



AFP

AUSTRALIAN FEDERAL POLICE

ANNUAL REPORT
2019–20





AFP

AUSTRALIAN FEDERAL POLICE



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Annual report contact officer	Manager Audit, Statistics and Performance
Contact phone number	(02) 5126 0000
Contact email	AFPannualreport@afp.gov.au
Contact address	Manager Audit, Statistics and Performance Australian Federal Police GPO Box 401, Canberra ACT 2601
Entity website (URL)	www.afp.gov.au for all general information
Freedom of information requests	foi@afp.gov.au
Electronic versions of this and previous annual reports	www.afp.gov.au/annualreport

Details of accountable authority during the reporting period

Name	Position title / position held	Period as the accountable authority or member	
		Date of commencement	Date of cessation
Andrew Colvin	Commissioner	1 July 2019	1 October 2019
Reece P Kershaw	Commissioner	2 October 2019	30 June 2020



16 September 2020

The Hon Peter Dutton MP
Minister for Home Affairs
House of Representatives
Parliament House
Canberra ACT 2600

Dear Minister

I am pleased to submit the Australian Federal Police annual report for the period 1 July 2019 to 30 June 2020. This report includes:

- ▶ the annual report of the Australian Federal Police prepared in accordance with section 67 of the *Australian Federal Police Act 1979* (Cth) and section 46 of the *Public Governance, Performance and Accountability Act 2013* (Cth)
- ▶ the annual report on the National Witness Protection Program pursuant to section 30(2) of the *Witness Protection Act 1994* (Cth)
- ▶ the annual report on unexplained wealth investigations and proceedings pursuant to section 179U(3) of the *Proceeds of Crime Act 2002* (Cth)
- ▶ the annual report on delayed notification search warrants pursuant to Part IAAA Division 6 section 3ZZFB of the *Crimes Act 1914* (Cth).

This report has been prepared in accordance with the relevant acts and the Public Governance, Performance and Accountability Rule 2014. A copy of this report is to be presented to each House of Parliament on or before 31 October 2020.

In accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014, I hereby certify that the Australian Federal Police has prepared fraud risk assessments and fraud control plans and has in place appropriate fraud prevention, detection, investigation and reporting mechanisms. The Australian Federal Police is also taking all reasonable measures to minimise the incidence of fraud in the agency and to investigate and recover any proceeds of fraud against the agency.

Yours sincerely

Reece P Kershaw APM
Commissioner

AFP principal locations

National Headquarters

Edmund Barton Building
47 Kings Avenue
Barton ACT 2600
(02) 5126 0000
Media inquiries: (02) 5126 9297

ACT Policing

Winchester Police Centre
Cnr Benjamin Way and College Street
Belconnen ACT 2617
(02) 6256 7777
Media inquiries: (02) 5126 9070

Adelaide Office (Central Command)

Level 8, 55 Currie Street
Adelaide SA 5000
(02) 5126 9061

Brisbane Office (Northern Command)

45 Commercial Road
Newstead Qld 4006
(02) 5126 9025

Darwin Office (Northern Command)

4 Pedersen Road
Marrara NT 0812
(02) 5126 9038

Hobart Office (Southern Command)

Level 7, 47 Liverpool Street
Hobart Tas. 7000
(02) 5126 9160

Melbourne Office (Southern Command)

383 La Trobe Street
Melbourne Vic. 3000
(02) 5126 9160

Perth Office (Western Command)

619 Murray Street
West Perth WA 6005
(02) 5126 9038

Sydney Office (Eastern Command)

110 Goulburn Street
Sydney NSW 2000
(02) 5126 9080

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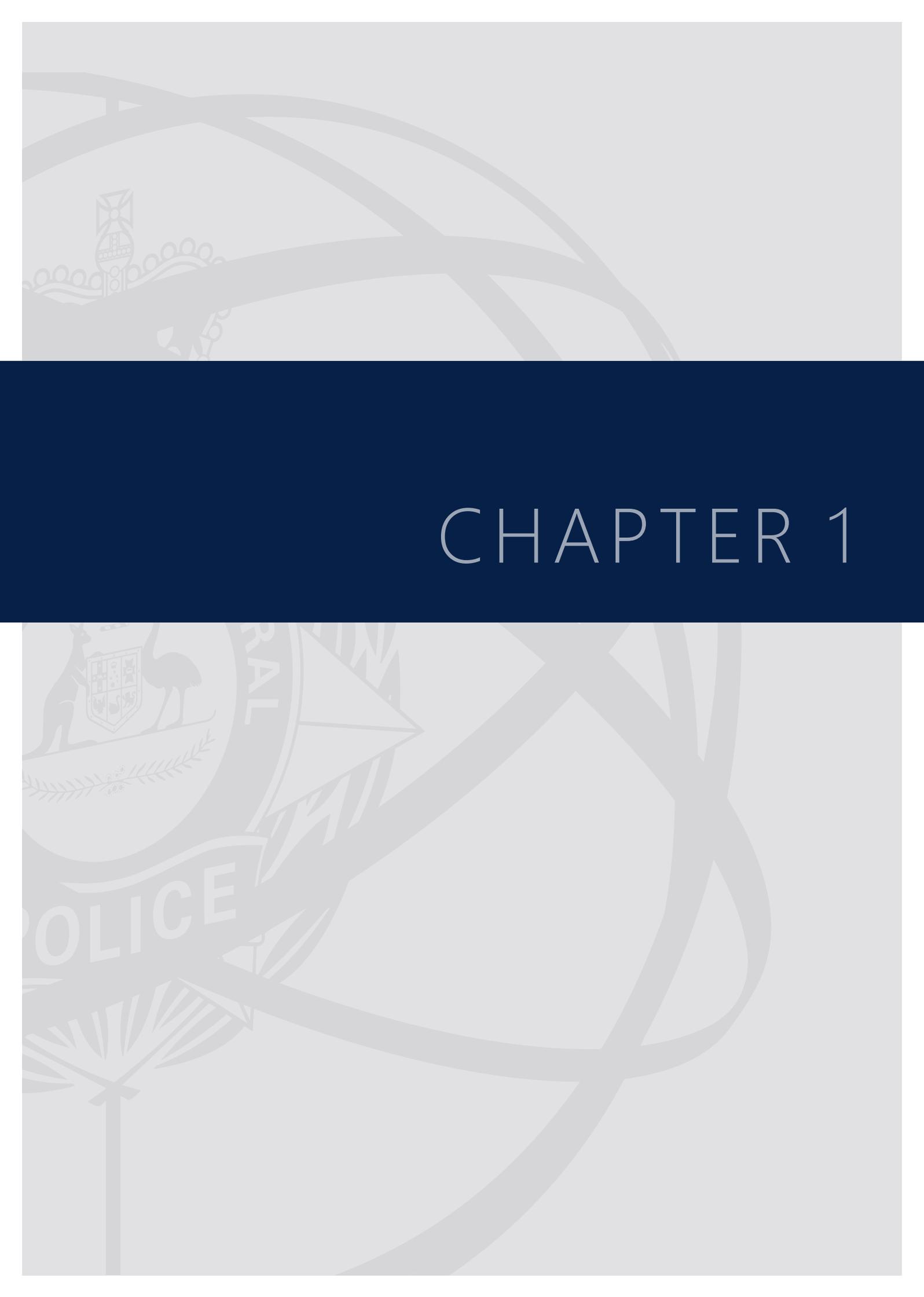
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The background of the page features faint, light-colored graphics. At the top, there is a crown-like emblem. Below it, a large, stylized graphic of a police badge is visible, with the word "POLICE" clearly legible. The badge also contains a coat of arms with a kangaroo and an emu. The entire page is overlaid with a dark blue horizontal band containing the chapter title.

CHAPTER 1

Commissioner's review



In 2019–20, we delivered outstanding operational results in policing for a safer Australia, but we have changed as an organisation. The year brought challenges of every shape and form, from bushfires to the COVID-19 pandemic. We were tested and we demonstrated our resilience, our responsiveness and our agility. I am proud of our operational successes, of our people and of the agency we have become.

In October 2019, we celebrated our 40th anniversary as the Australian Federal Police (AFP), and I look back on our rich history with pride.

I would like to acknowledge the seven previous Commissioners who led the organisation before me and who each contributed to and shaped the journey of the AFP—Sir Colin Woods KCVO CBE QPM, Major General

Ronald Grey AO DSO, Peter McAulay AO QPM, Michael Palmer AO APM, Mick Keelty AO APM, Tony Negus APM and Andrew Colvin APM OAM.

When I commenced as the eighth AFP Commissioner on 2 October 2019, I laid out my 100-day plan of action to shape an organisation fit for purpose into the future. Ultimately, our goal is a disciplined police force delivering maximum impact on the criminal environment. To achieve this, we focused our efforts on three emerging priorities that retain their significance today: supporting the front line; reducing red tape; and enhancing partnerships. We have made significant progress in all three areas.

Supporting the front line: much has been achieved to ensure our people are able to do their jobs effectively and to deliver maximum impact on the criminal environment. The independent Review into the AFP's Response to and Management of Sensitive Investigations was delivered by Mr John Lawler AM APM, and a structure and operating model review was undertaken by Ernst & Young, resulting in the establishment of the Sensitive Investigations Oversight Board and a regional command structure for the organisation.

We have defined our organisational identity across national and international policing and investigations, community policing and specialist protective services. Our investigations focus on combating five serious threats: terrorism and foreign interference; child exploitation; transnational, serious and organised crime; cybercrime; and fraud and corruption. We have had outstanding operational results: in December 2019 the AFP and partners made Australia's largest ever onshore methamphetamine seizure (1.6 tonnes), preventing \$414 million worth of harm to the community (including Operation Circinus, page 69); and in November 2019 the AFP coordinated a global week of action in 16 countries, consisting of 85 search warrants, 13 arrests and the seizure of 434 items as part of a cybercrime operation (Operation Cepheus, page 67). Of particular concern, the past financial year saw an increase of more than 80 per cent in the number of charges and individuals charged by the AFP

with child exploitation offences. This damning statistic is apart from the AFP's efforts in leading the Australian Centre to Counter Child Exploitation and supporting our international partners, including our support to the Philippine Internet Crimes Against Children Center, which has arrested 53 suspects and rescued 194 child victims since February 2019 (page 56).

