Chair, 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).

In 2022–23, the CEO of the Australian Transaction Reports and Analysis Centre (AUSTRAC) attended board meetings as non-voting observer.

On 1 July 2022, when the ACIC moved to the Attorney-General's portfolio, the Secretary of the Attorney-General's Department joined the board and the Secretary of the Department of Home Affairs left the board.

Meetings

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 setting the strategic direction of the ACIC and authorising or identifying key areas of new work that we should pursue.

In 2022–23, the board met 4 times and:

- ▶ made 9 new determinations authorising special ACIC operations, and revoked 8 previous special ACIC operations and special ACIC investigations determinations (as shown in Table 3.4)
- ▶ approved the national criminal intelligence priorities for 2022–23
- ▶ approved performance benchmarks for national policing information systems and services
- ▶ established Task Force Reston, to facilitate information sharing relating to the work of the National Disability Insurance Scheme and the Fraud Fusion Taskforce

- ▶ considered arrangements for the National Criminal Intelligence System
- ▶ considered arrangements for the National Firearms Register and provided in-principle agreement to accessing funds from the National Policing Information Systems and Services Special Account cash balance reserve to support the establishment of the register
- ▶ considered the ACIC's 2023–24 investment proposals
- ▶ reviewed the National Policing Information Systems and Services Special Account revenue and prioritisation of national policing information projects for 2023–24
- ▶ made a recommendation to the Attorney-General to increase the fees and charges for national policing information services
- ▶ approved the ACIC's *Strategic Direction 2023–27*.

National Policing Systems Subcommittee

The board's National Policing Systems Subcommittee is responsible for considering matters in relation to national policing systems and the National Policing Information Systems and Services Special Account and making recommendations to the board for endorsement.

The subcommittee met twice in 2022–23.

Determinations

The board authorises special ACIC investigations and special ACIC operations by written determination. The special ACIC investigations and special ACIC operations seek to disrupt criminal enterprises through intelligence-led responses. The board must be satisfied that authorisations of the special ACIC investigations and special ACIC operations are in the public interest and informed by the board members' collective experience.

The evidence and intelligence gathering activities of special ACIC investigations and special ACIC operations are informed by, and contribute to, the work of board-approved task forces that support collaboration between partners seeking to disrupt criminal enterprises through intelligence-led responses.

Tables 3.4 and 3.5 show the special ACIC investigations, special ACIC operations and task forces that operated under board determinations in 2022–23.

Table 3.4: Board-approved special ACIC investigations and special ACIC operations

Authorisation/determination	Type	Date established
Criminal Exploitation of Australia's Migration System 2020 ^a	Special ACIC operation	28 July 2020
Cyber-Related Offending 2020 ^a	Special ACIC operation	28 July 2020
Emerging Organised Crime Threats 2020 ^a	Special ACIC operation	28 July 2020
Firearm Trafficking 2020 ^a	Special ACIC operation	28 July 2020
High Risk and Emerging Drugs 2020	Special ACIC operation	28 July 2020
Highest Risk Criminal Targets 2020 ^a	Special ACIC investigation	28 July 2020
National Security Impacts from Serious and Organised Crime 2020 ^a	Special ACIC operation	28 July 2020
Outlaw Motor Cycle Gangs 2020 ^a	Special ACIC operation	28 July 2020
Targeting Criminal Wealth 2020	Special ACIC investigation	28 July 2020
Foreign Interference Impacts from Serious and Organised Crime 2021 ^a	Special ACIC operation	16 June 2021
Cybercrime 2022	Special ACIC operation	12 December 2022
Drugs 2022	Special ACIC operation	12 December 2022
Firearms 2022	Special ACIC operation	12 December 2022
Illicit Tobacco 2022	Special ACIC operation	12 December 2022
National Security Threats 2022	Special ACIC operation	12 December 2022
Serious Financial Crime 2022	Special ACIC operation	12 December 2022
Supply Chains (Imports and Exports) 2022	Special ACIC operation	12 December 2022
Victim-Based Crime 2022	Special ACIC operation	12 December 2022
Visa and Migration Fraud 2022	Special ACIC operation	12 December 2022

a This special ACIC operation/special ACIC investigation was closed by the ACIC Board on 12 December 2022.

Table 3.5: Board-established task forces

Task force	Date established
National Task Force Morpheus	1 July 2014
Transnational Criminal Intelligence Task Force (Vestigo Task Force)	30 November 2016
Task Force Reston	20 April 2023

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 3 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.

Chair's annual report

The Chair of the ACIC Board provides an annual report that documents the operations of the board and the ACIC as required under section 61 of the ACC Act. The report is presented to the Australian Government and the appropriate minister of each state and territory via the IGC-ACC, as soon as practicable after 30 June.

Chair annual reports are available on our website at acic.gov.au/publications/annual-report/chair-board-annual-reports.

Australian Commission for Law Enforcement Integrity

ACLEI and the office of the Integrity Commissioner were established by the *Law Enforcement Integrity Commissioner Act 2006* to prevent, detect and investigate corruption in Australian Government law enforcement agencies.

Under the *Law Enforcement Integrity Commissioner Act 2006*, the CEO of the ACIC was required to notify the Integrity Commissioner of corruption issues that related to the ACIC. While the responsibility to notify the commissioner rested with the CEO, our agency and ACLEI worked collaboratively and discussed cases to assess whether there should be a notification.

ACLEI was subsumed by the NACC on 1 July 2023.

Commonwealth Ombudsman and Inspector-General of Intelligence and Security

The Commonwealth Ombudsman is variously empowered to perform examinations of an agency's records under the *Surveillance Devices Act 2004*, *Telecommunications Act 1997*, *Telecommunications (Interception and Access) Act 1979* and *Crimes Act 1914*. The Ombudsman and IGIS are each empowered to perform inspections of an agency's compliance framework in relation to their respective responsibilities for powers under the *Surveillance Legislation Amendment (Identify and Disrupt) Act 2021*.

The Ombudsman conducts 2 types of routine inspections:

- ▶ health checks, which assess the readiness of an agency's compliance framework by reviewing the agency's internal policies, procedures and governance, to help the agency identify potential risks and areas for improvement
- ▶ compliance inspections, which examine an agency's relevant records to determine the extent to which an agency and its officers are compliant with legislative obligations.

The Ombudsman visited the ACIC's offices in Brisbane, Sydney, Melbourne and Canberra to conduct a total of 5 in-person compliance inspections in 2022–23.

Following a compliance inspection, the Ombudsman provides feedback to the agency in one of 3 forms:

- ▶ a formal report, describing significant legislative non-compliance or systemic issues that warrant making at least one recommendation
- ▶ a streamlined report, containing the findings of the inspection and making suggestions on the findings and/or better practice
- ▶ a findings letter, stating that no new findings were identified and/or results indicated that the agency had effective compliance mechanisms in place in relation to its use of powers.

The Ombudsman made no formal reports to the ACIC during 2022–23. We received:

- ▶ 2 findings letters, for the Industry Assistance Inspection March 2023 and the Surveillance Device Inspection April 2023
- ▶ 3 streamlined reports, for the Telecommunications Interception Inspection September 2022, Telecommunications Data Inspection October 2022 and Telecommunications Interception Inspection March 2023.

The results of the Ombudsman's inspections become publicly available once the minister has tabled them in Parliament.

The Ombudsman also conducted a health check aimed at assessing our preparedness for using the international production order framework established in 2021 under the *Telecommunications (Interception and Access) Act 1979*. Our preparedness level was assessed as 'low', but the Ombudsman found that the ACIC had taken significant steps in preparing governance and processes to operate in the framework.

IGIS conducted an inspection of the ACIC's use of network activity warrants under the *Surveillance Legislation Amendment (Identify and Disrupt) Act 2021*, in May 2023. The inspection focused on the statutory requirements for documentation for the entire warrant cycle and compliance management systems. It resulted in favourable feedback stating that the inspection had not identified any matters of legality or propriety.

To more effectively meet compliance requirements as identified by the Ombudsman and IGIS, we have implemented a review of our governance, our training and our destructions program and introduced a suite of induction programs and significant, robust amendments to assurance documents which will ensure that our internal processes remain aligned with best practice.

As part of our compliance framework, we maintain productive relationships with the Ombudsman's Office and IGIS. Their feedback, advice on best practice and suggestions for improvement guide the development of our policy, procedures and training programs.

Australian National Audit Office

The Australian National Audit Office did not undertake any performance audits involving the ACIC during 2022–23. However, the Auditor-General's performance audits of other agencies provided insights and learning to the ACIC's 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 is available on our website at acic.gov.au/about/freedom-information/freedom-information-process.

Judicial reviews

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 2022–23, there were 4 decisions that had or could have had a significant effect on the operation of the ACIC. The outcomes of these matters are reported below.

DCL22 v Sage [2022] FCA 1310 and *DCL22 v Sage* [2022] FCAFC 196

On 13 September 2022, DCL22 (a court-ordered pseudonym) sought judicial review of an ACIC examiner's decision to issue a summons under a special ACIC investigation pursuant to section 28 of the ACC Act (the judicial review proceedings). DCL22 also opposed the ACIC's public interest immunity (PII) claim over parts of the ACIC examiner's reasons for issuing the summons (the PII proceedings).

In *DCL22 v Sage* [2022] FCA 1310, the Federal Court of Australia upheld the ACIC's PII claim over parts of the examiner's reasons. DCL22 appealed this decision and raised constitutional grounds in the appeal. In *DCL22 v Sage* [2022] FCAFC 196, the Full Court of the Federal Court refused DCL22's application for leave to appeal the PII decision. Thereafter, the Full Court ordered the judicial review application be remitted to the single judge of the Federal Court for hearing and determination.

On 17 March 2023, the examiner withdrew the summons requiring DCL22 to appear before an ACIC examiner. The judicial review proceedings were discontinued by consent.

Zirilli v The King [2023] VSCA 64

Saverio Zirilli sought leave to appeal his convictions and the production of certain documents from the ACIC under section 317 of the *Criminal Procedure Act 2009* (Vic.). The ACIC resisted the production of some documents (or parts of documents) on the basis of the statutory prohibition at section 63 of the *Telecommunications (Interception and Access) Act 1979* and on the basis of PII.

In *Zirilli v The Queen* [2021] VSCA 305, the Supreme Court of Victoria Court of Appeal upheld the statutory prohibition in relation to some of the documents but found that the public interest weighed in favour of the disclosure of others. The ACIC sought a review of this decision on jurisdictional grounds and also on an error of law. In *Zirilli v The King* [2022] VSCA 192, the court discharged the earlier judgment on jurisdictional grounds and referred the matter back to the Victorian Court of Appeal to hear the statutory prohibition argument.

On 31 March 2023, the Victorian Court of Appeal in *Zirilli v The King* [2023] VSCA 64 concluded that:

- a. the objections to production made by the AFP and ACIC on the basis of PII should be upheld
- b. the objections to production made by the ACIC on the basis of the statutory prohibition should not be upheld.

In relation to the statutory prohibition argument, the court concluded that the applicant's proposed appeal was a 'proceeding by way of prosecution' for the offences for which he stood convicted, and was therefore an 'exempt proceeding' in which interception warrant information may be adduced in evidence under the *Telecommunications (Interception and Access) Act 1979*.

JAM (a pseudonym) v Commissioner of the Australian Federal Police and Australian Criminal Intelligence Commission

On 4 November 2022, the plaintiff filed an originating application in the High Court which named the AFP and ACIC as defendants. The plaintiff's application, relating to charges that appeared on his AFP-issued police check, raised constitutional issues. The plaintiff sought declaratory relief together with a writ of mandamus under section 75(v) of the Constitution, commanding the AFP remove certain entries from his National Police Certificate. The ACIC was named as a defendant due to its function as an administrator of the National Police Checking Service Support System.

On 2 February 2023, the proceedings were discontinued in the High Court by consent of the parties with no order as to costs.

Terrance Elfar (formerly EGS21) v Commonwealth of Australia [2022] FCA 1402

The prospective applicant applied for preliminary discovery under rule 7.23 of the Federal Court Rules 2011. The documents sought related to the prospective applicant's compulsory examination in 2010 and discovery was sought on the basis that the applicant did not have sufficient information to decide whether to start a proceeding seeking relief arising from the conduct of a compulsory examination under the ACC Act.

On 25 November 2022, the Federal Court dismissed the application on the basis that the prospective applicant did not satisfy the court that all of the requirements in rule 7.23 had been met. Specifically, the court did not accept:

- a. the applicant did not have sufficient information to start the proceedings
- b. inspection of the documents would assist in making the decision.

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.

Six contempt proceedings were finalised in 2022–23. In 3 instances, the court had already imposed an indefinite period of imprisonment but the witnesses had applied to have their sentenced fixed by the court.

DT021 v Australian Crime Commission [2022] FCAFC 190

In August 2022, DT021 (a court-ordered pseudonym) was re-sentenced to a fixed term of 12 month's imprisonment in relation to contempt proceedings brought by the ACIC for refusing to answer questions.

On 8 September 2022, DT021 filed an appeal against the fixed sentence period. The appeal was heard on 27 October 2022. On 30 November 2022, the Full Court of the Federal Court dismissed DT021's appeal against sentence and upheld the fixed sentence of 12 months imprisonment.

Sage v CFS22 [2022] FCA 1023

CFS22 (a court-ordered pseudonym) appeared before an ACIC examiner in answer to a summons. CFS22's contempt comprises refusing to answer 2 questions which the examiner required him to answer. On 29 June 2022, contempt proceedings were commenced in the Federal Court.

CFS22 entered a plea of guilty on 24 August 2022. On 5 September 2022, CFS22 was sentenced in relation to 2 charges of contempt of the ACIC for refusing to answer questions the examiner required him to answer. CFS22 was sentenced to 8 months imprisonment to be released after the expiry of 4 months on the condition that he be of good behaviour for the balance of his sentence.

