

Chapter 3

Australian Crime Commission performance measurement

3.1 This chapter considers the ACC's performance against the outcomes found in the Portfolio Budget Statements (PBS) and the ACC's new Key Performance Indicators (KPIs). It examines the measurement tools utilised to inform the KPIs and to track performance over time. The committee notes that 2013-14 marks the first year of the assessment of the ACC's work against the new KPIs.

Portfolio Budget Statements

3.2 The ACC is required, by the Attorney-General Department's PBS, to contribute to outcomes that are intended results, impacts or consequences of actions by the government on the Australian community:

Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs that contribute to government outcomes over the budget and forward years.¹

Outcome 1

3.3 The PBS indicates that the ACC's outcome requires:

Reduced serious and organised crime threats of most harm to Australians and the national interest including through providing the ability to understand, discover and respond to such threats.²

3.4 The PBS notes the ACC's approach to this outcome:

The ACC's strategic approach of discovering new and emerging threats, understanding them more deeply, prioritising against the highest threat and initiating preventative or disruptive responses with its partners, will direct the allocation of resources and ACC capabilities to the serious and organised crime threats of most harm to Australians and the national interest. Core elements of the ACC's strategy include providing national strategic advice on serious and organised crime threats and coordinating and participating in national responses with its partners. A highly developed understanding of the threats posed by serious and organised crime will underpin the ACC's provision of specialised criminal intelligence capabilities and will focus response strategies on targets that pose the highest risk to Australians. The ACC will specifically focus on two core areas—building capability and working with partners—to deliver its outcomes and guide internal strategy development.³

1 Attorney General's Department, *Portfolio Budget Statement 2013-14*, p. 84.

2 Attorney General's Department, *Portfolio Budget Statement 2013-14*, p. 84.

3 Attorney General's Department, *Portfolio Budget Statement 2013-14*, p. 84.

New Key Performance Indicators

3.5 The annual report notes that this is the first year of the ACC reporting against its new KPIs, as part of the ACC's Strategic Plan 2013–18. The annual report states:

[The ACC] expect to further develop our ability to capture and report on our performance in both qualitative and quantitative terms and to build relevant comparisons over the coming years.⁴

3.6 In this regard the committee notes that the performance audit report from the Australian National Audit Office (ANAO) titled *Development and Implementation of Key Performance Indicators to Support the Outcomes and Programs Framework* emphasised the importance of an 'appropriate mix of qualitative and quantitative KPIs including targets against which progress towards program objectives could be assessed'.⁵ The ANAO noted that a tendency to rely on qualitative KPIs reduces the ability of an agency to measure the results of program activities over time. Whereas:

A mix of effectiveness KPIs, that place greater emphasis on quantitative KPIs and targets, would provide a more measurable basis for performance assessment.⁶

3.7 The ANAO argued that because KPIs are statements of the pre-defined and expected impacts of a program, it is important that they are:

- specific—so as to focus on those results that can be attributed to the particular intervention/program;
- measurable—include quantifiable units or targets that can be readily compared over time;
- achievable—realistic when compared with baseline performance and the resources to be made available;
- relevant—embody a direct link between the program's objective and the respective effectiveness KPI; and
- timed—include specific timeframes for completion.⁷

4 ACC, *Annual Report 2013-14*, p. 19.

5 Australian National Audit Office, Audit Report No. 5 2011-12, *Development and Implementation of Key Performance Indicators to Support the Outcomes and Programs Framework*, September 2011, p. 53.

6 Australian National Audit Office, Audit Report No. 5 2011-12, *Development and Implementation of Key Performance Indicators to Support the Outcomes and Programs Framework*, September 2011, p. 53.

7 Australian National Audit Office, Audit Report No. 5 2011-12, *Development and Implementation of Key Performance Indicators to Support the Outcomes and Programs Framework*, September 2011, pp 15–16.

3.8 The committee notes the inclusion of the new key performance indicators in this annual report. The new KPIs for the ACC are as follows:

- the ACC produces useful intelligence that identifies and provides insights on new and emerging serious and organised crime threats;
- the ACC fills intelligence gaps through the identification of vulnerabilities and indicators of serious and organised crime;
- the ACC collects and maintains national intelligence holdings of serious and organised crime threats and targets;
- the ACC interprets and analyses national holdings to create a national serious and organised crime intelligence picture;
- the ACC informs and influences hardening of the environment against serious and organised crime;
- the ACC influences or enables the disruption, disabling or dismantling of serious and organised crime; and
- the ACC participates in or coordinates collaboration in joint investigations and operations to prevent and disrupt serious and organised crime.⁸

3.9 As in previous years, the ACC falls within Program 1.1.1 of the broader Attorney-General's Portfolio Budget Statement 2013-14.⁹ The committee has not reproduced all of the measures within each KPI, but has selected notable highlights that are demonstrative of the ACC's work and effectiveness against each KPI.