These successes are the result of our partnerships and, most importantly, our people. We are supporting our people throughout their careers and into their retirement. We have become the first Australian policing jurisdiction to establish a Reserve Force and have commenced work to establish an AFP Former and Retired Members' Network.

Reducing red tape: we are streamlining our administrative processes so we can keep our focus on operational priorities. The new Strategy and Performance Board monitors agency performance and enhances oversight of AFP governance arrangements, resulting in better decision-making.

Enhancing partnerships: we have strengthened relationships with state and territory partners through establishing the National Operations and State Services Centre, a centrepiece for intelligence collection and dissemination. We have seen how successful partnerships can be in disrupting crime as well as how important they are in times of need. The AFP successfully facilitated the delivery of more than 1.9 million surgical face masks into Australia to help protect police workforces against COVID-19, assisted key partner agencies to evacuate Australians from Wuhan, China (Operation Burdei), and deployed personnel around the country in response to the pandemic (Operation Protect, page 62).

We have continued our important offshore police-to-police relationships, where close cooperation continues to deliver operational outcomes, as well as supporting Australia's broader diplomatic efforts. In December 2019 an AFP team deployed to New Zealand to assist with disaster victim identification and family investigative liaison officer efforts following the White Island volcano disaster. Every dollar the AFP invests in its international operations offshore has returned \$46 in value—in reduced costs to policing back in Australia and reduced harm to the Australian community.

I am very proud of the organisation we have become. We have shown our resilience and responsiveness, and our operational results speak for themselves. But we have more work to do, and we will continue to evolve. I look forward to leading the AFP through 2020 and beyond, embedding our new identity and keeping Australia and Australians safe, with the confidence of the community and our partners. We are proactively positioning ourselves to outsmart serious crime, and striving to always be one step ahead.

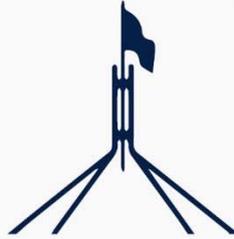


Reece P Kershaw APM
Commissioner
16 September 2020

Snapshot of achievements

PREVENTION

Provided full-time close protection for **six high office holders** and ensured the safety of more than **30 significant visits by foreign dignitaries**



Protected **29** critical Commonwealth establishments

Assessed **18,847** movements by persons protected by the AFP for risk



Safeguarded **9 major airports**, with airport patrol officers responding to **29,969** incidents



Delivered the ThinkUKnow online safety program on 1,876 occasions to **165,000** participants with the support of partners

DISRUPTION



18.6 tonnes of illicit drugs and precursors seized at the border or domestically

\$6 billion of avoided harm from illicit drugs and precursors seized in 2019–20



\$166 million benefit to the economy from successful financial investigations

294 disruptions recorded across **22** countries, including Australia

2019–20

RESPONSE AND ENFORCEMENT

Arrested **505** people for Commonwealth crimes



Charged **14** people as a result of terrorism investigations by the AFP and its domestic partners



140 people charged as a result of child protection investigations

Public health response to COVID-19 support

71,188 passengers escorted through quarantine

A daily average of **174** AFP staff* deployed to states and territories



Facilitated entry of **1.9 million** surgical face masks for provision to Australian police

INTERNATIONAL COLLABORATION

AFP staff in **33** countries



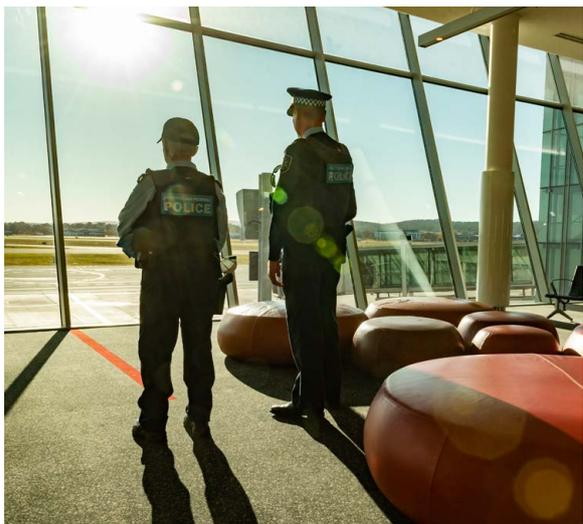
\$6 billion of harm avoided through international drug seizures

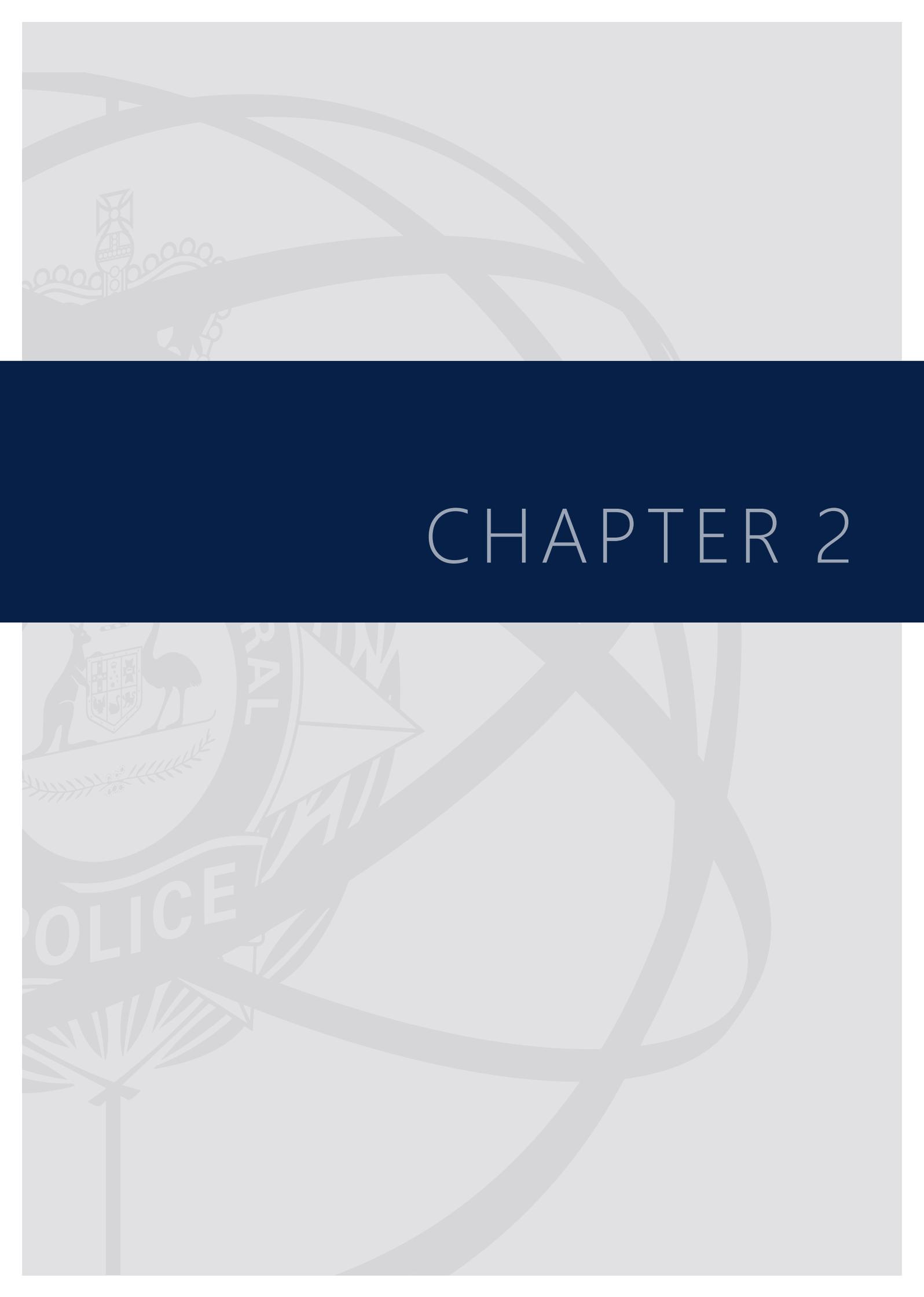


23 tonnes of illicit drugs seized by overseas police services with AFP assistance

Pacific Police Development Program delivered in **14 countries**

* in March – June 2020





CHAPTER 2



Overview of the AFP

The AFP's role and purpose

As Australia's national policing agency, the AFP is a key member of the Australian law enforcement and national security community, leading efforts to keep Australians and Australian interests safe both at home and overseas.

The AFP's vision—policing for a safer Australia—reflects its core functions as legislated in section 8 of the *Australian Federal Police Act 1979* (Cth) (AFP Act) and is informed by associated Ministerial Directions issued under section 37(2) of the AFP Act.

Figure 2.1 The AFP’s core functions



Figure 2.2 Links between the AFP’s Portfolio Budget Statements, outcomes and programs



Outcome 1

Outcome 1 captures the AFP’s national and international policing activity and provision of specialist protective services. This activity draws on a wide range of AFP capabilities, including operational, support and strategic assets. These capabilities address threats that can originate domestically or internationally and can emerge quickly in response to developments in areas such as technology.

Operational activity under Outcome 1 involves:

- a local, national and international presence
- close and effective engagement with our partners, with the AFP being Australia’s lead agency for international law enforcement collaboration
- a range of proactive and reactive approaches including deterrence, prevention, disruption, investigation and intelligence gathering
- a flexible capability base that can support a broad range of work and is responsive to routine business, critical incidents and new crime types
- the provision of specialist protective services for Commonwealth interests.