Sage v CFT22 [2022] FCA 1028 (6 September 2022) and *Sage v CFT22 (No 2)* [2023] FCA 594

CFT22 (a court-ordered pseudonym) appeared before an ACIC examiner in answer to a summons. CFT22 refused or failed to take an oath or affirmation when required to do so pursuant to section 28 of the ACC Act and contrary to section 34A(a)(i) of the Act.

On 6 September 2022, CFT22 was sentenced in relation to one charge of contempt of the ACIC for refusing or failing to take an oath or affirmation when required to do so. CFT22 was sentenced to imprisonment commencing from the day before his parole eligibility date until further order of the court.

On 5 June 2023, upon application by CFT22, the court fixed CFT22's sentence so that he was imprisoned on and from 20 May 2023 until 27 July 2023. The sentence was suspended on 29 June 2023.

Lusty (Examiner) v DEZ22 [2022] FCA 1581 and *Lusty v DEZ22 (No 2)* [2023] FCA 858

DEZ22 (a court-ordered pseudonym) appeared before an ACIC examiner in answer to a summons. DEZ22 was asked 6 questions which the examiner required him to answer. DEZ22 refused to answer each question. On 26 September 2023, contempt proceedings were commenced in the Federal Court.

On 11 November 2022, DEZ22 pleaded guilty to 6 charges of contempt of the ACIC.

On 21 December 2022, DEZ22 was sentenced in relation to 6 charges of contempt of the ACIC for refusing to answer questions an examiner required him to answer. DEZ22 was sentenced to imprisonment until further order of the court.

On 28 June 2023, upon application by DEZ22, the court fixed DEZ22's sentence. DEZ22 was sentenced to 12 months imprisonment, backdated to commence on 21 December 2022. The sentence was suspended from 28 June 2023 and subject to conditions until its expiry.

Lusty (Examiner) v DER22 [2023] FCA 255

DER22 (a court-ordered pseudonym) appeared before an ACIC examiner in answer to a summons. DER22 was asked 6 questions which the examiner required him to answer. DER22 refused to answer each question. On 23 September 2023, contempt proceedings were commenced in the Federal Court.

On 28 November 2022, DER22 indicated that he would plead guilty to 6 charges of contempt of the ACIC. He subsequently appeared before the examiner and purged his contempt by answering the questions subject of the contempt proceedings.

On 2 February 2023, DER22 was declared guilty and sentenced in relation to 6 charges of contempt of the ACIC for refusing to answer questions an examiner required him to answer. DER22 was sentenced to 4 months imprisonment wholly suspended with a condition that he be of good behaviour for a period of 12 months, commencing on 2 February 2023.

Lusty v CVA22 [2023] FCA 130

CVA22 (a court-ordered pseudonym) appeared before an ACIC examiner in answer to a summons. CVA22 was asked 7 questions which the examiner required him to answer. CVA22 refused to answer each question. On 10 August 2022, contempt proceedings were commenced in the Federal Court. CVA22 subsequently pleaded guilty to 7 charges of contempt.

On 23 February 2023, CVA22 was sentenced in relation to the 7 charges of contempt of the ACIC for refusing to answer questions the examiner required him to answer. CVA22 was sentenced to 8 months imprisonment.

Legislative changes

Two significant changes were made to the legislative framework for the ACIC's responsibilities and activities in 2022–23.

Australian Crime Commission Amendment (Special Operations and Special Investigations) Act 2022

The *Australian Crime Commission Amendment (Special Operations and Special Investigations) Act 2022* (the Amendment Act) commenced on 10 December 2022, making a number of technical amendments to the ACC Act.

Under the ACC Act, the ACIC may use its legislated coercive powers only where the ACIC Board makes a determination for a special ACIC operation or special ACIC investigation. The board may exercise the power to authorise special ACIC operations or special ACIC investigations only when it considers that it is in the public interest to do so.

The Amendment Act ensures greater certainty with respect to the powers of the ACIC Board to authorise special ACIC operations and special ACIC investigations, by repealing the multi-layered definition of 'federally relevant criminal activity' and replacing it with a new definition of 'federally relevant crime'. The definition of 'relevant crime' in section 4(1) has also been amended.

The Amendment Act does not expand the jurisdiction of, or otherwise alter the powers available to, the ACIC in the course of undertaking a special ACIC operation or special ACIC investigation. The Amendment Act ensures that the ACIC can continue to exercise its powers with greater legal clarity when conducting activities to combat transnational and serious organised crime in Australia.

The Amendment Act also made minor consequential amendments to the *Parliamentary Joint Committee on Law Enforcement Act 2010* and the *Telecommunications (Interception and Access) Act 1979*.

National Anti-Corruption Commission Acts

The *National Anti-Corruption Commission Act 2022* and the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022* received Royal Assent on 12 December 2022.

The Acts established the NACC – an independent Commonwealth agency that enhances integrity in the Commonwealth public sector by deterring, detecting and preventing corrupt conduct involving Commonwealth public officials. The NACC does this through education, monitoring, investigation, reporting and referral.

The NACC commenced its operations on 1 July 2023. The ACIC's CEO, examiners and employees fall within the jurisdiction of the NACC. The ACIC will also have responsibilities regarding referral of corruption issues to the NACC.

The *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022* also provided the transitional arrangements for ACLEI to be subsumed into the NACC.

Our people

At 30 June 2023, the ACIC had a staff of 874 Australian Public Service (APS) employees and statutory office holders, including 25 staff from the Australian Institute of Criminology (AIC), supplemented by 14 secondees from Commonwealth, state and territory law enforcement and other Commonwealth agencies.

Our workforce includes investigators, intelligence analysts, data scientists, psychologists, physical and technical surveillance operatives, lawyers, specialist examinations staff, business and systems analysts, information architects, and corporate services staff. We have staff from 19 years to 78 years of age.

We work closely with staff 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 as required.

Detailed statistics on the ACIC's staffing, including staff locations and classifications, are provided in Appendix C. Information on our use of consultants is provided in the 'Resource management' section on pages 108–110.

Staffing profile

Table 3.6 shows our staffing profile at the end of 2022–23.

Table 3.6: Staffing profile at 30 June 2023

Staffing category	Number of staff
APS employees and statutory office holders	874 ^a
Secondees funded by the ACIC ^b	2
Secondees funded by jurisdictions ^b	12
Total core staff	888
Task force members	48
Total overall available resources	936

APS = Australian Public Service

a This is equivalent to 840.56 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 2023. However, as secondees and task force members work with us for different periods of time throughout the year, the overall total for 2022–23 was 126.

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

During 2022–23, our average staffing level of APS employees and statutory office holders was 782.92 staff (including AIC staff). This included 7 statutory office holders – 6 examiners and the CEO – all appointed on fixed-term arrangements.

At 30 June 2023, we had a total of 14 secondees from 8 agencies, on short-term or long-term assignment. During the financial year, we hosted a total of 38 secondees.

We coordinate and participate in joint task forces and joint analyst groups with partner agencies. At 30 June 2023, we had 48 task force members from 10 agencies, on short-term or long-term assignment. During the year, we hosted a total of 88 task force members.

Table 3.7 shows a breakdown of secondees and task force staff by home agency and jurisdiction at 30 June 2023.

Table 3.7: Secondees and task force staff by home agency and jurisdiction at 30 June 2023

Agency	Secondees funded by the ACIC	Secondees funded by jurisdiction	Task force staff funded by jurisdiction
Australian Border Force	0	0	4
Australian Cyber Security Centre	0	2	0
Australian Defence Force	0	0	0
Australian Federal Police	0	4	28
Australian Geospatial-Intelligence Organisation	0	0	0
Australian Securities and Investments Commission	0	0	0
Australian Signals Directorate	0	0	0
Australian Taxation Office	0	0	1
Australian Transaction Reports and Analysis Centre	0	0	1
Department of Employment and Workplace Relations	0	0	2
Department of Home Affairs	0	2	3
Department of Human Services	0	0	3
Legal Aid NSW	0	1	0
National Disability Insurance Agency	0	0	2
New South Wales Crime Commission	0	1	0
New South Wales Police Force	2	0	0
Queensland Police Service	0	0	2
Tasmania Police	0	1	0
Victoria Police	0	1	2
Total	2	12	48

Table 3.8 shows staffing profile trends over the 3 most recent financial years.

Table 3.8: Staffing profile trends

Headcount at 30 June	2020–21	2021–22	2022–23
APS employees and statutory office holders	768	751	874
Seconded by the ACIC	12	10	2
Seconded by other jurisdictions	17	36	12
Total core staff	797	797	888
Task force and joint analyst group members	176	100	48
Total overall available resources	973	897	936
Full-time equivalent ^a	727.72	712.47	840.56
Average staffing level ^a	724.26	714.69	782.92

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 8 locations around Australia, as shown in Table 3.9, and 3 overseas locations.

Table 3.9: Australian Public Service employees and statutory office holders by location at 30 June 2023

Location	Number
Canberra	456
Sydney	134
Melbourne	120
Brisbane	85
Adelaide	36
Perth	36
Darwin	2
Hobart	2
Overseas	3

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

As shown in Table 3.10, at 30 June 2023 we had 13 classification levels: APS levels 1–6, Executive Level (EL) levels 1 and 2, Senior Executive Service (SES) bands 1, 2 and 3, and our CEO and examiners, who are statutory office holders.

Table 3.10: Australian Public Service employees and statutory office holders by classification at 30 June 2023

Classification level	Number
CEO	0
SES 3	2
SES 2	5
SES 1	13
EL 2	86
EL 1	335
APS 6	155
APS 5	106
APS 4	137
APS 3	28
APS 2	0
APS 1	1
Examiners	6

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 2023. Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Staff retention and turnover

In 2022–23, a total of 142 APS employees 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 3.11.

Table 3.11: Australian Public Service employees and statutory office holders turnover

Reason for termination	Number
Completion of non-ongoing contract	2
Early termination of non-ongoing contract	1
External promotion	11
External transfer	53
Invalidity retirement	0
Resignation	61
Retirement after age 55	12
Involuntary redundancy	0
Voluntary redundancy	2

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

In 2022–23, our average retention rate was 80.4%.

Our staff retention strategies include:

- ▶ performance recognition and development
- ▶ performance feedback and support
- ▶ learning and development opportunities
- ▶ leadership development opportunities
- ▶ mentoring and coaching
- ▶ opportunities for mobility, including higher duties
- ▶ flexible working arrangements
- ▶ ongoing evaluation of feedback provided through staff surveys and entry/exit surveys.

Employee culture and engagement

We are committed to a workplace culture that strives for excellence, enables personal and professional growth, values diversity, models respectful behaviour, and achieves agency unity through collaboration and inclusiveness.

In 2022–23, we engaged with staff to better understand their views and increase the level of employee engagement. Engagement opportunities included the APS Employee Census, staff engagement workshops and exit surveys.

ACIC employees' responses to the 2023 APS Employee Census indicated that:

- ▶ 83% of staff strongly believe in the purpose and objectives of the APS
- ▶ 88% of staff suggest ideas to improve the agency's way of doing things
- ▶ 91% of staff believe that the people in their workgroup cooperate to get the job done
- ▶ 81% of staff are satisfied with the stability and security of their job
- ▶ 70% of staff feel they are able to take part in decisions that affect their job, where appropriate.

Remuneration and benefits

During 2022–23, 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% on 30 December each year for 3 years. The CEO subsequently signed a further determination to increase pay rates by 3% in December 2022.

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 Management Cycle. 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.

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

Diversity and inclusion

The ACIC is committed to creating an environment that respects and values the expertise, diverse backgrounds, experiences and abilities of all our employees. We support our staff, deliver our services and conduct our business in an equitable way. In doing so, we are able to build an inclusive and diverse workforce that allows us to better serve and protect the community.

As part of the agency's commitment to developing and implementing inclusive policies, we have 5 diversity action plans, which focus on:

- ▶ gender equality
- ▶ people from culturally and linguistically diverse (CaLD) backgrounds
- ▶ Aboriginal and Torres Strait Islander people
- ▶ people with disability
- ▶ LGBTIQ+ people (lesbian, gay, bisexual, transgender, intersex, queer/questioning and/or outside the gender binary).

The Diversity and Inclusion Sub-committee oversees our diversity program and reports to the Corporate Committee. It consists of SES-level diversity champions who set priorities and monitor and track our progress against our diversity action plans and key Australian Government initiatives.

In 2022–23, we:

- ▶ appointed state diversity representatives and developed terms of reference for state diversity representative roles – this is a new initiative which aims to empower all employees from all state offices to have their say on diversity and inclusion events, initiatives and planning
- ▶ continued to develop the ACIC's diversity capability by refreshing the gender equality, reconciliation and CaLD action plans
- ▶ continued to drive the ACIC's diversity agenda by promoting and celebrating significant events such as International Women's Day, NAIDOC Week, Pride Month and International Day Against LGBTQIA+ Discrimination (IDAHOBIT)
- ▶ presented 'Pride in Diversity' LGBTIQ+ Awareness online training through ACON's Pride Inclusion Programs.

Gender equality

During 2022–23, the ACIC:

- ▶ implemented the *Gender Equality Action Plan 2022–25*, which focuses on equal access and opportunities, safe workplaces and intersectional actions
- ▶ continued to promote and support the Women in Law Enforcement Strategy mentoring program
- ▶ continued to review and provide flexible working arrangements, including options to work from home or to modify working hours.

Women made up 53.5% of our organisation at 30 June 2023, as shown in Table 3.12.

Table 3.12: Australian Public Service employees and statutory office holders by gender at 30 June 2023

Gender	Number	Proportion (%)
Man/Male	394	45.1
Woman/Female	468	53.5
Non-binary	12	1.4
Prefers not to answer	0	0.0
Uses a different term	0	0.0

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

At 30 June 2023, women/female APS employees made up 67.3% of employees in APS levels 1–6 and 42.6% of employees in EL 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 cultural and linguistic diversity within our workforce and recognises that people from CaLD backgrounds are integral to our transnational criminal intelligence work.