3.10 The ACC again managed and conducted its annual stakeholder research for a second time in 2013-14. The annual report notes that the survey results for 2013-14 will provide a baseline for stakeholder satisfaction against the new KPIs that will assist the measurement of their performance in future.¹⁰ The results from aspects of this year's stakeholder survey are included below.

KPI 1 - Producing useful intelligence that identifies and provides insights on serious and organised crime

3.11 The first KPI requires the ACC produce useful intelligence that can identify and provide insight on new and emerging serious and organised crime threats.¹¹ The ACC has contributed towards this KPI through numerous achievements, including:

- producing over 60 intelligence reports; and
- identifying and producing intelligence on money laundering, illicit enterprises, foreign fighters, visa migration fraud and significant crime targets.¹²

8 Attorney-General's Department, *Portfolio Budget Statement 2013-14*, Australian Crime Commission, p. 87.

9 ACC, *Annual Report 2013-14*, p. 18.

10 ACC, *Annual Report 2013-14*, p. 121.

11 ACC, *Annual Report 2013-14*, p. 20.

3.12 The annual report notes that 93 per cent of stakeholders agreed or strongly agreed that the ACC achieved this KPI.¹³

KPI 2 – Fills intelligence gaps through the identification of vulnerabilities and indicators of serious and organised crime

3.13 KPI 2 requires the ACC to fill intelligence gaps through the identification of vulnerabilities and indicators of serious and organised crime.¹⁴ The ACC worked towards this criterion through:

- producing an assessment on 3D printing technology and serious and organised crime, with attention on alternative anonymous currencies; and
- developing insights into criminal methodologies used by high risk crime groups in relation to illegal labour hire.¹⁵

3.14 The annual report notes that 89 per cent of the ACC's stakeholder survey agreed or strongly agreed that the ACC achieved this KPI.¹⁶

KPI 3 – Collects and maintains national holdings of serious and organised crime threats and targets

3.15 KPI 3 requires the ACC to collect and maintain national holdings of serious and organised crime threats and targets.¹⁷ The ACC contributed towards this KPI through:

- maintaining the National Criminal Target List and the Australian Criminal Intelligence Database and conducting 263 coercive examinations;
- maintaining 1.8 million firearm transaction records;
- responding to requests for information from international and domestic partners with 114 disseminations of intelligence; and
- compiling national illicit drug data and provided a shared understanding of serious and organised crime threats.

3.16 The annual report notes that 96 per cent of respondents to the ACC's stakeholder survey agreed or strongly agreed that the ACC met this KPI.¹⁸

12 ACC, *Annual Report 2013-14*, p. 20.

13 ACC, *Annual Report 2013-14*, p. 20.

14 ACC, *Annual Report 2013-14*, p. 20.

15 ACC, *Annual Report 2013-14*, p. 20.

16 ACC, *Annual Report, 2013-14*, p. 21.

17 ACC, *Annual Report 2013-14*, p. 20.

18 ACC, *Annual Report 2013-14*, p. 21.

KPI 4 – Interprets and analyses national holdings to create a national serious and organised crime intelligence picture.

3.17 KPI 4 requires the ACC to interpret and analyse its data to create intelligence products for the wider law enforcement community, including the Organised Crime Risk Assessment and the Illicit Drugs Data Report, both of which are discussed in further detail in Chapter 4. Additionally, the ACC worked towards this KPI through its production of numerous products, including:

- Strategic assessments on illicit tobacco, superannuation fraud, submissions to parliamentary inquiries; cannabis markets;
- Contribution to the review of AML/CTF regime review;
- Development of intelligence pictures on financial crime impacting the Commonwealth (Project Wickenby);
- Identification of money laundering schemes by high risk criminal targets;
- Production of intelligence on the national crystal methylamphetamine and organised crime and sport links; and
- Shared 2164 intelligence products with 254 agencies.¹⁹

3.18 The annual report notes that 91 per cent of the ACC's stakeholders agreed or strongly agreed that the ACC had achieved KPI 4.²⁰

KPI 5 – Informs and influences the hardening of the environment against serious and organised crime

3.19 KPI 5 requires the ACC to inform and influence the hardening of the environment against serious and organised crimes. The ACC contributed towards this KPI in 2013-14 through:

- supporting a stronger alternative money remittance sector and regulatory responses;
- reducing vulnerabilities to organised investment fraud;
- identifying legislative gap in relation to drug analogues;
- engaging with chemical companies to identify potential diversions of chemicals;
- supporting the development of strategies to mitigate serious and organised crime risks to Australia Post; and
- informing policy and program design through the work of the National Indigenous Intelligence Task Force.²¹

3.20 The annual report notes that 83 per cent of stakeholders surveyed agreed or strongly agreed that the ACC had achieved KPI 5.²²

19 ACC, *Annual Report 2013-14*, p. 21.

20 ACC, *Annual Report 2013-14*, p. 21.

21 ACC, *Annual Report 2013-14*, p. 22.

KPI 6 – Influences or enables the disruption, disabling or dismantling of serious and organised crime

3.21 KPI 6 requires the ACC to influence or enable the disruption, disabling or dismantling of serious and organised crime.²³ In 2013-14 the ACC has:

- Disrupted 39 serious and organised criminal groups or networks;
- Seized \$23.03 million in cash, \$386 million estimated street value of illicit drugs and more than \$132 million precursor chemicals;
- Restrained more than \$150 million in assets;
- Assisted in the issuing of \$81.5 million tax assessments and the arrests of 371 people on 617 charges;
- Seized 84 firearms and referred 130 entities to the Criminal Assets Confiscation Taskforce with an estimated value of \$166 million.²⁴

3.22 The annual report notes that 83 per cent of respondents to the ACC's survey agreed or strongly agreed that the ACC had achieved KPI 6.²⁵

KPI 7 – participates in or coordinates collaboration in joint operations and investigations to prevent and disrupt serious and organised crime

3.23 KPI 7 requires the ACC to participate in or coordinate collaboration in joint operations and investigations to prevent and disrupt serious and organised crime.²⁶ The ACC worked towards this KPI through its leadership or participation in:

- Attero Task Force (Rebels outlaw motorcycle gang);
- Australian Gangs Intelligence Coordination Centre/Project Legion;
- Criminal Assets Confiscation Taskforce (proceeds of crime recovery);
- Eligo National Task Force (money laundering);
- Maritime task forces;
- National Indigenous Intelligence Task Force;
- Project Advection (foreign fighters—national);
- Project Alysse (criminal exploitation of Australia post);
- Project Birsham (analytical support for Operation Sovereign Borders);
- Project Chives (organised crime and visa migration fraud);
- Project Conway (high risk crime targets—Qld, NSW);

22 ACC, *Annual Report 2013-14*, p. 22.

23 ACC, *Annual Report 2013-14*, p. 22.

24 ACC, *Annual Report 2013-14*, p. 22.

25 ACC, *Annual Report 2013-14*, p. 22.

26 ACC, *Annual Report 2013-14*, p. 23.

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- Project Cumulus (identity crime and card skimming);
 - Project Latchkey (high risk crime targets—Tas);
 - Project Tallowwood (cyber and new technology crime);
 - Project Tricord (high risk crime targets—WA);
 - Project Wickenby (nationally significant tax fraud);
 - Protect Lightfoot (foreign fighters—Qld); and
 - Task Force Gallilee (investment fraud).²⁷

3.24 The annual report notes that 91 per cent of the ACC's stakeholder respondents agreed or strongly agreed that the ACC had met KPI 7.²⁸

Committee view

3.25 The committee appreciates the ongoing complexity of the new qualitative KPIs that the ACC has developed, and acknowledges that some of the ACC's work remains unquantifiable.

3.26 In its previous report the committee noted that the ACC planned to include information on progress made towards establishing qualitative and quantitative KPIs. The committee is concerned that in 2013-14, no quantitative KPIs have been developed, and notes that the ANAO has highlighted the importance of agencies having an appropriate mix of qualitative and quantitative KPIs.

3.27 The committee notes the high levels of satisfaction expressed in the stakeholder survey. However, the committee is not convinced that the new KPIs provide a more measureable basis for performance assessment, noting that this year was their first full year of use by the ACC.

3.28 As noted last year, the committee expects that the performance results of the ACC will be measureable over time, and encourages the ACC to examine whether the KPIs are instructive, and achieve an appropriate mix between qualitative and quantitative indicators. The committee will continue to examine the performance of the ACC against the new KPIs in the ACC's next annual report.

27 ACC, *Annual Report 2013-14*, p. 23.

28 ACC, *Annual Report 2013-14*, p. 23.