Outcome 1 involves two programs:

Program 1.1: Federal Policing and National Security

Program 1.1 reduces criminal and national security threats by promoting the safety and security of Australian communities and infrastructure; preventing, deterring, disrupting and investigating serious and organised crime and crimes of Commonwealth significance; and ensuring effective collaboration with international, Commonwealth, state and territory partners.

Program 1.2: International Police Assistance

Program 1.2 reduces criminal and national security threats through delivery of collaborative law and order police development missions, participation in internationally mandated peace operations and provision of civil policing assistance in accordance with Australian foreign development policy priorities.

Outcome 2

Outcome 2 reflects the AFP's community policing capability delivered to the ACT through ACT Policing. ACT Policing delivers a policing service in accordance with the Policing Arrangement between the Commonwealth and ACT governments to provide a safe and secure environment.

ACT Policing's performance is assessed against the Commonwealth framework under the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act) and the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule), in Chapter 3 of this report. ACT Policing is also subject to the ACT performance framework, under the 2017–2021 Purchase Agreement (available at <https://police.act.gov.au/about-us/government-directions>).

Strategic initiatives

In 2019–20, the AFP continued to progress three enterprise-wide strategic initiatives, consistent with the *AFP Corporate Plan 2019–20*:

- achieving maximum operational impact
- promoting cultural and organisational health
- delivering a capable and future ready AFP.

Activities to enhance strategic capabilities

In 2019–20 the AFP continued to invest in our capability framework and strategic capabilities. Table 2.1 shows the strategic initiatives and related activities we progressed to optimise the AFP's ability to address known challenges and threats as well as those not yet realised.

Table 2.1 Strategic initiatives and related activities, 2019–20

Maximum operational impact	
Activity	Progress
Finalise and implement the Crime Threat Strategies	<ul style="list-style-type: none"> ● Used the Crime Threat Strategies to inform individual capability plan pilots ● Informed the AFP’s priority focus on combating serious threats arising from: <ul style="list-style-type: none"> – terrorism and foreign interference – child exploitation – transnational, serious and organised crime – cybercrime – fraud and corruption
Continue to develop a strengthened prioritisation model	<ul style="list-style-type: none"> ● Following development of the model, commenced a trial in Southern Command ● Testing will continue into 2020–21 before the model is implemented agency wide
Cultural and organisational health	
Activity	Progress
Implement the action plan from the 2018–2023 AFP Health and Wellbeing Strategy	<ul style="list-style-type: none"> ● Continued to implement the outcomes of the Health and Wellbeing Strategy, with a particular focus on creating an education framework to combat stigma and equip employees to understand health, as well as developing policies, processes, partnerships and technology ● Introduced a Health Toolkit for leaders to provide educational resources that will assist in managing the health of staff across the agency ● Created a Health Risk Profile tool that informs the organisation about health risk across the organisation ● Introduced a telehealth framework that enables the exchange of health information and the provision of healthcare services across geographic, time, social and cultural barriers

Capable and future ready AFP	
Activity	Progress
Finalise and launch the AFP Performance Management Strategy 2019–2024	<ul style="list-style-type: none"> Developed and delivered workshops to 250 AFP supervisors that help to create a working environment that enhances effective performance management Reviewed guiding policies to support the building of a high-performance culture
Implement the AFP Capability Strategy	<ul style="list-style-type: none"> Established the Capability Board to ensure current and future capability requirements are met to achieve operational effect Used the capability approach to identify and prioritise gaps, informing the 2020–21 Strategic Investment Plan Used the capability approach in frontline, operational and enterprise areas to design and improve how we deliver business
Develop an operating model that addresses emerging threats, manages risk and aligns with the internal and external environment	<ul style="list-style-type: none"> Progressed implementation of an organisational restructure based on a regional model Initiated Taskforce Horizon to allocate resources where they are needed the most, with frontline investigative capacity boosted in targeted regional commands
Develop an AFP Domestic Property Strategy	<ul style="list-style-type: none"> Progressed work within the Department of Finance's strategic property framework to develop a Strategic Property Plan that positions the organisation to be future ready, with links to the Strategic Workforce Plan and the Capability Strategy Developed an AFP entity plan that provides a view of future property portfolio optimisation, considering current and future performance and targets, operational outcomes, strategy and risks Prepared a forward-leaning design brief, which provides a future design basis for a workplace that supports and enhances the required operational outcomes and workplace culture Conducted a regional office accommodation review that established an understanding of current and future site locations, composition and operational business design

Organisational structure

At its broadest level the AFP is organised into six key areas of responsibility:

- Investigations
- Operations
- Specialist and Support Operations
- Office of the Commissioner
- Chief Operating Officer
- Chief Police Officer for the ACT.

Collectively these areas drive strategic initiatives and activities as described in the *AFP Corporate Plan 2019–20*. The organisational structure has been developed with a focus on addressing priorities, improving knowledge flow and supporting capability development hubs to create maximum impact on the criminal environment.

Figure 2.3 AFP organisational structure as at 30 June 2020

COMMISSIONER Reece P Kershaw					
Deputy Commissioner Investigations Ian McCartney	Deputy Commissioner Operations Brett Pointing	Deputy Commissioner Specialist and Support Operations Karl Kent	Office of the Commissioner	Chief Operating Officer Darren Box (Acting)	Chief Police Officer for the ACT Neil Gaughan
Assistant Commissioner International Command Bruce Hill	Assistant Commissioner Protection Command Fiona Drennan	Assistant Commissioner National Support Command Deborah Platz	National Manager Strategy and Performance Michael Nelson Willis	Assistant Commissioner People and Wellbeing David McLean	
Assistant Commissioner Crime Command Peter Crozier	Assistant Commissioner Northern Command Lesa Gale	National Manager Operational Technology and Innovation Vacant	Chief of Staff Assistant Commissioner Nigel Ryan	Chief Financial Officer Tarnya Gersbach (Acting)	
Assistant Commissioner Counter Terrorism and Special Investigations Command Scott Lee	Assistant Commissioner Eastern Command Justine Gough	National Manager Intelligence and Forensic Operations Dr Simon Walsh	National Manager Criminal Assets Confiscation Stefan Jerga (Acting)	Chief Counsel Samantha Nichol	
Executive Secretary Asia Pacific Group Gordon Hook	Assistant Commissioner Southern Command Bruce Giles	Chief Learning Officer Warwick Jones		Assistant Commissioner AFP Reserve Force Wayne Buchhorn	
	Assistant Commissioner Western Central Command Christopher Craner	Executive Director Australian Institute of Police Management Stuart Bartels (Acting)			

Legend:

Senior Executive Service Band 3	Senior Executive Service Band 2
---------------------------------	---------------------------------

Investigations

The Deputy Commissioner Investigations (DCI) oversees and provides strategic direction for criminal investigations, which includes counter terrorism, countering foreign interference and sensitive investigations. The DCI also oversees the International Network.

Snapshot of achievements

The DCI's portfolio contributes to operational performance criteria— refer to Chapter 3, 'Annual performance statement' for more details.

Performance highlights

INTERPOL

Australia's INTERPOL National Central Bureau (NCB), based in Canberra, facilitates and supports Australian law enforcement enquiries to 193 other INTERPOL member countries, and foreign partner enquiries to Australia. Enquiries cover all crime types and a range of operational requirements. Priority is given to life-threatening and community safety matters. In 2019–20, INTERPOL NCB Canberra actioned over 500 threat-to-life and next-of-kin notifications.

Of all the Australian requests sent overseas, approximately 65 per cent were for state and territory police in relation to intelligence, investigative, identification, court and other operational matters. The remaining enquiries were made internationally for more than 22 AFP teams and at least 20 other Commonwealth and local agencies. The top five crime types for enquiries were fraud, drugs, assaults, sexual offences and homicides. These requests are often complex and require careful law enforcement consideration of cultural and legal differences and impacts (such as the death penalty), compliance with jurisdictional legislation and INTERPOL rules, analysis of multiple databases, and ongoing interaction with domestic and foreign partners.

NCB Canberra is also the EUROPOL National Contact Point for Australia. It manages intelligence enquiries for Australia's state and territory police and Home Affairs portfolio agencies to and from EUROPOL and member countries across a range of priority crime types.

The AFP maintains officers seconded to INTERPOL and EUROPOL headquarters to support and progress international collaboration and operational effectiveness.

AFP Sensitive Investigations Oversight Board

On 21 October 2019, Commissioner Kershaw announced the engagement of Mr John Lawler AM APM to conduct a review, under four terms of reference, of AFP management of sensitive investigations, to ensure efficient and effective handling of those investigations by the AFP.

On 14 February 2020, the report of the Review into the AFP's Response to and Management of Sensitive Investigations (Lawler Review) was publicly released. It set out 24 options designed to enhance the way the AFP receives, identifies and manages sensitive investigations. The Commissioner agreed in principle to implement all of these options.

As a result of the Lawler Review, the AFP has adopted a new definition of sensitive investigation. This allows the AFP to escalate investigations identified as requiring additional supervisory and senior executive oversight and decision-making. Another new measure implemented in response to the review is the establishment of the Sensitive Investigations Oversight Board (SIOB), chaired by the Deputy Commissioner Investigations. The SIOB oversees the most sensitive investigations, which are deemed to require additional oversight.

As part of its commitment to continually improving how it communicates with stakeholders, the AFP is ceasing to use certain investigative terminology that creates ambiguity. The term 'referral' has been replaced with 'report' and 'request'. The words 'evaluation' and 'assessment' will cease to be used. The AFP is also focusing on considerations of harm, impact, efficiency and opportunity when prioritising investigative activity.

Counter Foreign Interference Taskforce

The AFP has made significant progress since the commencement of the initial funding and the establishment of the Office of the National Foreign Interference Coordinator. This includes the establishment of both capability and capacity in response to espionage and foreign interference legislation and in accordance with the government's strategic intent of target hardening the Australian environment to hostile foreign actors.