In 2022–23, we continued to foster an inclusive, positive and productive working environment by:

- ▶ implementing a CaLD action plan for 2022–25, guided by core principles of respect, inclusion and community, that focuses on building language and operational capability and encouraging recruitment of people from CaLD backgrounds
- ▶ continuing to develop our multilingual capabilities, including our language skills registry, which currently has 50 languages registered to assist with operations
- ▶ renewing our corporate membership with Diversity Council Australia
- ▶ continuing to promote the ACIC as an employer of choice by publishing a statement of diversity and inclusion for externally advertised vacancies.

Of our APS employees, 16.6% have self-identified as being from a non-English speaking background.

Aboriginal and Torres Strait Islander peoples

Our internal Indigenous Network ensures that our Aboriginal and Torres Strait Islander staff have a supportive and inclusive network within the agency.

The ACIC makes culturally appropriate leadership development opportunities available to all Aboriginal and Torres Strait Islander staff in the agency.

During 2022–23, the ACIC also:

- ▶ promoted Aboriginal and Torres Strait Islander days of significance, including Reconciliation Day
- ▶ held a national cultural and educational event to celebrate National Reconciliation Week
- ▶ promoted our tertiary study support policy, which provides Aboriginal and Torres Strait Islander staff with additional study leave to assist in the completion of tertiary study related to their roles or the role of the ACIC
- ▶ supported a staff member's Jawun leadership program placement in Shepparton, Victoria.

Of our APS employees, 2.3% have self-identified as being from an Aboriginal or Torres Strait Islander background. The classification levels of Indigenous staff are shown in Table 3.13. The ACIC continues to look at ways to increase development and leadership opportunities for Indigenous staff.

Table 3.13: Australian Public Service Indigenous employees by classification at 30 June

Classification	2021–22	2022–23
SES 1–3	0	0
EL 2	0	2
EL 1	4	7
APS 6	2	3
APS 5	1	2
APS 4	8	6
APS 1–3	0	0
Total	15	20

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

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Disability

The ACIC provides an accessible workplace and promotes a workforce culture that welcomes, includes and supports people with disability.

During 2022–23, the ACIC:

- ▶ promoted Global Accessibility Awareness Day and the International Day of People with Disability across state and territory offices
- ▶ partnered with internship programs, such as PACE Mentoring through the Australian Network on Disability, with the aim of building and creating a safe and enjoyable employment experience for people with disability within the agency
- ▶ renewed membership of the Australian Network on Disability and partnerships with JobAccess and the National Disability Recruitment Coordinator.

Of our staff, 2.4% have self-identified as having disability.

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and statistical bulletins. These documents are available at apsc.gov.au.

Learning

The ACIC fosters an environment of continuous learning and improvement for all staff, to support their personal and professional development. We provide opportunities for staff to develop core and specialist skills, aligned to their classification and role, while positioning them and the agency for the future.

Learning approach

Recognising that learning can happen at any time, the ACIC has adopted a continuous learning model that assists staff to recognise and make the most of a variety of formal and informal learning opportunities. Most formal learning is delivered in house.

Our model engenders a culture of continuous learning, evaluation and improvement. While recognising the importance of formal training, it ensures that learning is also integrated into our broader workforce strategies. This includes promoting participation in communities of practice, working groups and collaborations across teams, branches and divisions; providing mobility within the agency; and acknowledging the value of informal learning opportunities.

Core skills

To deliver core skills, the ACIC uses business simulation, micro-learning and just-in-time learning to allow staff to learn what they need to know, when they need to know it.

We focus on developing core knowledge and skills which represent the intrinsic capabilities required of all ACIC employees. Topics covered include:

- ▶ ethics and values
- ▶ critical thinking
- ▶ writing and communication skills
- ▶ working effectively in teams
- ▶ conflict resolution
- ▶ human resources
- ▶ work health and safety
- ▶ financial management, delegations and procurement
- ▶ change and project management.

Intelligence and operational training

To help maintain the professional design, delivery and review of our learning and training curriculum, in October 2022 the ACIC established the Training and Development section within the Workforce Capability and Assurance branch. The new section incorporates the functions of analytical training, operational training and organisational learning.

In 2022–23, we ambitiously undertook a bulk recruitment action for our investigator and analyst functions, which generated double the previous demand for intelligence and operational training courses as part of the Core Criminal Intelligence Training Pathway. The pathway focuses on developing our niche intelligence collection and analysis capabilities from the foundation level through to advanced practitioner level.

Specialist training activities delivered in 2022–23 included foundational intelligence operations training for over 100 staff, the largest annual training cohort for the ACIC to date. Our advanced analytical training curriculum for intelligence analysts was revised and re-implemented. More than 40 investigators and senior investigators were trained in the intelligence operations/human intelligence curriculum – also the largest annual training cohort of its kind.

In mid-2022, the ACIC's human source offshore operations course was delivered in the international environment for the first time, in Auckland, New Zealand. We continued to partner with Charles Sturt University to deliver the National Advanced Strategic Intelligence Course to staff from state, territory and Commonwealth law enforcement agencies, the Department of Defence, and our international partner organisations.

The ACIC also works closely with partners in state and international law enforcement and the National Intelligence Community to deliver scenario-based training in Australia and overseas. In doing so, we promote the sharing of resources, capability and expertise, and ensure that our training curriculum is based on contemporary best practice. The ACIC has become a training provider of choice among select partner agencies seeking to enhance their intelligence and operational capabilities.

Leadership development

The ACIC continues to focus on the development of its leadership cohort. To complement the ACIC Leadership Framework released in 2021–22, a curriculum for core leadership training was designed in 2022–23. Scheduled for implementation in September 2023, the curriculum incorporates virtual, self-paced and immersive learning mediums, generating a more accessible and multi-tiered learning environment for our staff.

A key component of the framework is the ability for staff to identify their future leadership development requirements and structure their learning around their individual goals. To support staff to fulfil their leadership potential, we have implemented an accompanying workplace coaching initiative. The cohort of workplace coaches is intended to grow in 2023–24.

Evaluation and governance

Evaluation is a critical tool to ensure that learning meets the needs of the agency. The ACIC evaluates all internal and external learning programs, ensuring that internal programs are aligned to the requirements of the workplace, and that the external programs represent value for money. Our approach to evaluation assesses whether the learning opportunity achieved its outcome, and identifies the impact of learning in the workplace as well as areas for further improvement.

Work health, safety and wellbeing

We are committed to ensuring the health, safety and wellbeing of all staff. We take a proactive approach, focusing on prevention, early intervention and support for injuries, illness and exposure to hazards in the workplace. We aim to take all reasonably practicable steps to protect our staff and achieve positive and sustainable health, safety and wellbeing outcomes for staff, their families and the agency.

Appendix B of this report details our 2022–23 work health 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

In working towards our strategic purpose, the ACIC holds a range of assets, including leased office space; property, plant and equipment; intangible assets (software); and leasehold improvements at its various office locations.

A full nationwide stocktake of assets in the 'Property, plant and equipment' and 'Portable and attractive' classes was undertaken in 2021–22, with over 98% of our assets by value accounted for.

Under our asset management policy, a full valuation of tangible property held is to be undertaken once every 3 years. A full valuation was undertaken in 2020–21. Independent professional valuers were engaged to undertake a desktop valuation of tangible assets across the country. There was no material change in the value of assets held, hence asset records were not adjusted for 2022–23.

An internal review is undertaken of the ACIC's intangible assets to assess whether there is any impairment to intangible assets and to ensure that they are still in use, contribute productive benefit to the ACIC, and have a reasonable life expectancy. Some intangibles were retired due to obsolescence; there was no material change in the expected useful life of intangible assets.

The ACIC's office space in each capital city is held under lease and, as required under Australian Accounting Standards Board accounting standard AASB 16, the agency accounts for the leased office space as right-of-use assets.

Our asset mix at the end of 2022–23 comprised:

- ▶ \$36.097 million of leased office space
- ▶ \$109.653 million of intangible assets (software)
- ▶ \$22.400 million of property, plant and equipment
- ▶ \$8.638 million of leasehold improvements.

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 2025 onwards, with leases for Queensland and South Australia scheduled for renewal in 2024.

The ACIC has transitioned to outsourced property provider Ventia, under the Australian Government's whole-of-government property services arrangements. Ventia supports the ACIC property team through the provision of core leasing and facilities management services.

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 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 our Accountable Authority Instructions and supporting operational policies and procedures, which are reviewed for consistency with the Commonwealth procurement framework.

The ACIC's 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 2022–23, 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.

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 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 at treasury.gov.au/small-business.

Indigenous Procurement Policy

In line with the Australian Government's Indigenous Procurement Policy, we are committed to growing our engagement with Indigenous businesses.

In 2022–23, the ACIC had 17 contracts with majority Indigenous-owned businesses, collectively valued at \$2,394,426. This contributed to the Attorney-General's portfolio's ability to meet its annual targets for purchasing from Indigenous enterprises as set by the National Indigenous Australians Agency for the financial year.

Contracts

In 2022–23, annual report requirements were added under sections 17AG(7) and (7A) and sections 17AGA(2) – (3) of the Public Governance, Performance and Accountability Rule 2014. The new requirements include disclosure of contract expenditure for consulting and non-consulting contracts, and additional information on the organisations that received amounts of that expenditure.

Consultancy contracts

During 2022–23, 3 new consultancy contracts were entered into involving total actual expenditure of \$0.374 million. In addition, 4 ongoing consultancy contracts were active, involving total actual expenditure of \$1.013 million during the period.

Tables 3.14 and 3.15 give details of our consultancy contracts in 2022–23.

Table 3.14: Expenditure on reportable consultancy contracts

Measure	Contracts	Expenditure \$ ^a
New contracts entered	3	374,045
Ongoing contracts entered into during a previous reporting period	4	1,012,918
Total	7	1,386,963

^a Includes GST.

Table 3.15: Organisations receiving a share of reportable consultancy contract expenditure

Organisation	Australian Business Number	Expenditure \$ ^a	Share of expenditure %
KPMG	51 194 660 183	936,118	67
Titan Consulting Services Pty	90 060 195 735	305,207	22
Axiom Associates Pty Ltd	98 121 216 662	65,208	5
Elizabeth Montano	68 758 946 781	30,600	2
McBeath Pty Ltd	26 195 288 436	23,100	2

^a Includes GST.

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. We engage consultants when we require specialist expertise in areas including but not limited to policy design, financial viability, and IT strategic planning, or independent evaluations of the ACIC's outcomes.

We make decisions to engage consultants in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies. Prior to engaging consultants, we consider the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. We select consultants through panel arrangements or by making an open approach to market.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable contracts and consultancies is available on the AusTender website at tenders.gov.au.

Non-consultancy contracts

During 2022–23, 279 new non-consultancy contracts were entered into involving total actual expenditure of \$42.889 million. In addition, 233 ongoing non-consultancy contracts were active, involving total actual expenditure of \$86.941 million during the period.

Tables 3.16 and 3.17 give details of our non-consultancy contracts in 2022–23.

Table 3.16: Expenditure on reportable non-consultancy contracts

Measure	Contracts	Expenditure \$ ^a
New contracts entered	279	42,889,016
Ongoing contracts entered into during a previous reporting period	233	86,941,299
Total	512	129,830,315

a Includes GST.

Table 3.17: Organisations receiving a share of reportable non-consultancy contract expenditure

Organisation	Australian Business Number	Expenditure \$ ^a	Share of expenditure %
IDEMIA Australasia Pty Ltd	43 003 099 812	17,881,524	14
Ventia Property Pty Ltd	16 618 028 676	12,313,551	9
PricewaterhouseCoopers Pty Ltd	20 607 773 295	6,265,997	5
Cirrus Networks (Canberra) Pty Ltd	67 168 829 641	5,825,340	4
NSW Police Force	43 408 613 180	4,803,527	4

^a Includes GST.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website at tenders.gov.au.

Access clauses

During 2022–23, 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 2022–23.

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 2022–23:

- ▶ 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 \$15,200.
- ▶ A total of \$30,024 (including GST) was paid to Steve Meekin AM to finalise work on the 2021–22 stakeholder survey in July 2022.

Grants

The ACIC did not award grants during 2022–23.

Ecologically sustainable development

While the ACIC does not undertake activities with direct implications for ecologically sustainable development, we observe the principles set out in the *Environment Protection and Biodiversity Conservation Act 1999* in our daily operations. We strive to be environmentally responsible, 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
- ▶ converting a portion of the ACIC's fleet of vehicles into hybrid or zero-emission vehicles.

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

Greenhouse gas emissions

As part of the reporting requirements under Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, and in line with the Australian Government's APS Net Zero 2030 policy, we are required to report on the greenhouse gas emissions from ACIC operations.

Our greenhouse gas emissions reporting has been developed with a methodology that is consistent with the whole-of-government approach as part of the APS Net Zero 2030 policy.

Table 3.18 shows a breakdown of greenhouse gas emissions by source for 2022–23, with electricity emissions calculated using a location-based approach that accounts for factors such as Greenpower, purchased large-scale generation certificates and being located in the Australian Capital Territory.

Table 3.18: Location-based greenhouse gas emissions inventory

Emission source	Scope 1 kg CO ₂ -e	Scope 2 kg CO ₂ -e	Scope 3 kg CO ₂ -e	Total kg CO ₂ -e
Electricity	N/A	1,148,072	109,157	1,257,229
Natural gas	0	N/A	0	0
Fleet vehicles	369,401	N/A	92,686	462,087
Domestic flights	N/A	N/A	989,576	989,576
Other energy	0	N/A	0	0
Total kg CO₂-e	369,401	1,148,072	1,191,419	2,708,892

kg CO₂-e = kilograms of carbon dioxide equivalent emissions, N/A = not applicable under the APS Net Zero 2030 reporting framework

Note: Figures include emissions for the Australian Institute of Criminology.

Table 3.19 shows a breakdown of greenhouse gas emissions by source for 2022–23, with electricity emissions calculated using a market-based method that states the total emissions.

Table 3.19: Market-based greenhouse gas emissions inventory

Emission source	Scope 1 kg CO ₂ -e	Scope 2 kg CO ₂ -e	Scope 3 kg CO ₂ -e	Total kg CO ₂ -e
Electricity	N/A	698,661	92,470	791,131
Natural gas	0	N/A	0	0
Fleet vehicles	369,401	N/A	92,686	462,087
Domestic flights	N/A	N/A	989,576	989,576
Other energy	0	N/A	0	0
Total kg CO₂-e	369,401	698,661	1,174,732	2,242,794

kg CO₂-e = kilograms of carbon dioxide equivalent emissions, N/A = not applicable under the APS Net Zero 2030 reporting framework

Note: Figures include emissions for the Australian Institute of Criminology.



FEATURE

Expanding the capabilities of the National Criminal Intelligence System

The system contributes to a safer Australia by providing law enforcement officers with the cross-border information they need – when they need it – to address and prevent criminal activity.

The ACIC's National Criminal Intelligence System (NCIS) is a joint project led by the ACIC with Australian police agencies and the Department of Home Affairs as the technical delivery partner. It connects data from Australian law enforcement agencies and provides secure access to a national view of policing information and criminal intelligence.

Each law enforcement agency in Australia uses a different system for its day-to-day policing needs, but threats to the community are borderless. NCIS allows law enforcement to be better informed about risks, details of entities, events of interest and a person's history.

In the past year, NCIS continued to grow, from fewer than 3,000 to more than 36,000 unique users. NCIS users performed more than 1.9 million searches in 2022–23, compared with 0.1 million in 2021–22.

In 2022–23, development highlights included adding international travel movements from the Department of Home Affairs to the system. Significantly, the New South Wales Police Force joined the Queensland Police Service, Victoria Police and the Western Australia Police Force in sharing extensive operational policing data and integrating NCIS into their local systems, including mobile solutions.

Looking forward, we are progressing work to include policing data from the remaining police agencies and more national datasets – such as data from the Australian Firearms Information Network – and criminal intelligence information. This will add to NCIS's capabilities to support national law enforcement and criminal intelligence outcomes.

Feedback from police and intelligence officers who use NCIS shows that its modern search capabilities, combined with access to information previously unavailable in local systems, are proving to be highly valuable in a range of operational law enforcement scenarios.



**WE STRIVE FOR EXCELLENCE
IN EVERYTHING WE DO**



SECTION

4

AUDITED FINANCIAL STATEMENTS

OUR FINANCIAL STATEMENTS FOR 2022–23

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and the Chief Financial Officer118
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Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Opinion

In my opinion, the financial statements of the Australian Criminal Intelligence Commission (the Entity) for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result

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of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements


My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Clea Lewis
Signing Officer
Delegate of the Auditor-General
Canberra
20 September 2023



AUSTRALIAN
**CRIMINAL
INTELLIGENCE
COMMISSION**

STATEMENT BY THE ACCOUNTABLE AUTHORITY AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Criminal Intelligence Commission will be able to pay its debts as and when they fall due.

Signed

A handwritten signature in black ink, appearing to read 'M. Rippon'.

Matthew Rippon
A/g Chief Executive Officer

19 September 2023

Signed

A handwritten signature in black ink, appearing to read 'E. Sokolowski'.

Encasz Sokolowski
Chief Financial Officer

19 September 2023

STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2023

		2023	2022	Budget
	Notes	\$'000	\$'000	2023 \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	110,185	90,583	117,580
Suppliers	1.1B	139,929	118,443	148,778
Depreciation and amortisation	2.2A	34,324	35,192	33,649
Finance costs	1.1C	534	508	379
Write-down and impairment of assets	2.2A	370	219	–
Loss from asset sales		–	27	–
Resources received free of charge	1.1D	2,853	10,846	–
Total expenses		288,195	255,818	300,386
Own-source revenue				
Revenue from contracts with customers	1.2A	148,581	141,701	140,867
Rental income	1.2B	–	1,647	–
Resources received free of charge	1.2C	2,853	22,668	2,899
Total own-source revenue		151,434	166,016	143,766
Gains				
Other gains	1.2E	382	–	–
Total gains		382	–	–
Total own-source income		151,816	166,016	143,766
Net cost of services		(136,379)	(89,802)	(156,620)
Revenue from Government	1.2D	146,620	127,331	149,860
Surplus/(Deficit) attributable to the Australian Government		10,241	37,529	(6,760)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserves – provision for restoration obligations		(479)	2	–
Total other comprehensive income		(479)	2	–
Total comprehensive income/(loss) attributable to the Australian Government		9,762	37,531	(6,760)

The above statement should be read in conjunction with the accompanying notes.
For budget to actual variance commentary: see Note 7 for major variance explanations.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2023

			Budget	
	Notes	2023 \$'000	2022 \$'000	2023 \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	2.1A	150,749	158,259	132,129
Trade and other receivables	2.1B	90,406	75,975	72,060
Other financial assets		—	—	522
Total financial assets		241,155	234,234	204,711
Non-financial assets				
Buildings	2.2A	36,097	40,557	32,147
Leasehold improvements	2.2A	8,638	10,248	7,287
Property, plant and equipment	2.2A	22,400	31,846	30,907
Intangibles	2.2A	109,653	79,544	104,981
Prepayments		14,089	8,960	8,960
Total non-financial assets		190,877	171,155	184,282
Total assets		432,032	405,389	388,993
LIABILITIES				
Payables				
Suppliers	2.3A	39,003	24,603	24,606
Other payables	2.3B	7,834	7,470	4,984
Total payables		46,837	32,073	29,590
Interest bearing liabilities				
Leases	2.4A	42,998	52,105	41,375
Total interest bearing liabilities		42,998	52,105	41,375
Provisions				
Employee provisions	4.1A	31,466	27,537	27,537
Other provisions	2.5A	2,010	1,566	1,532
Total provisions		33,476	29,103	29,069
Total liabilities		123,311	113,281	100,034
Net assets		308,721	292,108	288,959
EQUITY				
Contributed equity		94,945	88,094	91,705
Reserves		17,972	18,451	18,451
Retained surplus		195,804	185,563	178,803
Total equity		308,721	292,108	288,959

The above statement should be read in conjunction with the accompanying notes.
For budget to actual variance commentary: see Note 7 for major variance explanations.

STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2023

	Retained earnings			Asset revaluation reserve			Contributed equity/capital			Total equity		
	2023	2022	Budget	2023	2022	Budget	2023	2022	Budget	2023	2022	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance carried forward from previous period	185,563	148,034	185,563	18,451	18,449	18,451	88,094	79,330	88,094	292,108	245,813	292,108
Comprehensive income												
Surplus/(Deficit) for the period	10,241	37,529	(6,760)	-	-	-	-	-	-	10,241	37,529	(6,760)
Other comprehensive income	-	-	-	(479)	2	-	-	-	-	(479)	2	-
Total comprehensive income	10,241	37,529	(6,760)	(479)	2	-	-	-	-	9,762	37,531	(6,760)
Transactions with owners												
Contributions by owners												
Equity injection – Appropriations ¹	-	-	-	-	0	-	4,240	6,175	1,000	4,240	6,175	1,000
Departmental capital budget ¹	-	-	-	-	0	-	2,611	2,589	2,611	2,611	2,589	2,611
Total transactions with owners	-	-	-	-	0	-	6,851	8,764	3,611	6,851	8,764	3,611
Closing balance as at 30 June	195,804	185,563	178,803	17,972	18,451	18,451	94,945	88,094	91,705	308,721	292,108	288,959

1 Amounts appropriated which are designated as 'Equity injections' and 'Departmental capital budgets' are recognised directly in transactions with owners in that year.

The above statement should be read in conjunction with the accompanying notes.
For budget to actual variance commentary: see Note 7 for major variance explanations.

CASH FLOW STATEMENT

for the period ended 30 June 2023

		Budget		
	Notes	2023 \$'000	2022 \$'000	2023 \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		134,870	116,725	156,438
Revenue from contracts with customers		144,524	146,900	138,383
Other		17,897	17,086	811
Net GST received		13,332	12,312	11,383
Total cash received		310,623	293,023	307,015
Cash used				
Employees		105,405	93,301	117,580
Suppliers		141,121	106,206	145,875
Net GST paid		—	—	11,383
Interest payments on lease liabilities	1.1C	488	507	379
Section 74 receipts transferred to Official Public Account		17,453	17,438	3,954
Other		1,779	2,102	80
Total cash used		266,246	219,554	279,251
Net cash from operating activities		44,377	73,469	27,764
INVESTING ACTIVITIES				
Cash received				
Proceeds from sales of property, plant and equipment		1	80	—
Total cash received		1	80	—
Cash used				
Purchase of property, plant and equipment and intangibles		45,084	41,559	44,740
Total cash used		45,084	41,559	44,740
Net cash used by investing activities		(45,083)	(41,479)	(44,740)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		6,381	8,764	3,611
Total cash received		6,381	8,764	3,611
Cash used				
Principal payments of lease liabilities		13,185	14,405	12,766
Total cash used		13,185	14,405	12,766
Net cash/(used by) financing activities		(6,804)	(5,641)	(9,155)
Net increase/(decrease) in cash held		(7,510)	26,349	(26,131)
Cash and cash equivalents at the beginning of the reporting period		158,259	131,910	158,260
Cash and cash equivalents at the end of the reporting period	2.1A	150,749	158,259	132,129

The above statement should be read in conjunction with the accompanying notes.
For budget to actual variance commentary see Note 7 for major variance explanations.

Overview

The Australian Criminal Intelligence Commission (ACIC) is a Commonwealth entity within the Attorney-General's portfolio. The objective of the entity is to protect Australia from criminal threats through coordinating a strategic response and collecting, assessing and disseminating intelligence and policing information.

The continued existence of the ACIC in its present form is dependent on Government policy and on continuing funding by Parliament. The ACIC's activities contributing toward this outcome are classified as departmental. Departmental activities involve the use of assets and income controlled, or liabilities and expenses incurred by the ACIC in its own right.

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The financial statements have been prepared in accordance with:

- a. Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and
- b. Australian Accounting Standards and Interpretations including simplified disclosure for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Modification to applicability of the PGPA for designated activities under PGPA Act section 105D

The Minister for Finance and the Minister for Home Affairs made determinations under PGPA Act section 105D, which allow modification to specified aspects of the PGPA Act in relation to designated intelligence or security activities. The annual financial statements have not been modified as a result of the determination.

Adoption of new Australian accounting standards requirements

Amending standard, AASB 2021-2 amends AASB 7, AASB 101, AASB 108, AASB 134, Practice Statement 2 and Amending standard AASB 2021-6 amends Tier 2 reporting requirements in AASB 1049, AASB 1054 and AASB 1060, to reflect changes made by AASB 2021-2. Details of the changes in accounting policies, if required, are disclosed in the relevant notes to the financial statements. These amending standards are not expected to have a material impact on the ACIC's financial statements for the current and future reporting periods.

Accounting judgements and estimates

The preparation of the ACIC's financial statements required management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on experience and expert advice, including expectations of future events based on historical information, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives and fair value of assets

The ACIC determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets. The useful lives could change materially as a result of technical innovations or other events. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated, or technically obsolete or specialised assets that have been abandoned or sold will be written off or written down.

The fair value of ACIC's leasehold improvements and property, plant and equipment has been taken to be the market value or depreciated replacement costs as determined by an independent valuer. In some instances, ACIC's leasehold improvements are purpose-built and some specialised property, plant and equipment may in fact realise more or less in the market.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, through the short-hand method, assumptions are based on estimates of attrition rates, pattern of leave claims made, future salary movements and discount rates.

Restoration obligations

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with vacating of premises. The calculation of this provision requires assumptions such as the exit date and cost estimates. The provision recognised is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the statement of financial position by adjusting the provision. Any adjustments to the provisions are recognised in profit or loss.

Estimated revenue on incomplete police searches

The amount of unearned revenue for incomplete searches, by type, requires a degree of estimation and judgement at year end. The basis for the estimation is consideration of historical averages on open searches, by service type.

No other accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

Taxation

The ACIC is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- ▶ where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- ▶ for receivables and payables.

Contingent assets and liabilities

The ACIC did not have any quantifiable contingent assets or liabilities to report for the financial year ended 30 June 2023 (2022: nil). As at 30 June 2023, the ACIC had a number of legal matters pending that may eventuate in judgements or outcomes that could require monetary payments being made to or from the ACIC. However, it was not possible to quantify the amounts of any receipts or payments that may eventuate in relation to these matters.

Events after the reporting period

No events have occurred after the reporting date that should be brought to account or noted in the 2022–23 financial statements.

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1. Financial performance**Note 1.1: Expenses**

	2023	2022
	\$'000	\$'000
Note 1.1A: Employee benefits		
Wages and salaries	78,603	67,830
Superannuation		
Defined contribution plans	9,910	8,568
Defined benefit plans	5,045	4,240
Leave and other entitlements	16,393	9,523
Separation and redundancies	234	422
Total employee benefits	110,185	90,583

Accounting Policy

Accounting policies for employee benefits: refer Note 4 people and relationships.

Note 1.1B: Suppliers**Goods and services**

IT support and maintenance	52,707	47,196
Consultants and contractors	31,950	34,723
Jurisdiction fees and payments	23,916	10,908
Property and security expenses	5,945	5,994
Operational expenses	3,566	3,536
Communication	3,857	4,062
Secondee placements reimbursed to state, territory and Commonwealth agencies	1,682	1,732
Travel	7,889	3,768
Staff development and training	3,622	1,794
Legal expenses	1,559	1,661
Office expenses	957	900
Other	1,142	1,160
Total goods and services	138,792	117,434

Other suppliers

Short-term leases	25	82
Workers compensation expenses	1,112	927
Total other suppliers	1,137	1,009
Total suppliers	139,929	118,443

Accounting Policy***Short-term leases and leases of low-value assets***

The ACIC has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000 per asset).