The AFP has established dedicated teams in Canberra, Eastern and Southern Commands to give full effect to the espionage and foreign interference legislation and in support of the whole-of-government intent.

High-risk terrorist offenders

Operational demands on the AFP and its partners have increased due to the requirement to manage and monitor the reintegration of convicted high-risk terrorist offenders into the community upon their release from prison.

Over a four-month period in 2020, five men were released from custody following their imprisonment for foreign incursions offences. In the lead-up to completing their head sentences, the threat posed by each individual was assessed by the AFP and its law enforcement and intelligence partners, and appropriate risk mitigation strategies were developed. This included the AFP and state and territory

agencies contributing to Continuing Detention Order considerations by the Department of Home Affairs, as well as concurrent efforts to develop Control Orders for each person. This required ongoing complex planning involving multiple jurisdictions, further compounded by the relocation of one man to a third jurisdiction several days after his release.

The Federal Court granted interim or confirmed Control Orders for each of the five men. The AFP engages with its state and territory partners to monitor compliance with Control Orders, including by executing monitoring warrants and enforcement aspects of the orders, as the risk to the community posed by released offenders is a shared responsibility for all entities that maintain community safety.

Operation Silves: brothers sentenced to 36 and 40 years imprisonment

In July 2017, the AFP led a multi-agency counter terrorism investigation in Sydney relating to an alleged attempted attack involving a plot to conceal an explosive device on an Australian commercial aircraft.

The successful operation was a New South Wales Joint Counter Terrorism Team investigation, which consists of the AFP, the NSW Police Force, the Australian Security Intelligence Organisation and the New South Wales Crime Commission. The operation involved the Australian Border Force and foreign law enforcement partners as well as sworn officers and professional staff members from across the AFP.

Two brothers were charged with serious offences that carry a maximum penalty of life imprisonment. In December 2019, the two brothers were sentenced to 36 years and 40 years imprisonment for conspiracy to commit other acts done in preparation for, or planning, terrorist acts.

Operations

The Deputy Commissioner Operations (DCO) oversees the AFP's regional commands, which provide frontline resources in each capital city of Australia and work closely with our state and territory counterparts and capability development hubs. The regional commands are structured in four groups: Eastern Command, Southern Command, Western Central Command and Northern Command. The DCO is also responsible for the AFP's specialist protective services for Commonwealth infrastructure, designated high office holders, dignitaries and witnesses.

Snapshot of achievements

The DCO's portfolio contributes to operational performance criteria—refer to Chapter 3, 'Annual performance statement' for more details.

Performance highlights

Aviation security enhancement program rolls out the Protection Operations Response Teams

The AFP's \$107 million Aviation Security Enhancement Program (ASEP) is building 17 Protection Operations Response Teams (PORTs) over a four-year implementation period from 1 July 2018 to 1 July 2022. These teams will be based at Australia's nine designated airports. They are supported by enhancements to aviation-focused intelligence, forensics and training capabilities, and additional police to supplement the counter-terrorist first response capability already provided by the AFP. To date, there are PORTs active in the Sydney, Melbourne, Brisbane, Gold Coast, Canberra and Perth Airports as part of the ASEP.

The role of the PORTs is to detect, deter and, in the worst case, minimise the impact of a terrorist incident at one of Australia's nine designated airports. PORT members are trained in the use and carriage of short-barrel rifles (SBRs), behavioural assessment, hostile reconnaissance detection and incident management. The teams include rapid appraisal officers and canine handlers with firearm and explosives detection dogs, and together they provide a highly visible deterrent for those intent on committing acts of terrorism or criminality.

As part of the PORT capability, the Protection Operations SBR Project and associated working group were launched in December 2019. The working group coordinates the SBR capability across AFP Aviation, Protection, and Close Personal Protection (CPP) and is responsible for delivering SBR-related training, governance, procurements, logistics and infrastructure upgrades, operational support, stakeholder communications, and research and development. Over the last six months, the working group has achieved significant results, including:

- training 67 members across the AFP
- helping to maintain the SBR capability at Parliament House
- delivering armoury upgrades across Aviation and Protection and identifying alternative ballistic options designed specifically for SBR operators.

The combination of equipment, training and recruitment activities provides the AFP with both new and enhanced capability that keeps the travelling public and PORT members safe. In the event of a critical situation, teams have a use of force option that can be deployed effectively from a distance.

The capability augments the existing airport uniformed police with teams working together to protect Australian airports.

Operation Regatta

Operation Regatta, led by the AFP's Brisbane Fraud and Anti-Corruption team, has charged a man with foreign bribery conspiracy offences after a detailed five-year investigation that revealed the alleged bribery of public officials in Nauru.

The operation centred on claims that the Australian director of the Radiance International group of companies was using an international network of contacts to bribe foreign public officials in Nauru. The bribes were allegedly paid to obtain access to the island nation's limited phosphate resources and export phosphate internationally for profitable margins.

In February 2020, the man pleaded guilty to two offences of causing bribes, totalling AU\$129,500. He will be sentenced on 30 July 2020. The maximum penalty for each of the offences is 10 years' imprisonment and/or a fine of 10,000 penalty units, equivalent to AU\$1.8 million at the time of the offences.

Operation Bowmore Aqua

Western Central Command has a strong focus on innovative disruption techniques combating emerging fraud relating to COVID-19 stimulus response packages. Recent Taskforce Iris investigations into superannuation fraud have uncovered ongoing criminal activity by syndicates both domestically and offshore.

Operation Bowmore Aqua is a Taskforce Iris investigation into organised cyber-enabled crime associated with the federal government's COVID-19 early release of superannuation economic stimulus measure. While the matter is still under investigation, 107 victims have been identified and the value of the fraud is estimated to exceed \$1 million. The AFP has undertaken proceeds of crime recovery action, restraining 166 false name bank accounts with funds totalling \$226,044. A further 98 bank accounts have been identified as being held in false names or otherwise linked to the offending.

ThinkUKnow 2020 program and protecting children through COVID-19

The AFP's ThinkUKnow education program aims to reduce the impact and incidence of online child sexual exploitation in Australia. The annual program update of ThinkUKnow was launched in February 2020, coinciding with the release of Australia-first research from the Australian Centre to Counter Child Exploitation (ACCCE) on community awareness of online child sexual exploitation. The research found that only 21 per cent of parents and carers think there is a likelihood that online sexual exploitation can happen to their child. The research also showed that the issue of online child sexual exploitation remains stigmatised, with 21 per cent of parents and carers feeling that is too repulsive or sickening to think about.

In response to the research findings, the targeted ThinkUKnow education program was redeveloped for parents, carers, teachers and students. The launch of the updated program also marked the beginning of the ThinkUKnow national training rollout, when members began to deliver training nationally to more than 400 law enforcement and industry presenters. The rollout, an essential part of the program, is providing volunteers and presenters with the updated ThinkUKnow presentation package, which draws on ACCCE research and reporting.

The COVID-19 pandemic resulted in the rollout being paused in March 2020. In response to this, the AFP launched new at-home learning activity packs for parents and carers to address the challenges associated with children spending an increasing amount of time online. Supported by real case studies from the ACCCE Child Protection Triage Unit, the age-appropriate activities addressed online supervision, personal information and inappropriate contact, safer gaming, smart usernames, and safer online interactions.

The activity packs are part of a range of measures developed by the AFP and ACCCE to address increasing risk factors for online child sexual exploitation during Australia's response to COVID-19. Other measures include:

- reaching parents, carers and teachers through targeted ThinkUKnow digital education
- sharing and supporting key partner agencies' social media content and messaging
- engaging with ACCCE operations and intelligence to identify and respond to current trends
- a seven-day online safety challenge launched on 27 April 2020 by the Minister for Home Affairs, the Hon Peter Dutton MP, across various social media platforms. Social media content promoting the challenge was viewed more than 2.3 million times during the seven-day period and had a combined engagement of more than 130,000 comments, reactions and shares.



Part of the home learning activity pack

Specialist and Support Operations

The Deputy Commissioner Specialist and Support Operations oversees the close operational support provided to frontline police. This includes training and development, intelligence services, forensics, and technical and technological capabilities.

Snapshot of achievements

- Counter-drone technology was deployed at nine major events, with three disruptions and six referrals to the Civil Aviation Safety Authority for further investigation
- Detection dog assistance provided to AFP investigations enabled the seizure of AU\$2.39 million in currency, 24.8 kilograms of drugs, and 19 stashes of explosives, firearms and ammunition
- The AFP mobile application Mobile Responder has reduced demand on AFP radio networks by almost 1.9 million transmissions.

Performance highlights

Police Improvement Initiative

The Police Improvement Initiative (PII) was established as a key part of achieving the Commissioner's priority to reduce red tape in order to deliver maximum operational impact to the criminal environment. In February and March 2020, AFP members attended workshops held across the commands in Australia, where they identified and discussed opportunities to improve the AFP and its processes. These members represented police, protective service officers and unsworn staff from a variety of ranks in the organisation, in order to accurately capture the issues that people face in their day-to-day work.

Key themes that emerged from the workshops and subsequently became PII focus areas were:

- streamlining and simplifying delegations, authorisations and processes
- digitisation and automation of processes
- improving access to services and information via the official AFP iPhone.

Since the PII began, 61 initiatives have been actioned. Of these, as at 30 June 2020, 47 per cent were complete, 44 per cent were in progress and 9 per cent were under assessment. Quick wins have been delivered, directly reducing the time employees spend on administrative tasks and allowing them to focus on operational priorities.

PROMIS Mobile supporting frontline policing

Built by the AFP for the AFP, PROMIS Mobile is now in its third year of operation and has seen continued growth in both users and usage. An application of the AFP's Police Real-time On-line Management Information System, PROMIS Mobile gives operational members self-service capability in the field. The AFP is now using PROMIS Mobile to conduct more than 18,000 person, vehicle and location checks in the field monthly, with 10 per cent average monthly growth in usage. In an operational capacity, this allows officers to conduct immediate checks, enabling queries and cases to be solved more efficiently. Officers are conducting searches in the field rather than having to return to the station to conduct them, which means they are equipped with the most up-to-date information and warnings about people, vehicles and locations. Real-time information searches improve officer safety in the field and free up airtime on the secure radio networks for priority 1 urgent communications. As a result, more officers can be on the road, policing for a safer community.

In 2019–20 the AFP made a number of significant upgrades to PROMIS Mobile. These include enabling users to view documents, border alerts and new notification feeds. The upgrades further support frontline officers by increasing their situational awareness and access to information when responding to an incident.

Operation Natone: support for New Zealand following the White Island volcano disaster

On 9 December 2019, 47 people, including 24 Australian citizens and four permanent residents, were on White Island, New Zealand, when a volcanic eruption occurred. In support of the Australian Government's offer of assistance, a team of six AFP members, an NSW Police Force member and a Queensland Police Service member deployed to New Zealand to assist with disaster victim identification and family investigative liaison officer efforts.

The forward-deployed members were supported by dozens of staff in an incident coordination centre for Operation Natone, Australia's support to New Zealand Police in response to the White Island eruption.

The AFP's specialist contribution supported the government's objective to identify all recovered deceased Australian victims. The team worked closely with all partner agencies, including via the Australia New Zealand Policing Advisory Agency's Disaster Victim Identification Committee. This committee played a critical role in drawing together law enforcement partners and state coroners to achieve the outcomes of the operation.

Deployed members worked closely with New Zealand Police to support the collection of ante-mortem material from Australian families. These samples were sent to the AFP's Majura forensics facility in Canberra, where the Forensics Operations Centre coordinated and prioritised analysis.

Despite the conditions and volatile environment, all injured Australians were repatriated to Australia and all recovered deceased Australian victims were identified within seven days of the incident.

AFP Chief Forensic Scientist and Operation Natone Operations Manager Dr Sarah Benson said:

As we know in these types of incidents we cannot undo the tragedy nor the pain and trauma that the families are experiencing but we can ease the pain and provide support to the families by respectfully restoring the victim's identity and returning them to their loved ones. Each and every task, role or function AFP members performed in support of Operation Natone contributed to achieving this.

K9 rises to the detection challenge

On 13 June 2020 the AFP received intelligence that an unknown person was going to transit the Brisbane Domestic Airport with an unknown quantity of currency from a current inbound flight.

Members of the AFP, accompanied by a cash and firearms detection canine, attended the flight arrival and used the canine to screen passengers as they disembarked. Alerted by the canine's changed behaviour in relation to a passenger, the handler referred the traveller to other police officers for questioning. During that questioning the person of interest stated that he had a large sum of money in his wallet. During further questioning he indicated that he had more money in his suitcase, inside a present, but did not state how much.

The canine then conducted a sweep of the person's luggage and sat, indicating that it had detected a known odour, in this case currency. AFP members searched the bag and found a gift bag containing a parcel, which they unwrapped. Inside were two cryovac bags, each containing approximately \$50,000—totalling almost \$100,000—cash. The person subsequently assisted police with their inquiries.



Searching luggage post-detection

Office of the Commissioner

The Office of the Commissioner provides executive support functions, focusing on policy and engagement with a wide range of stakeholders including the community and government mechanisms. It also incorporates strategy and performance, the AFP's integrity framework and the AFP's recognition and ceremonial functions, as well as overseeing the Criminal Assets Confiscation Command, which investigates criminal assets confiscation matters with Commonwealth partners.

Performance highlights

40th anniversary of the AFP

Throughout the year a diverse array of events took place to commemorate the AFP's 40th anniversary, enabling us to reflect on how our history has shaped us and will continue to shape us into the future. Acknowledging our past, recognising our achievements and reflecting on lessons learned has made us who we are today.

The 2019 AFP Legacy Charity Ball on 19 October, attended by almost 500 people, saw not only a night of dining and dancing but also, more significantly, three members presented with the 40 Year Clasp to

the AFP Service Medal. These members were on duty on 19 October 1979 when the AFP first commenced operations. Held in the Great Hall of Parliament House in Canberra, the commemorative ball was a chance to reflect on the organisation's achievements over the past 40 years, and included a video message of congratulations from Prime Minister Scott Morrison and an address by the AFP Commissioner.



The longest-serving and shortest-serving AFP members celebrate the 40th anniversary

Other celebratory events included the 'Stitched Up' quilting project led by the AFP Museum. Launched in November 2018, the quilt project tells the story of the 'fabric' of the AFP, with each patch on the quilts representing functions, investigations, operations or milestones the AFP has achieved in its 40-year history.

Morning teas, historical displays, commemorative photos and reunions were held across the country reflecting on the last 40 years of the AFP and looking forward to another 40.

Structure and operating model review

In 2019–20 the AFP commissioned Ernst & Young to review the structure and operating model of the agency to better align with the AFP's purpose, priorities and stakeholder expectations. The Commissioner accepted all of the review's recommendations in principle, and they have led to a number of organisational changes throughout the year.

Significantly, the AFP has shifted to a regionalised command structure, and we are developing capability hubs across the country. We have established the National Operations State Services Centre and the Strategy and Performance Office, as well as creating the Chief Learning Officer portfolio. Importantly, the review has helped define our organisational identity across national and international policing, community policing in the ACT, and specialist protective services.

Successful forfeiture of drug trafficking and money laundering linked assets

In August 2019 the AFP-led Criminal Assets Confiscation Taskforce (CACT) obtained orders in the Supreme Court of New South Wales forfeiting assets valued at approximately \$5 million to the Commonwealth. This marked the end of a successful investigation and was a significant litigation outcome for the CACT, utilising powers under the *Proceeds of Crime Act 2002* (Cth) to target property held in Australia and offshore derived from serious criminal activity.

Operation Azoic, which produced this result, was an investigation of a drug trafficking and money laundering operation of a dual national. The operation was referred to the CACT, which led to the identification of assets including two properties in the eastern suburbs of Sydney, luxury vehicles, numerous Australian and offshore bank accounts and a sizeable share portfolio.

The target of the operation used sophisticated means to obscure his illegally acquired wealth, including offshore bank accounts and false name identities in which he held his assets.

CACT investigators traced money flows and assets to identify the proceeds of the offending and to tie assets held in false names to the offender.

The CACT obtained restraining orders over the property in 2015. Search warrants were executed and the person of interest was subsequently arrested and charged with multiple state and Commonwealth offences. In 2017, he pleaded guilty to drug and money laundering offences and was sentenced to 17 years' imprisonment.

Despite the guilty plea and the significant sentence imposed, the offender and his family members still sought to challenge the Commissioner's forfeiture orders, actively pursuing compensation and exclusion orders relying on overseas evidence. The CACT successfully tested and challenged this evidence through mutual assistance channels and with support from the Attorney-General's Department and offshore partners.

Ultimately the CACT was successful in ensuring that all of the property of the offender was forfeited to the Commonwealth. The Court also ordered payment of the Commissioner's legal costs.

Criminal Asset Confiscation Taskforce National Disability Insurance Scheme investigation and forfeiture

The National Disability Insurance Scheme (NDIS) Fraud Taskforce was established in July 2018 to investigate suspected criminal activity targeting the scheme. The taskforce is a multi-agency partnership between the National Disability Insurance Agency, Services Australia and the AFP.

In December 2018 the taskforce commenced an investigation into the alleged fraudulent activity against the scheme by a linked group of NDIS providers. The providers offered nursing, cleaning, transport and home renovation services, variously lodging over-inflated invoices for their services or not delivering the services at all.



The forfeited Porsche

In May 2019, a number of members of an organised crime syndicate linked to this fraudulent activity were arrested. In March 2020, two members of the syndicate pleaded guilty to defrauding the NDIS. The following month, the AFP-led Criminal Assets Confiscation Taskforce, having earlier restrained numerous assets bought by the two syndicate members with the proceeds of their fraud, successfully obtained orders under the *Proceeds of Crime Act 2002* (Cth) resulting in the forfeiture to the Commonwealth of a Porsche, a Mercedes-Benz and a Goulburn property.

Criminal Code and Crimes Act amended on child exploitation

The Combatting Child Sexual Exploitation Legislation Amendment Bill 2019 was passed in September 2019, with the final schedules commencing in March 2020. It amends the *Crimes Act 1914* (Cth) and the *Criminal Code Act 1995* (Cth) to implement a number of recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse to enhance protection of children, increase reporting obligations and strengthen criminal offences concerning child abuse material.

These amendments modernise legislation to ensure it is comprehensive, technology neutral and future focused. This includes addressing new and emerging technologies and trends, including child-like sex dolls, which desensitise offenders and may lead to an escalation in offending. In January 2020, a 30-year-old man was the first person in South Australia charged for possession of a child-like sex doll under the new laws. The AFP and South Australia Police seized children’s clothing—including school uniforms, swimwear and underwear—and a computer. The man faces a 15-year jail term if convicted.

Chief Operating Officer

The Chief Operating Officer manages the corporate functions of the AFP. This includes financial management, human resources and legal services.

Snapshot of achievements

- Commenced work on a new state-of-the-art facility to serve as the new Victorian office
- Delivered mental readiness training to more than 1,600 AFP appointees, providing tools to help them cope with stress and improve their mental health and resilience
- Created the learning command, demonstrating the AFP’s commitment to and focus on learning, training and development.

Performance highlights

Launch of AFP Reserve

A need for a surge capacity across the country as the COVID-19 pandemic worsened saw the launch and rise of the AFP Reserve capability—former AFP members providing invaluable assistance to boost and enhance the AFP effort.