The ACIC recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Note 1.1: Expenses (continued)

	2023	2022
	\$'000	\$'000

Note 1.1C: Finance costs

Interest on lease liabilities ¹	488	505
Unwinding of discount on provision for restoration obligations	46	3
Total finance costs	534	508

1 Interest on lease liabilities related to leased commercial properties, data centres and motor vehicles.

Note 1.1D: Resources received free of charge

Resources received free of charge – NCIS operating costs	–	8,203
Seconded	2,680	2,478
Audit fees	173	165
Total resources received free of charge	2,853	10,846

Note 1.2: Own-source revenue

	2023	2022
	\$'000	\$'000

Note 1.2A: Revenue from contracts with customers

Revenue – special account	134,811	127,547
Revenue – proceeds of crime and memoranda of understanding	13,326	13,662
Revenue – other	444	492
Total revenue from contracts with customers	148,581	141,701

Accounting Policy*Revenue from contracts with customers*

Revenue is recognised when the customer obtains control of the services provided. ACIC generates revenue from the National Police Checking Services (NPCS) and National Automated Fingerprint Identification System (NAFIS), through the *Proceeds of Crime Act 2002* (Crime Act) and Memoranda of Understanding (MoU) with Commonwealth agencies and other revenues from minor sources. The revenue recognition processes are discussed below.

- For NAFIS and NPCS search services provided by the ACIC, the performance obligation is satisfied at a point in time and over time, respectively. The ACIC recognises revenue when it satisfies the performance obligations by transferring the promised goods or services.
- For goods or services provided by the ACIC for Crime Act funding, the performance obligation may be satisfied over time. The ACIC revenue recognition from this source is dependent upon the satisfactory submission of regular progress reports.
- For goods or services provided by the ACIC based on MoU, the performance obligation is satisfied over time. The ACIC revenue recognition from this source is based on the premise that the underlying goods or services will be transferred to the customers and not retained for own use.
- For other revenues from minor sources, the performance obligation is satisfied at a point in time. The ACIC recognises revenue when it satisfies the performance obligations by transferring the promised goods or services.

Note 1.2: Own-source revenue (continued)

	2023	2022
	\$'000	\$'000

Note 1.2B: Rental income

Operating lease ¹	–	1,647
Total rental income	–	1,647

1 The ACIC, head lessee, receives rental income through a subleasing arrangement in 2021–22. The ACIC treated this arrangement as an operating lease as substantially all the risks and rewards of the head lease were not transferred to the sub lessee.

Note 1.2C: Resources received free of charge

Resources received free of charge – secondees	2,680	2,478
Resources received free of charge – ANAO audit	173	165
Resources received free of charge – NCIS capital costs ²	–	11,791
Resources received free of charge – NCIS operating costs ²	–	8,203
Resources received free of charge – Donated assets	–	31
Total resources received free of charge	2,853	22,668

2 ACIC received resources free of charge in respect of NCIS project from another Commonwealth government entity.

Accounting Policy*Resources received free of charge*

Resources received free of charge are recognised as revenue at fair value when it can be reliably measured and the services or transferred assets would have been purchased if they had not been provided free of charge. Use of those resources is recognised as an expense or as an asset when received.

Note 1.2D: Revenue from Government

Appropriations		
Departmental appropriations	146,620	127,331
Total revenue from Government	146,620	127,331

Accounting Policy*Revenue from Government*

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the ACIC gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Note 1.2E: Other gains

Gains – sale of assets and termination of right-of-use asset	126	–
Gains – other	256	–
Total other gains	382	–

Accounting Policy*Sale of assets*

Gains from disposal of assets are recognised, when control of the asset has passed to the buyer.

2. Financial position

Note 2.1: Financial assets

	2023	2022
	\$'000	\$'000

Note 2.1A: Cash and cash equivalents

Special account cash held in Official Public Account	142,955	146,320
Cash at bank and on hand	7,794	11,939
Total cash and cash equivalents	150,749	158,259

Note 2.1B: Trade and other receivables

Trade receivables ¹	18,622	16,763
Comcare receivable	–	30
Appropriations receivable	68,583	56,364
GST receivable	3,198	2,829
Other receivables	3	–
Total trade and other receivables	90,406	75,986
Less: expected credit loss allowance ¹	–	(11)
Total trade and other receivables (net)	90,406	75,975

1 Trade receivables adjusted for credit loss, determined as not economical to pursue the recovery

Credit terms for goods and services were within 30 days (2021–22: 30 days)

Accounting Policy

Trade and other receivables

Trade and other receivables are held for the purpose of collecting the cash from contracts with customers and are measured at amortised cost.

Note 2.2: Non-financial assets

Note 2.2A: Reconciliation of the opening and closing balances of leasehold improvements, property, plant and equipment and intangible assets

	Buildings \$'000	Leasehold improvements \$'000	Property, plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2022					
Gross book value	72,435	13,529	46,224	147,638	279,826
Accumulated depreciation, amortisation and impairment	(31,878)	(3,281)	(14,378)	(68,094)	(117,631)
Total as at 1 July 2022	40,557	10,248	31,846	79,544	162,195
Additions					
Purchase ¹	–	1,321	3,849	39,914	45,084
Right-of-use assets	6,131	–	1,175	–	7,306
Depreciation/amortisation	–	(2,931)	(8,613)	(9,589)	(21,133)
Depreciation on right-of-use assets	(10,591)	–	(2,600)	–	(13,191)
Other movements ²	–	–	(3,103)	–	(3,103)
Write-down and impairment of property, plant and equipment ³	–	–	(154)	(216)	(370)
Total as at 30 June 2023	36,097	8,638	22,400	109,653	176,788
Total as at 30 June 2023 represented by					
Gross book value	73,922	14,850	45,034	184,993	318,799
Accumulated depreciation, amortisation and impairment	(37,825)	(6,212)	(22,634)	(75,340)	(142,011)
Total as at 30 June 2023	36,097	8,638	22,400	109,653	176,788
Carrying amount of right-of-use assets	36,097	–	4,319	–	40,416

1 Purchase includes assets moved to appropriate classes during the asset capitalisation process.

2 Other movements include adjustment to right-of-use assets on termination of leases, and other assets cost.

3 This category includes write off of assets valued at \$0.225m arising out of annual stocktake.

There are no leasehold improvements expected to be sold or written-off within the next 12 months.

The ACIC uses market approach and current replacement costs fair value measurement techniques to measure the fair value of property, plant and equipment and uses current replacement costs to measure the fair value of leasehold improvements.

An independent desktop valuation was conducted in accordance with the revaluation policy stated in Note 2.2A by an independent valuer on leasehold improvements and property, plant and equipment (a full valuation of the leasehold improvements and property, plant and equipment was conducted in June 2021).

Note 2.2: Non-financial assets (continued)

Accounting Policy

Asset recognition

Property, plant and equipment costing greater than \$5,000, leasehold improvements costing greater than \$25,000, intangible assets purchased externally costing greater than \$5,000 and intangible assets purchased and modified or developed internally, when costs grouped together, greater than \$20,000 are capitalised. Items costing less than these thresholds are expensed in the year of acquisition.

Leasehold improvements

Leasehold improvements include office furniture and fit-out acquired as part of the lease of office accommodation. The depreciable amount of these assets is progressively allocated over the unexpired period of the lease or the useful lives of the improvements, whichever is the shorter.

Lease Right of Use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by ACIC as separate asset classes to corresponding leasehold improvements and property, plant and equipment assets that are owned outright, but presented in the same column as where the corresponding underlying assets would be presented if they were owned.

ROU assets continue to be measured at cost after initial recognition in the ACIC.

Revaluations

Following initial recognition at cost, property, plant and equipment and leasehold improvements (excluding ROU assets) are carried at fair value. Carrying values of the assets are reviewed every year for market changes and a full independent valuation is performed every third year. Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that is previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class. Upon revaluation, any accumulated depreciation is eliminated against the gross carrying amount of the asset.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using the straight-line method of depreciation. Leasehold improvements are depreciated over the life of the lease term. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are generally based on the following expected useful lives, unless an individual asset is assessed as having a different useful life.

	2023	2022
Leasehold improvements	Lease term	Lease term
Property, plant and equipment	3–10 years	3–10 years
Intangibles – Software purchased	3–5 years	3–5 years
Intangibles – Internally developed/configured	3–10 years	3–10 years
Right of use assets	Lease term	Lease term

Intangibles

Intangible assets comprise internally developed software and externally purchased software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software licences with the renewable term ending beyond 30 June 2023 are treated as prepayments at the time of purchase and expensed over the term of the prepayment.

Impairment

All assets were assessed for impairment at 30 June 2023. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Note 2.3: Payables

	2023	2022
	\$'000	\$'000

Note 2.3A: Suppliers

Trade creditors and accruals	39,003	24,603
Total suppliers	39,003	24,603

Standard settlement terms for suppliers are within 20 days unless contracted otherwise.

Note 2.3B: Other payables

Wages and salaries	2,601	1,866
Superannuation	420	304
Unearned income	1,097	3,282
GST payable	28	17
Other	3,688	2,001
Total other payables	7,834	7,470

Accounting Policy*Financial liabilities*

Supplier and other payables are classified as financial liabilities measured at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Supplier and other payables are derecognised on payment.

Note 2.4: Interest bearing liabilities

	2023	2022
	\$'000	\$'000

Note 2.4A: Leases

Lease liabilities

Buildings	38,656	42,964
Property, plant and equipment	4,342	9,141
Total leases	42,998	52,105

Total cash outflow for leases for the year ended 30 June 2023 was \$13.673m (2022: \$14.912m)

Maturity analysis—contractual undiscounted cash flows

Within 1 year	14,320	12,845
Between 1 to 5 years	25,416	33,865
More than 5 years	4,216	6,321
Total leases	43,952	53,031

The ACIC has floor space in a number of commercial buildings and data centres and motor vehicles under the leasing arrangements. The majority of the leases are on fixed yearly rental charge increments, however some are on variable increments.

Accounting Policy

Since the inception of AASB 16 for all new contracts entered into, the ACIC considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, otherwise incremental borrowing rate provided by the Department of Finance.

Subsequent to initial measurement, the liability will be reduced by the payments made and increased by the interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

Note 2.5: Other provisions

	Provision for restoration obligations	Other provisions ¹	Total
	\$'000	\$'000	\$'000

Note 2.5A: Other provisions

As at 1 July 2022	1,486	80	1,566
Additional provisions made	478	—	478
Amounts reversed	—	(80)	(80)
Amounts used	—	—	—
Unwinding of discount	46	—	46
Total as at 30 June 2023	2,010	—	2,010

1 Following the destruction of bulk equipment, the provision is reversed as used.

3. Funding

Note 3.1: Appropriations

Note 3.1A: Annual appropriations (recoverable GST exclusive)

Annual appropriations for 2023

	Annual appropriation ¹ \$'000	Adjustments to appropriation ² \$'000	Total appropriation \$'000	Appropriation applied in 2023 (current and prior years) \$'000	Variance ³ \$'000
Departmental					
Ordinary annual services	149,860	17,453	167,313	(156,468)	10,845
Capital budget ⁴	2,611	–	2,611	(3,525)	(914)
Equity injections	4,240	–	4,240	(2,856)	1,384
Total departmental	156,711	17,453	174,164	(162,850)	11,315

1 Annual appropriation includes \$3.240m withheld and quarantined under section 51 of the *Public Governance, Performance and Accountability Act 2013*, legally available to ACIC as at 30 June 2023.

2 This includes receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

3 Variance in ordinary annual services of \$10.845m is for the following year spending on several provisions and payables. Variance in equity injections of \$1.384m is held for forward year spending. Over spent on capital budget mostly funded by balance from 2022 financial year.

4 Departmental capital budgets are appropriated through Appropriation Acts (No. 1,3,5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

Annual appropriations for 2022

	Annual appropriation ¹ \$'000	Adjustments to appropriation ² \$'000	Total appropriation \$'000	Appropriation applied in 2022 (current and prior years) \$'000	Variance ³ \$'000
Departmental					
Ordinary annual services	127,474	17,081	144,555	(123,504)	21,051
Capital budget ⁴	2,589	–	2,589	(1,584)	1,005
Equity	6,175	–	6,175	(6,100)	75
Total departmental	136,238	17,081	153,319	(131,188)	22,131

1 Annual appropriation includes \$0.143m withheld and quarantined under section 51 of the *Public Governance, Performance and Accountability Act 2013*, legally available to ACIC as at 30 June 2022.

2 This includes receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

3 Variance in ordinary annual services of \$21.051m includes \$0.143m withheld and quarantined for savings measures and the balance is spent towards capital and operational expenses. Variance in capital budget of \$1.005m and equity \$0.075m are held for forward year spending.

4 Departmental capital budgets are appropriated through Appropriation Acts (No. 1,3,5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

Note 3.1: Appropriations (continued)

	2023	2022
	\$'000	\$'000

Note 3.1B: Unspent annual appropriations (recoverable GST exclusive)

Appropriation Act (No.1) 2022–23 ¹	21,713	—
Supply Act (No. 3) 2022–23 ¹	53,206	—
Appropriation Act (No. 4) 2022–23 ¹	1,459	—
Appropriation Act (No.1) 2021–22 ¹	—	68,371
Appropriation Act (No.2) 2021–22 ¹	—	75
Total departmental	76,378	68,446

1 The Appropriation Act (No.1) balance for 2021–22 and 2022–23 represents unspent appropriation and cash held at bank for the year.