The AFP Reserve provides for a sustainable, adaptive and flexible police reserve capability. Sworn members, protective service officers and unsworn members have registered to be part of the Reservist pool and may be deployed across a range of duties on a casual basis.



AFP Commissioner Reece P Kershaw welcoming Reservists

Reservists bring with them an average of 30 years' AFP experience across international, national, and state policing. They build on existing capability and provide support by assisting in matters that require a depth of knowledge, in addition to providing a surge capacity where required to quickly meet changes in the operating environment. This additional support to the AFP will ensure business continuity and appropriate law enforcement presence in the community while continuing to fulfil government obligations. AFP Reservists benefit from being re-engaged within the organisation, providing them with the opportunity to serve their community.

The implementation of the AFP Reserve is being undertaken in a phased approach, with the first commencing in April 2020. It is anticipated a pool of 200 AFP Reservists will be established by the end of the 2020 calendar year.

As of 30 June 2020, the AFP Reserve pool was made up of 26 sworn members, six protective service officers and 20 unsworn members. Twenty-two members have been placed in positions across various work areas and locations including ACT Policing, Eastern Command, Crime Command, Western Central Command, learning and development, International Command and Specialist Protection Command.

Taskforce Horizon

Taskforce Horizon is a strategic initiative to reshape and relocate the workforce in support of newly established regional commands to increase the support of frontline investigations. Taskforce Horizon delivers on the AFP Strategy for 2020 and Beyond to support and enable our people to deliver maximum impact to the criminal environment.

From May 2020, Taskforce Horizon began rebalancing the AFP workforce. The primary objective is to increase the AFP's frontline investigative capacity and capability, commencing with Eastern Command (Sydney) and Southern Command (Melbourne), which remain focal points for organised crime, child exploitation and terrorism.

As part of the activities underway, Taskforce Horizon will address diversity and inclusion to ensure we reflect our community. This will support us in delivering superior performance and meeting community expectations of a modern police force.

AFP and partners facilitate shipment of 1.9 million protective face masks

The AFP and key partners have successfully facilitated the delivery of more than 1.9 million surgical face masks into Australia to help protect the AFP and related agencies against COVID-19.

The AFP purchased 1 million of these face masks for use by AFP officers in frontline roles protecting the community, including airport uniformed police and officers in ACT Policing. The other 962,000 masks in the shipment were purchased by the NSW Police Force, the Queensland Police Service, the Western Australia Police Force and two state rural fire services to complement existing stocks for their officers working to protect local communities.

Acting Chief Financial Officer Tarnya Gersbach described this as a prime example of how law enforcement links with industry can directly benefit the Australian community:

The AFP has made this supply chain available to other policing, health and emergency-response agencies across Australia, meaning they can ensure future imports of these essential products, certified by the Therapeutic Goods Administration, directly from the source at fair market rates.

A major concern for all government agencies is the possibility of black-market or counterfeit goods making their way to our essential frontline workers. The continuation of these supply arrangements means all agencies involved can be confident that those working hard to protect our community are getting the best protection we can provide.

Chief Police Officer for the ACT

The Chief Police Officer (CPO) for the ACT oversees the community policing services arm of the AFP. Through a purchase agreement between the AFP and the ACT Government, ACT Policing is responsible for providing a high-quality community policing service. ACT Policing's mission is to keep the peace and preserve public safety. In 2019–20, the CPO role was elevated to Senior Executive Service Band 3 to be commensurate with equivalent roles in state and territory police forces.

Snapshot of achievements

ACT Policing:

- made 4,336 arrests
- attended 2,811 family violence incidents
- responded to 39,559 incidents
- made 6,090 referrals to community support agencies.

Performance Highlights

Body-worn cameras

With an investment of \$2.695 million from the ACT Government, ACT Policing has now issued body-worn cameras to 483 members and delivered training in using them. Body-worn cameras are a critical investigation tool, creating an objective record of events, notable incidents and interactions ACT Policing members have in the community.

Body-worn cameras assist with the collection of factual evidence and can reduce investigation times; provide live-streaming of a crime scene to other investigating officers contemporaneously with victims without exposing victims to the crime scene; and have had a notable effect of reducing behavioural escalations when officers are speaking with possible offenders who know they are being recorded.

Largest coordinated drug interception operation for ACT Policing

An ACT Policing led joint operation involving the NSW Police Force, the AFP and the Australian Border Force identified a sophisticated concealment of cocaine inside an excavator shipped from South Africa in mid-2019.

The excavator was intercepted at Port Botany (NSW) where an X-ray examination and physical inspection of the excavator revealed the concealment of 384 one-kilogram packages of cocaine, with an estimated drug harm index (refer to Chapter 3, 'Annual performance statement' for more details) value of \$252 million. The seizure is the largest ever drug interception operation coordinated by ACT Policing, with the assistance of partner agencies.

Following a controlled delivery of the excavator in July 2019, two men were arrested by investigators and charged with drug importation offences. The collaborative efforts of ACT Policing and other law enforcement agencies resulted in a record amount of cocaine being removed from our streets and a significant amount of harm to the community prevented.

ACT Policing transitioning to a new model of police service

In May 2019 the ACT Government announced the investment of \$33.9 million over the next four years, including more than 60 new ACT Policing personnel, to enable ACT Policing to commence transitioning to a more visible, proactive and connected police service. Under the ACT Policing Futures Program, ACT Policing is evolving in line with population growth and community expectations by transitioning from a response-focused model to a more proactive, community-focused policing service, centred on the disruption and prevention of crime. In working towards this model, the ACT Policing Futures Program has been maintaining a focus on key process improvements and projects to reduce red tape while supporting the front line.

Since July 2019, ACT Policing has established the foundation for the new model. This includes commencing key project work such as the first stages of piloting new operational intelligence capabilities, introducing new technologies, and recruiting and training the first of its new Proactive Policing teams.

Working closely with ACT Government and community service partners, the Proactive Policing teams will employ a variety of problem-solving techniques to reduce repeat calls for service and assist the most vulnerable members of the ACT community. The first Proactive Policing team is scheduled to start operating in 2020–21.

Enhanced partnerships through PACER

Understanding the importance of partnering with other agencies to achieve the best results for the ACT community, in December 2019, ACT Policing, the ACT Ambulance Service and ACT Health launched a tri-service mental health proof-of-concept capability, the PACER (Police, Ambulance and Clinician Early Response) program.

Responding to mental health incidents is one of the most common tasks police perform, equating to about 10 per cent of service demand. Where police would traditionally be the first responders to a mental health call-out, the PACER capability provides a more holistic mental health response consisting of a paramedic, a clinician and a police officer working together to attend call-outs requiring a specialist mental health response.

PACER has been successful in keeping vulnerable people away from the hospital environment and in the community, while saving a significant number of response hours for frontline services.

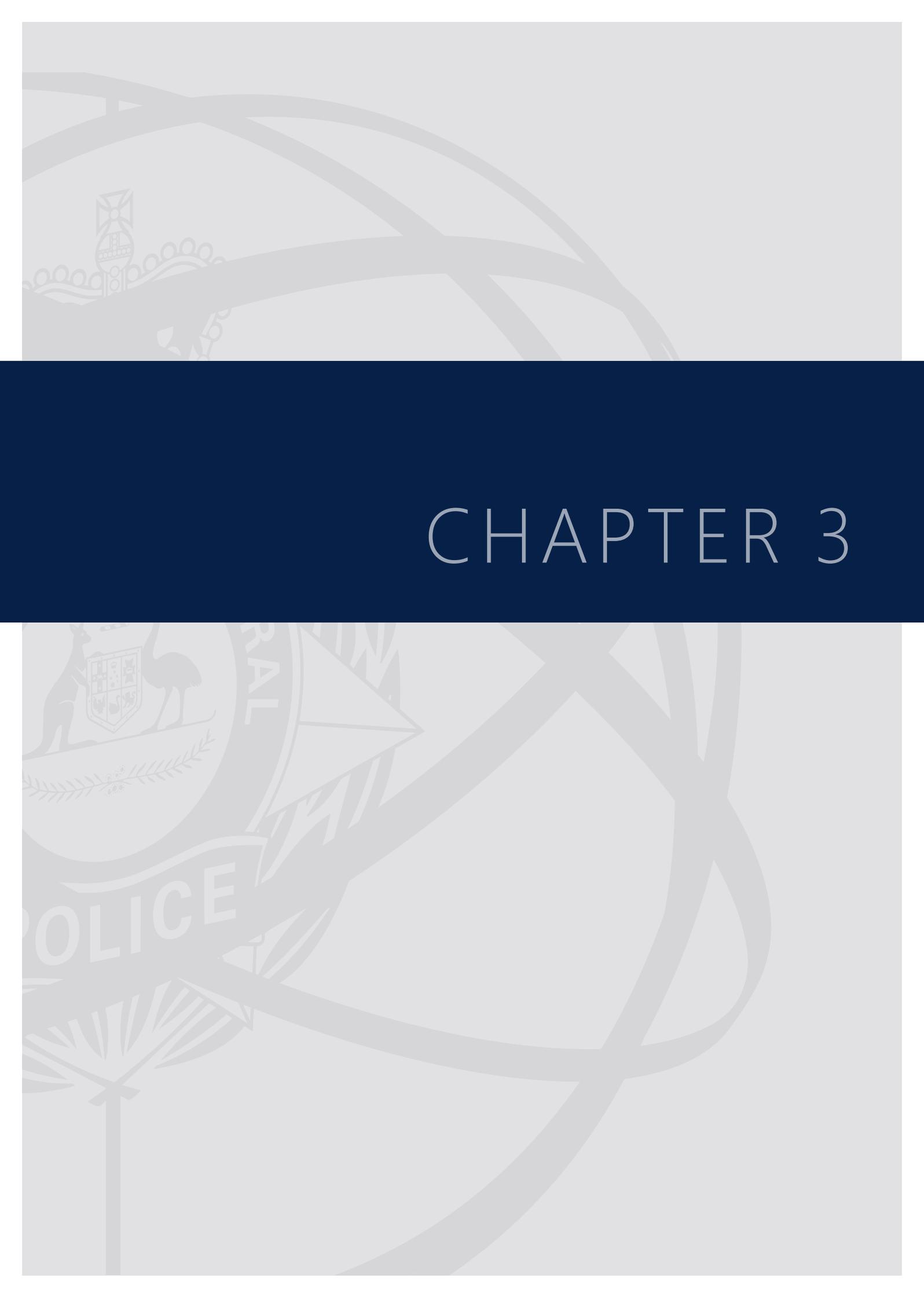
During the first 17 weeks¹ of the proof-of-concept period, PACER:

- responded to approximately 300 cases
- was the first responder in 47.5 per cent of these cases
- enabled 81 per cent of patients treated to remain in the community rather than being admitted to hospital.