Note 3.1C: Unspent annual appropriation withheld under S51 of the PGPA Act or administrative quarantine

Appropriation Act (No.1) 2022–23 ¹	3,240
Appropriation Act (No.1) 2021–22 ²	143
Appropriation Act (No.1) 2020–21 ²	2,886
Appropriation Act (No.2) 2020–21 ^{1&2}	1,998
Total departmental	8,267

1 Movement of funds between Appropriation Acts or years.

2 Impact of legislation delays.

Note 3.2: Special accounts

	2023	2022
	\$'000	\$'000
Note 3.2A: National Policing Information Systems and Services Special Account (recoverable GST exclusive)¹		
Balance brought forward from previous period	146,320	128,801
Total increases ²	162,711	151,079
Available for payments	309,031	279,880
Total decreases	(166,076)	(133,560)
Total balance carried to the next period	142,955	146,320
Balance represented by:		
Cash held in the Official Public Account ³	142,955	146,320
Total balance carried to the next period	142,955	146,320

1 Legal authority: *Australian Crime Commission Act 2002* section 59C.

The purposes of the National Policing Information Systems and Services Special Account (NPISS Special Account) are defined by section 59E of the *Australian Crime Commission Act 2002* and are:

- paying for scoping, developing, procuring, implementing and operating information technology systems and services in connection with the national policing information functions;
- paying or discharging the costs, expenses and other obligations incurred by the Commonwealth in the performance of the national policing information functions;
- paying any remuneration and allowances payable to any person under this Act in relation to the national policing information functions;
- meeting the expenses of administering the account;
- repaying to a state all or part of an amount received from the state in connection with the performance of national policing information functions, if it is not required for a purpose for which it was paid;
- paying refunds in accordance with section 15A;
- reducing the balance of the account (and therefore the available appropriation for the account) without making a real or notional payment.

The NPISS Special Account was initially established by the *Financial Management and Accountability Determination 2006/07—National Policing Information Systems and Services Special Account Establishment 2006*.

The Account is a special account for the purpose of the *Public Governance Performance and Accountability Act 2013*.

- Represents income primarily from police checking and fingerprint identification services and departmental appropriation for special account expenses.
- This includes late adjustment of \$0.525m for the financial year end 30 June 2023 (2022: \$20.556m). Due to timing, the official public account with Department of Finance reflect this change in the following year.

4. People and relationships

Note 4.1: Employee provisions

	2023	2022
	\$'000	\$'000

Note 4.1A: Employee provisions

Leave	31,466	27,537
Total employee provisions	31,466	27,537

Accounting Policy

Liabilities for 'short-term employee benefits' and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. The liability for long service leave has been determined by reference to Financial Reporting Rule 24 using the shorthand method. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. The ACIC recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the termination.

Superannuation

The ACIC staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap) or other superannuation funds held outside the Australian Government. A small number of staff are members of employee nominated superannuation funds, as allowed under the ACIC's enterprise agreement. The PSSap and other employee nominated superannuation funds are defined contribution schemes. The CSS and PSS are defined benefit schemes for the Australian Government. The liabilities for defined benefit schemes are recognised in the financial statements of the Australian Government and are settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The ACIC makes employer contributions to the employees' defined benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government. The ACIC accounts for the contributions as if they were contributions to defined contribution plans. The liability for superannuation recognised as at 30 June 2023 represents outstanding contributions for the final fortnight of the year.

Note 4.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The ACIC has determined the key management personnel positions to be the Chief Executive Officer, Deputy Chief Executive Officer Intelligence and Deputy Chief Executive Officer Support.

Key management personnel remuneration is reported in the table below:

	2023	2022
	\$	\$
Note 4.2A: Key management personnel remuneration		
Short-term employee benefits	1,270,344	1,181,971
Post-employment benefits	188,661	184,695
Other long-term employee benefits	26,272	28,055
Total key management personnel remuneration expenses¹	1,485,277	1,394,721

The total number of key management personnel (KMP) that are disclosed in the above table is 4 (2022: 3).

The ACIC CEO is also the Director of the Australian Institute of Criminology. The full cost of the CEO's remuneration is disclosed in this note and therefore none in the AIC annual financial statements.

- 1 The above key management personnel remuneration excludes the remuneration and other benefits of the minister. The minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the ACIC.

Note 4.3: Related party disclosure

Related party relationships:

The ACIC is an Australian Government controlled entity. Related parties of the ACIC comprise the ministers responsible for the ACIC, other cabinet ministers, other Australian Government entities, the key management personnel of the ACIC, and parties related to the ACIC's key management personnel.

Transactions with related parties:

Given the breadth of government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions requiring disclosure.

5. Managing uncertainties

Note 5.1: Financial instruments

	2023	2022
	\$'000	\$'000

Note 5.1A: Categories of financial instruments

Financial assets

Financial assets at amortised cost

Cash and cash equivalents	150,749	158,259
Trade and other receivables ¹	18,625	16,782
Total financial assets	169,374	175,041

Financial liabilities

Financial liabilities measured at amortised cost

Trade creditors and accruals	39,003	24,603
Total financial liabilities	39,003	24,603

- 1 Based on the receivable management history and the current debtor management process, the ACIC assessed the expected credit loss for the year ended 30 June 2023 as nil (2022: \$0.011m).

6. Other information**Note 6.1: Current/non-current distinction for assets and liabilities**

	2023	2022
	\$'000	\$'000

Note 6.1A: Details of current/non-current distinction for assets and liabilities**Assets expected to be recovered in:****No more than 12 months**

Cash and cash equivalents	150,749	158,259
Trade and other receivables	90,406	75,975
Prepayments	12,505	7,400
Total no more than 12 months	253,660	241,634

More than 12 months

Buildings	36,097	40,557
Leasehold improvements	8,638	10,248
Property, plant and equipment	22,400	31,846
Intangibles	109,653	79,544
Prepayments	1,584	1,560
Total more than 12 months	178,372	163,755
Total assets	432,032	405,389

Liabilities expected to be settled in:**No more than 12 months**

Suppliers	39,003	24,603
Other payables	7,834	7,470
Leases	13,846	12,595
Employee provisions	11,089	9,522
Other provisions	–	80
Total no more than 12 months	71,772	54,270

More than 12 months

Leases	29,152	39,510
Employee provisions	20,377	18,015
Other provisions	2,010	1,486
Total more than 12 months	51,539	59,011
Total liabilities	123,311	113,281

This note indicates the liquidity position of the ACIC.

7. Explanations of major variances between budget and actual

The following are explanations of events that have impacted on the ACIC's operations and activities for the year. Budget numbers are sourced from the ACIC's *Portfolio Budget Statements (PBS) 2022–23* and are provided in the primary statements. Budgeted numbers are not audited.

Major variances are those deemed relevant or most significant to an analysis of the ACIC's performance by management, not focused merely on numerical differences between the actual and budgeted amounts.

When providing explanations, the ACIC has identified the financial impact in relation to those key aggregates relevant to the ACIC's performance. Users should be aware that there will be consequential impacts on related statements i.e. a variance in the Statement of Comprehensive Income is likely to have consequential impacts in the Statement of Financial Position and the Cash Flow Statement.

Explanation for major variances	Affected line items (and statements)
Employees and Suppliers expenses Resourcing and supply chain constraints during 2022–23 have led to lower levels of expenditure across both employee benefits and supplier expenses.	<i>Expenses: Employee benefits, Suppliers (Statement of Comprehensive Income)</i> <i>Financial assets: Cash and cash equivalents (Statement of Financial Position)</i>
Growing demand for National Police Checking Service The growth rate for National Police Checking Service (NPCS) was higher than the budgeted growth rate, resulting in an increase in NPCS revenue.	<i>Own-source revenue: Revenue from contracts with customers (Statement of Comprehensive Income)</i> <i>Financial assets: Cash and cash equivalents (Statement of Financial Position)</i>
Subsequent government decisions After the publication of the 2022-23 PBS, the government approved a reclassification of departmental expenses to capital expenses. This has resulted in increases in intangible assets and contributed equity, and corresponding decreases in revenue from government and supplier expenses.	<i>Revenue from Government (Statement of Comprehensive Income)</i> <i>Expenses: Suppliers (Statement of Comprehensive Income) Non-financial assets: Intangibles (Statement of Financial Position)</i> <i>Equity: Contributed equity (Statement of Financial Position)</i>
Timing of supplier payments Several large supplier contract expenses were accrued as liabilities at 30 June 2023. The timing of supplier payments including licencing renewals, jurisdiction payments and lease payments impacted the balance of accrued expenses under suppliers payable, with a corresponding increase in appropriations receivable.	<i>Payables: Suppliers (Statement of Financial Position)</i> <i>Trade and other receivables (Statement of Financial Position)</i>





WE ARE **AUDACIOUS** IN
OUR THINKING AND **BOLD**
IN OUR ACTIONS



SECTION

5

APPENDICES AND REFERENCES

INFORMATION REQUIRED BY LEGISLATION AND AIDS TO ACCESS

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Appendix A: List of requirements

As required by section 17AJ(d) of the Public Governance, Performance and Accountability Rule 2014, we have included the following list of requirements as an aid to access.

PGPA Rule reference	Part of report	Description	Requirement
17AD(g) Letter of transmittal			
17AI	iv	A copy of the letter of transmittal signed and dated by the accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h) Aids to access			
17AJ(a)	v	Table of contents (print only).	Mandatory
17AJ(b)	177	Alphabetical index (print only).	Mandatory
17AJ(c)	174–176	Glossary, abbreviations and acronyms.	Mandatory
17AJ(d)	146–151	List of requirements.	Mandatory
17AJ(e)	Inside back cover	Details of contact officer.	Mandatory
17AJ(f)	Inside back cover	Entity's website address.	Mandatory
17AJ(g)	Inside back cover	Electronic address of report.	Mandatory
17AD(a) Review by the accountable authority			
17AD(a)	2–3	A review by the accountable authority of the entity.	Mandatory
17AD(b) Overview of entity			
17AE(1)(a)(i)	4	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	8	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	11	A description of the outcomes and programs administered by the entity.	Mandatory
17AE(1)(a)(iv)	4	A description of the purposes of the entity as included in the corporate plan.	Mandatory
17AE(1)(aa)(i)	7	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	7	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	7	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	Not applicable	An outline of the structure of the portfolio of the entity.	Portfolio departments – Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AE(2)	Not applicable	Where outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c) Report on the performance of the entity			
<i>Annual performance statements</i>			
17AD(c)(i); 16F	18–57	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the PGPA Rule.	Mandatory
17AD(c)(ii) Report on financial performance			
17AF(1)(a)	59–63	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	62	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	Not applicable	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory
17AD(d) Management and accountability			
<i>Corporate governance</i>			
17AG(2)(a)	iv	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	iv	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	iv	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	iv	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	68–82	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	59	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance.	If applicable, Mandatory
<i>Audit Committee</i>			
17AG(2A)(a)	75	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	76	The name of each member of the entity's audit committee.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AG(2A)(c)	76	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	76	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	76	The remuneration of each member of the entity's audit committee.	Mandatory
<i>External scrutiny</i>			
17AG(3)	83–95	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	90–94	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	83–84, 89–90	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	Not applicable	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
<i>Management of human resources</i>			
17AG(4)(a)	95–105	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	156–158	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> ▶ statistics on full-time employees; ▶ statistics on part-time employees; ▶ statistics on gender; ▶ statistics on staff location. 	Mandatory
17AG(4)(b)	158–164	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> ▶ statistics on staffing classification level; ▶ statistics on full-time employees; ▶ statistics on part-time employees; ▶ statistics on gender; ▶ statistics on staff location; ▶ statistics on employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	99–100	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	164	Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	164	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	100	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	100	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AG(4)(d)(ii)	Not applicable	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	Not applicable	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	Not applicable	Information on aggregate amount of performance payments.	If applicable, Mandatory
<i>Assets management</i>			
17AG(5)	106	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, Mandatory
<i>Purchasing</i>			
17AG(6)	107	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
<i>Reportable consultancy contracts</i>			
17AG(7)(a)	108	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	108	A statement that ' <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].</i> '	Mandatory
17AG(7)(c)	109	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were engaged.	Mandatory
17AG(7)(d)	109	A statement that ' <i>Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.</i> '	Mandatory
<i>Reportable non-consultancy contracts</i>			
17AG(7A)(a)	109	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	110	A statement that ' <i>Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.</i> '	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AD(daa)	<i>Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts</i>		
17AGA	108, 110	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
<i>Australian National Audit Office access clauses</i>			
17AG(8)	110	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
<i>Exempt contracts</i>			
17AG(9)	110	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
<i>Small business</i>			
17AG(10)(a)	107	A statement that '[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.'	Mandatory
17AG(10)(b)	107	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	107	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that '[Name of entity] 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.'	If applicable, Mandatory
<i>Financial statements</i>			
17AD(e)	116–142	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
<i>Executive remuneration</i>			
17AD(da)	165–169	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2–3 of the Rule.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AD(f) Other mandatory information			
17AH(1)(a)(i)	Not applicable	If the entity conducted advertising campaigns, a statement that 'During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.'	If applicable, Mandatory
17AH(1)(a)(ii)	110	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	Not applicable	A statement that <i>Information on grants awarded to '[name of entity]' during [reporting period] is available at [address of entity's website].</i>	If applicable, Mandatory
17AH(1)(c)	103	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	90	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	Not applicable	Correction of material errors in previous annual report.	If applicable, Mandatory
17AH(2)	110, 111–112, 152–155, 171	Information required by other legislation.	Mandatory

Information required by other legislation

Legislative reference	Page	Description
<i>Commonwealth Electoral Act 1918</i> , section 311A	110	Expenditure on advertising and market research
<i>Crimes Act 1914</i> , section 15MU	171	Witness identity protection certificates
<i>Environment Protection and Biodiversity Conservation Act 1999</i> , section 516A	111–112	Ecologically sustainable development and greenhouse gas emissions
<i>Work Health and Safety Act 2011</i> , Schedule 2, Part 4	152–155	Work health and safety initiatives and outcomes

Appendix B: Work health and safety

This appendix addresses our annual reporting responsibilities under Schedule 2, Part 4, of the *Work Health and Safety Act 2011*.

Priorities

In 2022–23, we prioritised:

- ▶ improving our existing work health safety (WHS) and wellbeing systems by promoting a shared responsibility for health and safety and actively engaging with business areas and Comcare to proactively address complex hazards
- ▶ promoting early intervention strategies for health case management, leading to improved injury and illness prevention and a reduction in unplanned leave and workers compensation claims
- ▶ providing advice to our workers in relation to COVID-19 in the workplace.