The proof-of-concept has so far proven to be a success, resulting in mental health incidents being dealt with in the most effective and efficient way possible through strong partnerships between frontline services. PACER is seeing fewer involuntary apprehensions and presentations to hospital and an increase in the number of people getting the help they need on the front line.

PACER's proof-of-concept has been extended to continue through to November 2020.

¹ From 12 December 2019 to 5 April 2020, including 68 shifts.

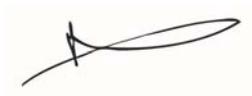
The background of the page features faint, light-colored graphics. At the top left, there is a crown-like emblem. Below it, a large, stylized graphic of a police badge is visible, showing a kangaroo and an emu on a shield, with the word 'POLICE' and 'FEDERAL' partially legible. The badge is overlaid on a pattern of thick, curved lines that resemble a globe or a stylized map. The text 'CHAPTER 3' is centered in a dark blue horizontal band.

CHAPTER 3

Annual performance statement

Statement of preparation

I, as the accountable authority of the Australian Federal Police (AFP), present the 2019–20 annual performance statement of the AFP as required under subsection 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the AFP's performance in 2019–20 and complies with subsection 39(2) of the PGPA Act.



Reece P Kershaw APM
Commissioner
16 September 2020

Purpose of the AFP

The AFP purpose in the 2019–20 Corporate Plan is:

‘As Australia’s national policing agency, we protect Australians and Australia’s interests.’

During 2019–20 the AFP pursued this purpose through two Portfolio Budget Statements (PBS) outcomes (see Chapter 2, Figure 2.2).

Outcome 1 addresses criminal security threats to Australian economic and social interests and accounts for the majority of budgeted expenditure (see Figure 3.1). There are two programs under Outcome 1: 1.1 Federal Policing and National Security; and 1.2 International Police Assistance. Program 1.1 delivers policing services across a broad remit. Program 1.2 contributes to vital international engagement and intelligence exchange, offshore policing and assistance; it reflects the AFP’s role as Australia’s international police representative. Our level of engagement and priorities under Program 1.2 vary depending on offshore events and Australian foreign policy. Delivery of both programs is monitored and assessed through the performance criteria in Table 3.3. Figure 3.2 illustrates an example of how the performance criteria relate to operational activity and criminal methods in use for drug operations. It highlights the various data points and stages of operational significance that the AFP targets and reports on in its performance framework for this crime. It shows the links between AFP operational practice, strategy and priorities with aspects of the performance framework.

Under Outcome 2 the AFP delivers policing services in the Australian Capital Territory (ACT) through a service agreement with the ACT Government (see Figure 3.1). ACT Policing reports on the agreement to the ACT Government (see the ACT Policing annual reports at www.police.act.gov.au/about-us/publications). This year the annual performance statement includes more detail on ACT Policing’s overall performance through inclusion of ACT Policing prevention and response case studies. Performance criteria for Outcome 2 will be formalised in the 2020–21 PBS and the *AFP Corporate Plan 2020–21*.

Figure 3.1 Overview of AFP’s outcomes and programs for 2019–20



The AFP delivers Outcomes 1 and 2 under its establishment act, the *Australian Federal Police Act 1979* (Cth), as well as a diverse range of other legislation. The legislation that relates to our work contains many offence provisions, procedures and evidentiary standards. For example, the Commonwealth *Criminal Code* alone has more than 500 offences, each outlining particulars of proof.

The Acts that operationalise and structure the AFP’s responsibilities, roles and discretionary powers differ depending on whether the AFP is engaging in national security, protection, criminal investigation, witness protection or community policing activities.

The specific investigative, policing and protection functions within these domains are in turn shaped by everyday concerns such as the victim’s or offender’s age, mental health and ability to continue offending or being victimised. Any AFP response must address these but also the community’s acceptance of and confidence in the service and best practice in treating crimes.

To prioritise and design its response to these diverse requirements for engagement and activity, the AFP uses a prioritisation model and steering documents such as the Ministerial Directions. We used these to identify a number of operational priorities for 2019–20 (see Table 3.1).

The AFP seeks to deliver maximum policing impact in these priorities while balancing investment in the health and longevity of the agency, promoting cultural and organisational health and addressing agency capability (see *AFP Corporate Plan 2019–20*, pages 7 and 24). To this end, in 2019–20 the AFP invested in several strategic initiatives, with progress made on all (see Chapter 2, Table 2.1).

Table 3.1 Operational priorities and associated performance criteria

Priority from Corporate Plan 2019–20 (page 9)	Performance criteria
Countering terrorism	Enforcement and prevention case studies; disruption count and case studies
Disrupting criminal networks	Disruption count and case studies
Leading national responses to human exploitation	Enforcement and prevention case studies; disruption count and case studies
Combating economic and serious crimes	As above
Countering cybercrime	As above
Protection of assets, persons and aviation	Avoidable incidents and response times
Policing communities	ACT Policing and Mission evaluations

Partnerships and collaboration are central to AFP operations. Domestic and offshore law enforcement agencies, Commonwealth regulatory agencies and, increasingly, industry, academia and non-government organisations work with the AFP to create and deliver tailored, targeted solutions to criminal and security threats. By developing new and sometimes novel alliances, the AFP is able to have maximum operational impact in its activities.

Within these partnerships the AFP can lead, coordinate, represent or support, taking on varying roles depending on organisational, legal and operational imperatives. Sometimes the AFP's response to a crime or policing activity will involve a mixture of these roles, so staff need to be flexible and equipped to engage in diverse and rapidly evolving situations.

The AFP's key partners include agencies who jointly deliver whole-of-government policies (PBS-linked programs) countering crime and protecting national security or Australian interests from criminal and other threats (see Table 3.2).

In 2019–20, the National Operations and State Services Centre was established to enhance state/territory liaison and offshore engagement.

Table 3.2 PBS linked program partners

Linked PBS government programs	AFP engagement
<p>Australian Financial Security Authority (AFSA)</p> <p>Program 1.1: Personal Insolvency and Trustee Services</p>	<p>AFSA's data has been used to support:</p> <ul style="list-style-type: none"> the case for legislative reform the AFP's input into reviews of Australia's compliance with proceeds of crime aspects of international treaties (including the Financial Action Taskforce Mutual Evaluation Review) estimates of the value of property to be forfeited under section 56 of the <i>Proceeds of Crime Act 2002</i> (Cth)
<p>Australian Security Intelligence Organisation (ASIO)</p> <p>Program 1.1: Security Intelligence</p>	<ul style="list-style-type: none"> Joint counter-terrorism operations use ASIO intelligence
<p>Australian Taxation Office (ATO)</p> <p>Program 1.1: Australian Taxation Office</p>	<ul style="list-style-type: none"> Joint investigations by ATO and AFP Operational cooperation and intelligence exchange AFP membership of the Serious Financial Crimes Taskforce chaired by ATO
<p>Australian Transaction Reports and Analysis Centre (AUSTRAC)</p> <p>Program 1.1: AUSTRAC</p>	<ul style="list-style-type: none"> Intelligence exchange
<p>Department of Foreign Affairs and Trade (DFAT)</p> <p>Program 1.1: Foreign Affairs and Trade Operations</p> <p>Program 1.2: Official Development Assistance</p> <p>Program 2.1: Consular Services</p>	<ul style="list-style-type: none"> AFP international engagement is strongly influenced by DFAT programs
<p>Department of Home Affairs</p> <p>Program 1.1: Border Enforcement</p> <p>Program 1.5: Regional Cooperation</p> <p>Program 1.7: National Security and Criminal Justice</p> <p>Program 1.9: Counter Terrorism</p>	<ul style="list-style-type: none"> AFP executive and members are involved in a range of committees and forums led by the Department of Home Affairs—from Senior Officer Group, involving all state/territory police commissioners, to crime-specific groups covering topics like firearm registration and imports AFP works cooperatively with Australian Border Force on a range of tasks and intelligence exchange, especially illegal importations at the border (airports, ports)
<p>Department of the Prime Minister and Cabinet</p> <p>Program 1.1: Prime Minister and Cabinet</p>	<ul style="list-style-type: none"> AFP is consulted on cabinet submissions by the Department of Home Affairs
<p>Office of the Director of Public Prosecutions (CDPP)</p> <p>Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth</p>	<ul style="list-style-type: none"> Most AFP criminal cases are prosecuted by the CDPP
<p>Australian Criminal Intelligence Commission (ACIC)</p> <p>Program 1.1: Australian Criminal Intelligence Commission</p>	<ul style="list-style-type: none"> AFP Commissioner chairs the ACIC Board AFP members access various ACIC databases and reports as part of their duties—intelligence exchange Joint operations Fusion centres—secondments

Partnerships with state, territory and offshore law enforcement agencies also feature in operational taskforces, as some crimes require a whole-of-government, holistic response, and multi-agency responses ensure that local operational action ties into and is influenced by larger national policy goals. The AFP has involvement in multi-agency taskforces such as Operation Sovereign Borders (people smuggling); the Serious Financial Crimes Taskforce, led by the ATO and the National Disability Insurance Agency Taskforce; and others focused on drugs, gangs, firearms and serious and organised crime. These typically involve state police, Commonwealth agencies and/or foreign law enforcement. The AFP also engages in country-specific policing taskforces like Taskforce Blaze (China), Taskforce Storm (Cambodia) and Strike Force Dragon (Thailand).