Management arrangements

Our National Work Health Safety Committee is responsible for:

- ▶ supporting the ACIC executive to identify, develop, review and implement measures to protect and actively manage the health and safety of staff
- ▶ promoting and monitoring measures to ensure safe work practices
- ▶ facilitating consultation and communication with staff about WHS and wellbeing matters
- ▶ undertaking functions prescribed in the *Work Health and Safety Act 2011* and associated regulations.

The National Work Health Safety Committee meets quarterly and is the conduit for consultation with staff on all WHS and wellbeing issues.

Staff and managers across the ACIC work collaboratively to manage WHS and wellbeing arrangements for the agency, including undertaking annual risk reviews and due diligence meetings. These activities ensure that:

- ▶ WHS and wellbeing arrangements are being applied and managed consistently
- ▶ hazards specific to business areas are being managed effectively and mitigations are aligned with best practice
- ▶ our officers are meeting their obligations under the *Work Health and Safety Act 2011*.

Initiatives

We have implemented various agency-wide initiatives and programs to demonstrate our commitment and empower staff to take ownership of their own health, safety and wellbeing in the workplace.

Health, safety and wellbeing events

Our WHS and wellbeing calendar of events provides staff with an opportunity to engage with information, resources and activities that:

- ▶ promote a holistic approach to workplace health, safety and wellbeing that includes physical, mental, social, financial and community aspects
- ▶ foster a shared understanding of WHS principles
- ▶ help staff to make positive health and behaviour changes
- ▶ demonstrate our commitment to the health, safety and wellbeing of our staff and their families.

In 2022–23, we:

- ▶ implemented the Wellbeing Support Program Policy
- ▶ conducted the annual influenza vaccination program (508 ACIC employees were vaccinated)
- ▶ commenced the national wellbeing support training program, which provides staff with knowledge and tools to support wellbeing
- ▶ provided information and resources to staff on topical health, safety and wellbeing matters such as COVID-19, mindfulness, and early intervention and support.

Prevention programs

Our prevention programs aim to equip our workers with the knowledge and skills required to identify potential workplace health, safety and wellbeing hazards and implement practical strategies to resolve a hazard prior to an injury or illness occurring.

In 2022–23, our programs provided:

- ▶ regular opportunities for consultation on potential hazards and preventative actions, via workplace inspections, risk-assessing activities and policy consultation
- ▶ access to early intervention support, ergonomic assessments and health and injury advice and support
- ▶ opportunities for workers to proactively engage with health, safety and wellbeing through our calendar of events and initiatives
- ▶ a dedicated employee assistance program, which includes free counselling services to ACIC employees and their immediate family, critical incident support, health and nutrition advice, financial and legal advice, specific manager assistance services (MyCoach People Leaders), and wellbeing training programs.

Drug and alcohol testing

Our drug and alcohol policy seeks to eliminate harm arising from the effects of drugs and alcohol in the workplace and to deter misuse of drugs, alcohol and prescription and non-prescription medication among our workers.

The drug and alcohol testing program was completed for 2022–23, with 166 targeted high-risk and random drug and alcohol tests undertaken throughout the ACIC.

Professional services

In 2022–23, we engaged specialist consultants to assist with:

- ▶ independent medical examinations
- ▶ early intervention assistance for non-compensable matters
- ▶ rehabilitation assistance for compensable cases
- ▶ ergonomic assessments for staff experiencing pain and discomfort, injury, changes in work practices or the installation of new equipment
- ▶ workplace training, information and education sessions.

Outcomes

The ACIC is committed to supporting injured and ill workers to return to work in the safest and most sustainable manner possible, as demonstrated through our rehabilitation management processes and programs for early intervention and wellbeing support.

Workers compensation

An agency's workers compensation premium rates are driven by the agency's performance in managing its workers compensation claims and supporting injured and ill workers to return to work.

The ACIC's workers compensation premium for 2022–23 was 1.06% of payroll (\$1,085,056).

One claim for workers compensation, for a physical injury, was accepted by Comcare in 2022–23. That number was consistent with the numbers of accepted claims in 2020–21 and 2021–22.

Incidents

Sixteen incidents or hazards (excluding notifiable incidents) were reported in 2022–23, as shown in Table B.1.

Table B.1: Injuries, incidents and hazards

Type	Injuries
Biological	4
Body stressing	6
Slips, trips and falls	5
Hazard reports	1
Total	16

Notifiable incidents and investigations

Under section 38 of the *Work Health and Safety Act 2011*, we are required to notify Comcare immediately after becoming aware of any death, serious personal injury or dangerous incident.

In 2022–23, the ACIC was required to notify Comcare of one workplace incident.

Appendix C: Employee statistics

The tables in this appendix provide an overview of ACIC staffing, including details required by section 17AG(4) of the Public Governance, Performance and Accountability Rule 2014.

Table C.1: Ongoing employees by location at 30 June 2023

Location	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	66	1	67	53	8	61	2	0	2	130
QLD	32	0	32	44	6	50	0	0	0	82
SA	15	1	16	12	5	17	1	0	1	34
TAS	0	0	0	2	0	2	0	0	0	2
VIC	59	0	59	47	10	57	1	0	1	117
WA	24	0	24	9	2	11	0	0	0	35
ACT	164	5	169	207	36	243	3	1	4	416
NT	1	0	1	1	0	1	0	0	0	2
ET	0	0	0	0	0	0	0	0	0	0
OS	3	0	3	0	0	0	0	0	0	3
Total	364	7	371	375	67	442	7	1	8	821

ET = External territories, OS = overseas, N/A = not applicable

Note: Staffing numbers include Australian Institute of Criminology (AIC) staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.2: Non-ongoing employees and statutory office holders by location at 30 June 2023

Location	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	1	1	2	1	1	2	0	0	0	4
QLD	1	0	1	2	0	2	0	0	0	3
SA	0	1	1	1	0	1	0	0	0	2
TAS	0	0	0	0	0	0	0	0	0	0
VIC	1	0	1	0	1	1	1	0	1	3
WA	0	0	0	1	0	1	0	0	0	1
ACT	12	6	18	16	3	19	2	1	3	40
NT	0	0	0	0	0	0	0	0	0	0
ET	0	0	0	0	0	0	0	0	0	0
OS	0	0	0	0	0	0	0	0	0	0
Total	15	8	23	21	5	26	3	1	4	53

ET = External territories, OS = overseas, N/A = not applicable

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.3: Ongoing employees by location at 30 June 2022

Location	Male			Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	59	1	60	37	9	46	0	0	0	106
QLD	33	1	34	29	4	33	0	0	0	67
SA	12	1	13	12	6	18	0	0	0	31
TAS	0	0	0	2	0	2	0	0	0	2
VIC	46	0	46	31	7	38	0	0	0	84
WA	26	0	26	3	0	3	0	0	0	29
ACT	168	3	171	181	32	213	0	0	0	384
NT	1	0	1	1	0	1	0	0	0	2
OS	3	0	3	0	0	0	0	0	0	3
Total	348	6	354	296	58	354	0	0	0	708

OS = overseas, N/A = not applicable

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.4: Non-ongoing employees and statutory office holders by location at 30 June 2022

Location	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	6	1	7	5	0	5	0	0	0	12
QLD	2	0	2	2	0	2	0	0	0	4
SA	1	1	2	1	0	1	0	0	0	3
TAS	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	0	1	1	0	0	0	1
WA	0	0	0	0	0	0	0	0	0	0
ACT	13	0	13	9	1	10	0	0	0	23
NT	0	0	0	0	0	0	0	0	0	0
OS	0	0	0	0	0	0	0	0	0	0
Total	22	2	24	17	2	19	0	0	0	43

OS = overseas, N/A = not applicable

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.5: Australian Public Service Act ongoing employees at 30 June 2023

Classification	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	1	0	1	1	0	1	0	0	0	2
SES 2	1	0	1	4	0	4	0	0	0	5
SES 1	10	0	10	3	0	3	0	0	0	13
EL 2	46	0	46	35	3	38	0	0	0	84
EL 1	193	3	196	109	20	129	4	1	5	330
APS 6	48	3	51	77	25	102	0	0	0	153
APS 5	25	0	25	58	9	67	1	0	1	93
APS 4	37	0	37	77	8	85	2	0	2	124
APS 3	3	0	3	11	2	13	0	0	0	16
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	1	1	0	0	0	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total	364	7	371	375	67	442	7	1	8	821

APS = Australian Public Service, EL = Executive Level, SES = Senior Executive Service, N/A = not applicable

Note: These figures represent positions that were substantively filled at 30 June 2023. Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.6: Australian Public Service Act non-ongoing employees at 30 June 2023

Classification	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	2	0	2	0	0	0	0	0	0	2
EL 1	1	0	1	3	0	3	1	0	1	5
APS 6	1	0	1	1	0	1	0	0	0	2
APS 5	5	0	5	7	1	8	0	0	0	13
APS 4	3	0	3	7	2	9	1	0	1	13
APS 3	0	6	6	2	2	4	1	1	2	12
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	12	6	18	20	5	25	3	1	4	47

APS = Australian Public Service, EL = Executive Level, SES = Senior Executive Service, N/A = not applicable

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.7: Australian Public Service Act ongoing employees at 30 June 2022

Classification	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	1	0	1	1	0	1	0	0	0	2
SES 2	2	0	2	2	0	2	0	0	0	4
SES 1	8	0	8	2	0	2	0	0	0	10
EL 2	43	1	44	23	3	26	0	0	0	70
EL 1	192	2	194	78	15	93	0	0	0	287
APS 6	43	1	44	66	18	84	0	0	0	128
APS 5	32	0	32	65	12	77	0	0	0	109
APS 4	24	1	25	43	7	50	0	0	0	75
APS 3	2	0	2	16	3	19	0	0	0	21
APS 2	1	0	1	0	0	0	0	0	0	1
APS 1	0	1	1	0	0	0	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total	348	6	354	296	58	354	0	0	0	708

APS = Australian Public Service, EL = Executive Level, SES = Senior Executive Service, N/A = not applicable

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.8: Australian Public Service Act non-ongoing employees at 30 June 2022

Classification	Man/Male			Woman/Female			Non-binary			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	1	0	1	0	0	0	0	0	0	1
EL 1	3	0	3	5	0	5	0	0	0	8
APS 6	3	0	3	2	0	2	0	0	0	5
APS 5	2	0	2	4	0	4	0	0	0	6
APS 4	9	0	9	4	2	6	0	0	0	15
APS 3	0	0	0	1	0	1	0	0	0	1
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	18	0	18	16	2	18	0	0	0	36

APS = Australian Public Service, EL = Executive Level, SES = Senior Executive Service, N/A = not applicable

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Results are not available in the 'Prefers not to answer' and 'Uses a different term' categories, due to system limitations.

Table C.9: Australian Public Service Act employees by full-time and part-time status at 30 June 2023

Classification	Ongoing			Non-ongoing			Total
	Full time	Part time	Total	Full time	Part time	Total	
SES 3	2	0	2	0	0	0	2
SES 2	5	0	5	0	0	0	5
SES 1	13	0	13	0	0	0	13
EL 2	81	3	84	2	0	2	86
EL 1	306	24	330	5	0	5	335
APS 6	125	28	153	2	0	2	155
APS 5	84	9	93	12	1	13	106
APS 4	116	8	124	11	2	13	137
APS 3	14	2	16	3	9	12	28
APS 2	0	0	0	0	0	0	0
APS 1	0	1	1	0	0	0	1
Other	0	0	0	0	0	0	0
Total	746	75	821	35	12	47	868

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

Note: These figures represent positions that were substantively filled at 30 June 2023. Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Table C.10: Australian Public Service Act employees by full-time and part-time status at 30 June 2022

Classification	Ongoing			Non-ongoing			Total
	Full time	Part time	Total	Full time	Part time	Total	
SES 3	2	0	2	0	0	0	2
SES 2	4	0	4	0	0	0	4
SES 1	10	0	10	0	0	0	10
EL 2	66	4	70	1	0	1	71
EL 1	270	17	287	8	0	8	295
APS 6	109	19	128	5	0	5	133
APS 5	97	12	109	6	0	6	115
APS 4	67	8	75	13	2	15	90
APS 3	18	3	21	1	0	1	22
APS 2	1	0	1	0	0	0	1
APS 1	0	1	1	0	0	0	1
Other	0	0	0	0	0	0	0
Total	644	64	708	34	2	36	744

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

Note: These figures represent positions that were substantively filled at 30 June 2022. Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Table C.11: Australian Public Service Act employees by location 2022–23 and 2021–22

Classification	2022–23			2021–22		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
NSW	130	2	132	106	7	113
QLD	82	2	84	67	4	71
SA	34	1	35	31	2	33
TAS	2	0	2	2	0	2
VIC	117	2	119	84	1	85
WA	35	0	35	29	0	29
ACT	416	40	456	384	22	406
NT	2	0	2	2	0	2
External Territories	0	0	0	0	0	0
Overseas	3	0	3	3	0	3
Total	821	47	868	708	36	744

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Table C.12: Australian Public Service Act Indigenous employees 2022–23 and 2021–22

Employment type	2022–23	2021–22
Ongoing	20	14
Non-ongoing	0	1
Total	20	15

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Table C.13: Australian Public Service Act employment arrangements at 30 June 2023

Arrangement title	SES	Non-SES	Total
Enterprise agreement	0	848	848
Common law contract	20	0	20
Total	20	848	868

SES = Senior Executive Service

Note: Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Table C.14: Australian Public Service Act employment salary ranges by classification 2022–23

Classification	Minimum	Maximum
SES 3	\$327,541	\$389,340
SES 2	\$263,973	\$306,920
SES 1	\$190,124	\$247,736
EL 2	\$136,177	\$153,430
EL 1	\$108,995	\$131,404
APS 6	\$86,452	\$97,832
APS 5	\$79,234	\$84,019
APS 4	\$71,560	\$77,699
APS 3	\$65,103	\$70,266
APS 2	\$56,273	\$62,399
APS 1	\$48,985	\$54,140
Other	N/A	N/A
Minimum/Maximum range	\$48,985	\$389,340

APS = Australian Public Service, EL = Executive Level, N/A = not applicable, SES = Senior Executive Service

Note: Remuneration for SES officers is determined on an individual basis under common law contracts. Staffing numbers include AIC staff. Further staffing details are provided in the AIC annual report.

Appendix D: Executive remuneration disclosures

The tables in this appendix provide information on executive remuneration as required by Subdivision C of Division 3A of Part 2–3 of the Public Governance, Performance and Accountability Rule 2014.

The nature and amount of remuneration for Senior Executive Service (SES) officers are determined through the ACIC Senior Executive Service Remuneration and Benefits Policy. SES salary increases take into account the complexity of the officer's role, their current and previous performance, their contributions 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.

As our Chief Executive Officer (CEO) and ACIC examiners are statutory office holders, the Remuneration Tribunal sets their remuneration and entitlements.

Table D.1: Key management personnel

Name	Position	Term as key management personnel
Michael Phelan	Chief Executive Officer	Part year: 1/7/2022 – 12/11/2022
Matthew Rippon	Acting Chief Executive Officer	Part year: 13/11/2022 – 30/6/2023
Anne Brown	Deputy CEO Support	Full year
Matthew Rippon	Deputy CEO Intelligence	Part year: 1/7/2022 – 13/11/2022
Virginia Hartley	Acting Deputy CEO Intelligence	Part year: 14/11/2022 – 30/6/2023

Table D.2: Summary of remuneration for key management personnel

	2022–23 \$	2021–22 \$
Short-term benefits		
Base salary	1,265,343	1,177,213
Bonuses	–	–
Other benefits and allowances	5,001	4,758
Total short-term benefits	1,270,344	1,181,971
Superannuation	188,661	184,695
Total post-employment benefits	188,661	184,695
Other long-term benefits		
Long service leave	26,272	28,055
Total other long-term benefits	26,272	28,055
Termination benefits	–	–
Total key management personnel remuneration	1,485,277	1,394,721

Note: Final figures have been rounded to the nearest dollar.

Table D.3: Information about remuneration for key management personnel 2022–23

Name	Position title	Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Base salary ^a	Bonuses	Other benefits and allowances		Long service leave ^c			
Michael Phelan	Chief Executive Officer ^d	201,924	0	612	29,115	4,643		0	236,294
Matthew Rippon	Acting Chief Executive Officer ^d	336,985	0	1,054	39,068	5,407		0	382,514
Anne Brown	Deputy CEO Support	341,881	0	1,670	61,391	8,575		0	413,517
Matthew Rippon	Deputy CEO Intelligence	153,375	0	616	21,614	3,168		0	178,773
Virginia Hartley	Acting Deputy CEO Intelligence	231,179	0	1,048	37,473	4,480		0	274,179
Total		1,265,343	0	5,001	188,661	26,272		0	1,485,277

^a Base salary includes salary paid or due to employee for the year; it includes net annual leave (total annual accrual minus leave taken in this financial year) and any applicable acting allowances.

^b Superannuation is subject to Public Sector Superannuation Scheme, Commonwealth Superannuation Scheme and Public Sector Superannuation Accumulation Plan rules. Superannuation contributions are the 2022–23 contributions by the ACIC to the applicable superannuation fund. They do not include employee post-tax contributions or additional lump sum payments.

^c Long service leave is the value of long service accrued during this financial year.

^d CEO salary is subject to a 2023 full-time office holder Remuneration Tribunal determination. The ACIC CEO is also the Director of the Australian Institute of Criminology. The full cost of the ACIC CEO is included above. Note: Includes officers substantively holding or acting for a period exceeding 3 months in a key management personnel position. Final figures have been rounded to the nearest dollar.

Table D.4: Information about remuneration for senior executives 2022–23

Total remuneration bands \$	Number of senior executives	Short-term benefits				Post employment benefits	Other long-term benefits	Termination benefits	Total remuneration
		Average base salary \$	Average bonuses \$	Average other benefits and allowances \$	Average superannuation contributions \$				
0–220,000	8	112,006	0	893	17,092		2,710	0	132,701
220,001–245,000	3	197,677	0	1,551	31,386		4,928	0	235,541
245,001–270,000	4	212,840	0	1,978	29,496		5,601	0	249,914
270,001–295,000	2	234,238	0	1,670	41,563		6,075	0	283,546
295,001–320,000	1	255,765	0	1,652	34,044		5,674	0	297,135
320,001–345,000	2	277,088	0	1,670	40,444		7,136	0	326,338
345,001–370,000	1	257,848	0	58,207	33,133		6,193	0	355,381

a Average total remuneration can fall below the band where some of the senior executives have been part year only. Note: Final figures have been rounded to the nearest dollar.

Table D.5: Information about remuneration for other highly paid staff 2022–23

Total remuneration bands	Number of senior executives	Short term benefits				Post employment benefits	Other long-term benefits	Termination benefits	Total remuneration	
		Average base salary	Average bonuses	Average other benefits and allowances	Average other benefits and allowances				Average total remuneration	Excluding overseas housing allowance
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
245,001–270,000	1	128,931	0	62,660	33,682	17,068	3,285	0	182,967	245,626
270,001–295,000	2	193,226	0	39,312	17,650	23,622	3,561	0	238,060	277,370
295,001–320,000	1	133,264	0	92,060	46,587	25,410	3,285	0	208,547	300,605
495,001–520,000 ^a	3	438,312	0	0	2,372	53,461	10,797	0	504,942	504,942
520,001–545,000 ^a	1	461,411	0	0	2,372	54,393	10,797	0	528,973	528,972

a The staff member is in the highest band related to the judicial profession.
Note: Final figures have been rounded to the nearest dollar.

Appendix E: Commonwealth Child Safe Framework annual statement of compliance

The Australian Criminal Intelligence Commission (ACIC) is committed to protecting children and young people from the risk of harm or abuse. Several elements of our work directly support providing a safe environment for children in Australia.

Police use our child protection services to help identify and manage offenders against children, helping to protect children at risk. This includes the National Child Offender System, the Violent and Sexual Crime Database and the National Domestic Violence Order Scheme.

We also deliver the Working with Children Checks National Reference System. The service supports decisions to approve applicants to work with children, including the national provision of negative notices to relevant stakeholders.

The ACIC's purpose is to protect Australia from serious criminal threats by collecting, assessing and disseminating intelligence and policing information. Our work entails limited direct interaction with children across the scope of our activities and functions. Given the nature of our work, the ACIC assesses the risk to child safety and wellbeing as low.

The ACIC requires all employees to hold a minimum Negative Vetting 1 security clearance. We also conduct an Organisational Suitability Assessment prior to their employment. All employees are subject to an enduring integrity framework.

During 2022–23, we acted to further strengthen our compliance with the Child Safe Framework, including by:

- ▶ conducting an evaluation to ensure that any risks to children are proactively identified and managed
- ▶ developing organisation-wide communications and training to support greater awareness and understanding of our obligations under the framework.

In 2023–24, we will continue to work toward full compliance by:

- ▶ monitoring potential risks to child safety
- ▶ embedding child safety and wellbeing in organisational leadership, governance and culture, including by developing a child safety communication plan
- ▶ integrating oversight of child safety arrangements into the ACIC's compliance framework.

Appendix F: Witness identity protection certificates annual report

This appendix addresses the ACIC's annual reporting responsibilities under section 15MU of Part IACA of the *Crimes Act 1914*.

Pursuant to the requirements of section 15MU(2), the ACIC reports that in 2022–23:

- a. There were 31 witness identity protection certificates given.
- b. Each of the 31 witness identity protection certificates was issued to:
 - i. protect the safety of an operative or other person
and/or
 - ii. prevent the prejudice of any current or future investigations.

No certificates were issued to prevent any current or future activity relating to security.

- c. No operatives were required to provide their true identities to the presiding officer pursuant to section 15ML.
- d. There were no proceedings in which leave or an order was made pursuant to section 15MM for a party to lead or ask questions which may have disclosed an operative's true identity or where the operative lives.
- e. No leave or order was given for joinder of a person as a respondent to proceedings pursuant to section 15MN.
- f. There were no matters in which leave was given for an adjournment pursuant to section 15MP.
- g. There were no witness identity protection certificates cancelled pursuant to section 15MQ.
- h. There were no proceedings in which the chief officer permitted a person to give information that disclosed or may have led to the disclosure of an operative's true identity or where they live pursuant to section 15MR.

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List of abbreviations

ACC Act	<i>Australian Crime Commission Act 2002</i>
ACIC	Australian Criminal Intelligence Commission
ACLEI	Australian Commission for Law Enforcement Integrity
AFP	Australian Federal Police
AIC	Australian Institute of Criminology
Amendment Act	<i>Australian Crime Commission Amendment (Special Operations and Special Investigations) Act 2022</i>
APOT	Australian Priority Organisation Target
APS	Australian Public Service
BCP	business continuity plan
CaLD	culturally and linguistically diverse
CEO	Chief Executive Officer
ECC	Emergency Coordination Centre
EL	Executive Level
GST	goods and services tax
IGC-ACC	Inter-Governmental Committee on the Australian Crime Commission
IGIS	Inspector-General of Intelligence and Security
JPP	Joint Project Proposal
LGBTIQ+	lesbian, gay, bisexual, transgender, intersex, queer/questioning and/or outside the gender binary
NACC	National Anti-Corruption Commission
NAFIS	National Automated Fingerprint Identification System
NCIS	National Criminal Intelligence System
NDIS	National Disability Insurance Scheme
NPCS	National Police Checking Service
NPRS	National Police Reference System
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PII	public interest immunity
PJCLE	Parliamentary Joint Committee on Law Enforcement
RPOT	Regional Priority Organisation Target
SES	Senior Executive Service
SME	small and medium-sized enterprise
WHS	work health and safety

Glossary

Availability (of systems) – The percentage of time systems were available, excluding scheduled outages. We provide our systems nationally to multiple agencies. Many of our systems are integrated or routed via partner agency systems, meaning issues unrelated to our service can also affect availability. As a result, we derive national availability reporting from user notifications of outages across multiple jurisdictions.

Coercive powers – The ACIC has coercive powers similar to those of a royal commission, which may be exercised only by ACIC examiners for special ACIC operations or special ACIC investigations. The powers allow the ACIC to summons a person to give evidence under oath, require the production of documents, require information from Commonwealth agencies (or state agencies, where arrangements are in place), apply for a search warrant or arrest warrant, and require the production of a passport.

Disruption – Interruption of the flow or continuity of the criminal behaviour and/or enterprises of a criminal entity. Disruption may be a direct result of ACIC or joint agency operational activities such as arrests, the seizure of illegal commodities (drugs or firearms), the confiscation of proceeds of crime and/or prosecutions. Disruption may also occur through undermining criminal businesses by exposing their methodologies, releasing intelligence alerts and warnings on their activities, or reducing their ability to operate in the criminal markets of their choice.

Disruption achieved by law enforcement is deemed to be either ‘severe’ or ‘significant’.

- ▶ **Severe disruption** is the dismantling and/or complete disruption of a serious and organised crime entity, with the cessation of its serious and organised crime activities.
- ▶ **Significant disruption** involves significant impacts caused by arrests, seizures (of drugs, cash or assets), tax liabilities raised, and any other disruptive effects on a serious and organised crime entity, without the cessation of its serious and organised crime activities.

Dissemination – Information the ACIC has shared under an information disclosure provision contained in the *Australian Crime Commission Act 2002*.

Estimated street value – The cost to purchase a drug at the end of the supply chain or ‘on the street’, estimated by considering factors such as (though not limited to) drug purity, location of drug seized, wholesale supply and distribution. Data for calculating the estimated street value is provided by operational areas of the ACIC and partner agencies.

Examination – A method of gathering evidence performed by ACIC examiners. Examiners can summons a person, for the purpose of a special ACIC investigation or special ACIC operation, to attend a compulsory examination and answer questions under oath. The person is entitled to legal representation and the examination is held in private. The evidence gained from an examination cannot be used against the person in a criminal proceeding. A person summonsed to an examination cannot disclose that summons to any person other than their legal representative, unless permitted by the examiner.

Examiners – Independent statutory officers, who are experienced legal practitioners, who may exercise the ACIC’s coercive powers for the purposes of a special ACIC operation or a special ACIC investigation.

Intelligence systems – IT-based systems that facilitate dissemination and sharing of criminal intelligence, including databases containing intelligence holdings that can be accessed and analysed by approved users.

Proceeds of crime – The profits of criminal activity. Legislation provides for these proceeds to be controlled, confiscated and potentially forfeited to the Commonwealth to discourage criminal activity and to prevent reinvestment in further criminal activity.

Reliability (of systems) – The average time (in days) between unplanned outages of a system. It is measured by calculating the total number of days for which a system operated during a period, and dividing that total by the number of unplanned outages in that period. A reliability result of 365 days means that the system operated throughout the year with no unplanned outages.

Serious and organised crime – A concept defined in the *Australian Crime Commission Act 2002*, which in general terms means an offence that involves 2 or more offenders, substantial planning and organisation, and the use of sophisticated methods and techniques, that is committed (or is of a kind that is ordinarily committed) in conjunction with other offences of a like kind, and involves specific offences listed in the *Australian Crime Commission Act 2002*, usually punishable by a period of imprisonment of 3 years.

Special ACIC investigations – ACIC investigations designed to disrupt and deter criminal groups by collecting evidence and intelligence about criminal activity. Coercive powers may be used in combination with a range of other investigative tools, including telecommunications intercepts, surveillance and controlled operations.

Special ACIC operations – ACIC operations focused on gathering intelligence around particular criminal activity so that decisions are informed by the true extent, impact and threat of that criminal activity. Coercive powers may be used as well as other investigative tools if appropriate.

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