Drawing on partnerships and legal arrangements, the AFP uses a mixture of operational strategies to deliver prevention, disruption, enforcement and response outcomes². Often during the course of an investigation or activity more than one of these strategies are used.

² Definitions of these concepts are available at www.afp.gov.au

Results summary

This annual performance statement shows that the AFP was successful in meeting its purpose in 2019–20. We achieved excellent results against a backdrop of the commencement of a new Commissioner and the need for our involvement in responses to several natural emergencies. Overall, in 2019–20 the AFP achieved most of its performance criteria (refer to Table 3.3). Figure 3.2 illustrates the range of performance results for a particular crime (drug importation), showing the comprehensive and diverse ways the AFP combats and reports on this work through its quantitative performance measures. Two were not met: community confidence and the prosecution acceptance rate. However, we note that there were clear improvements in the community confidence result and we just missed the target for the prosecution acceptance rate.

In the summer of 2019–2020, large parts of Australia were affected by devastating bushfires, hazardous smoke, storms and heatwaves. In early 2020, we also faced the unexpected outbreak of the COVID-19 pandemic. AFP members were involved in supporting other services and doing non-routine work during the period.

The COVID-19 emergency posed the greatest challenges and has had the most impact to date. At the peak in mid-April 2020, 400 AFP members worked on COVID-19 matters across Australia. During the pandemic so far, AFP members have assisted more than 65,000 Australians who were returning from overseas and going into hotel quarantine. COVID-19 work altered as events unfolded. For example, there were peaks associated with assisting the Department of Home Affairs to manage queues for JobKeeper payments at Centrelink offices. Case studies on pages 61–62 give more detail on some of our COVID-19 work.

Our response times performance criterion measure was met despite having to escort returning passengers to quarantine. For more information, see the discussion on this performance criterion on page 63.

More generally, the COVID-19 emergency required the AFP to develop strategies to manage staff health. For example, there was a need to organise personal protective equipment for staff; our operational teams worked split shifts or remotely; and unsworn staff worked from home. Police duties, including investigations, were influenced by travel restrictions and redeployments to COVID-19 tasks. There were changes in demand and altered criminal activity as movement of goods and people slowed. Fortunately, few AFP members contracted COVID-19. Despite facing many new challenges in a changing and unpredictable environment, the AFP was able to maintain its usual operations during the last quarter, showing its resilience and its ability to adjust and continue to work.

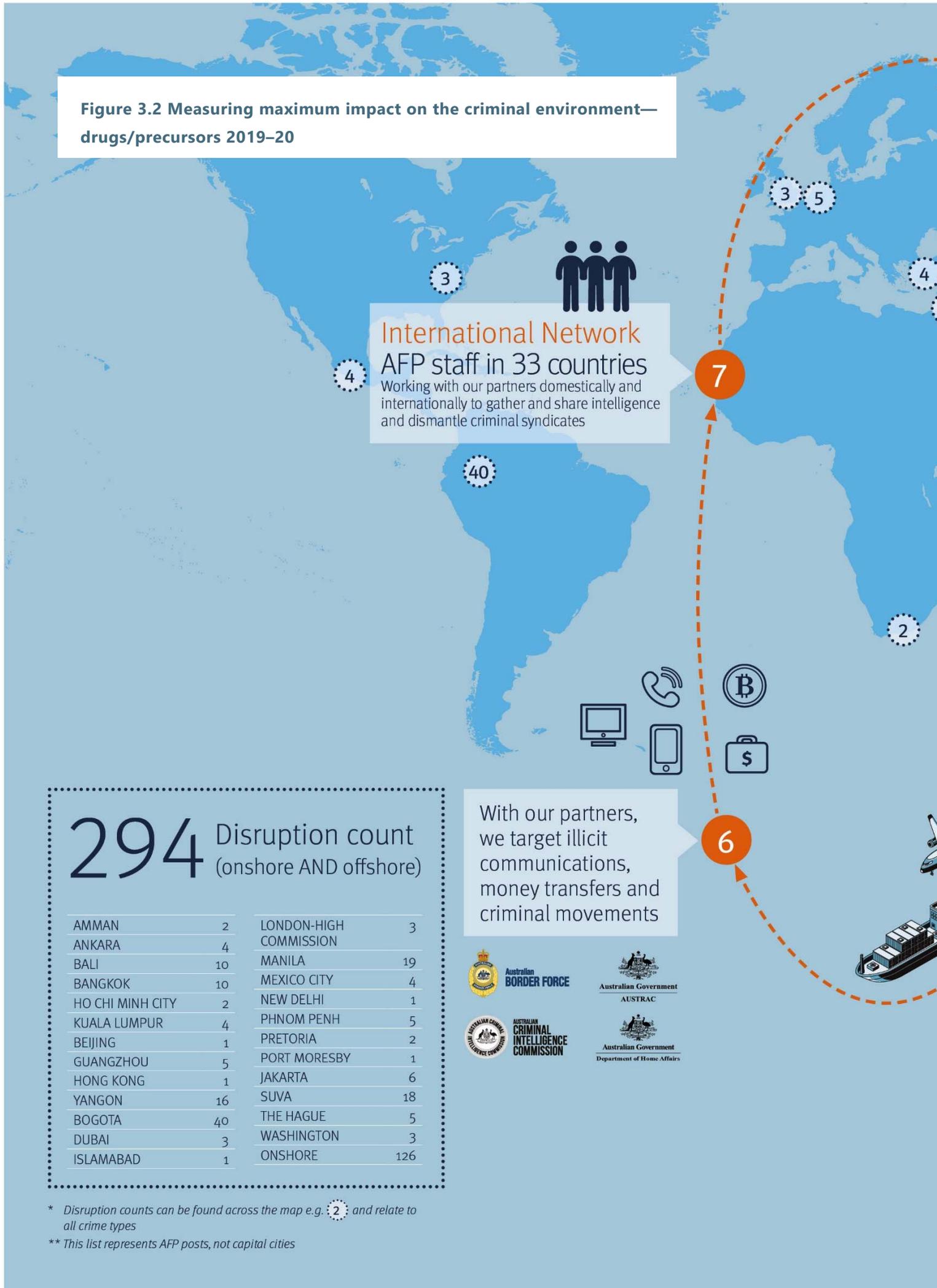
Detailed results are presented starting from page 44. Overall analysis and a financial performance summary are on page 74.

Table 3.3 Performance criteria in the 2019–20 PBS (Portfolio Additional Estimates Statement (PAES) 2019–20)

Performance criteria	Target	Result	Met
Program 1.1 Federal Policing and National Security			
Community confidence	75%	69%	No
Return on investment	1	Transnational: 10.3 Assets confiscation: 1.95	Yes
Prevention case studies	Successful preventions	Successful preventions	Yes
Disruption case studies	Successful disruptions	Successful disruptions	Yes
Disruption count	206	294	Yes
Avoidable incidents	<2	0	Yes
Response case studies	Successful response	Successful response	Yes
Response times			
Priority 1	90%	91%	Yes
Priority 2	90%	91%	Yes
Priority 3	95%	99%	Yes
Priority 4	95%	100%	Yes
Enforcement case studies	Successful enforcement	Successful enforcement	Yes
Prosecution acceptance rate	95%	94%	No
Program 1.2 International Police Assistance			
Mission/external territories performance evaluation	Evaluations complete and recommendations addressed	Completed	Yes
Return on investment	1	International: 46	Yes
Prevention case studies	Successful preventions	Successful preventions	Yes
Disruption case studies	Successful disruptions	Successful disruptions	Yes

The PAES updated the performance suite to ensure that the PBS aligned with the Corporate Plan.

**Figure 3.2 Measuring maximum impact on the criminal environment—
drugs/precursors 2019–20**



* Disruption counts can be found across the map e.g. 2 and relate to all crime types

** This list represents AFP posts, not capital cities

Precursors sourced and illicit drugs manufactured internationally

\$46 : \$1
(\$46 returned for every dollar spent)

Return on investment: international operations

We work with our partners and prevent/disrupt crime offshore

By supporting our partners, we prevented **23 tonnes** of drugs reaching our communities

The harm forgone to partner countries and Australia was estimated at **\$6 billion**

Drugs trafficked out of country

69% of Australians reported high confidence in the AFP

80% of drugs seizures in Australia
(by weight) are stopped at our border
* Illicit Drug Data Report
**Amphetamine-type stimulants

Western Central Command
1.0 tonne

Northern Command
0.5 tonne

Eastern Command
11.6 tonnes

\$1.95 : \$1
(\$1.95 returned for every dollar spent)

45 forfeiture orders issued during 2019–20

\$38.8m seized

Return on investment: assets confiscation

We take away the criminals' resources & confiscate their assets to reduce further crime



\$10.3 : \$1
(\$10.30 returned for every dollar spent)

Return on investment: transnational crime

We use the Drug Harm Index (DHI) & Estimated Financial Return (EFR) analysis to determine the social and economic harm we have saved Australia



Criminal justice cost
e.g. policing, courts, prisons & victims of crime



Fatal overdoses, premature mortality



Workplace costs
e.g. accidents, absenteeism, lost productivity



Healthcare costs
e.g. hospital, mental health, rehabilitation, counselling



Prevention and harm reduction programs



Road accidents



Crime
e.g. child abuse, domestic violence, drug, financial

Southern Command
5.5 tonnes

Australia overall
DHI = \$6b, seizures = 18.6 tonnes

Results for Outcome 1: Reduced criminal and security threats to Australia’s collective societal and economic interests through cooperative policing services

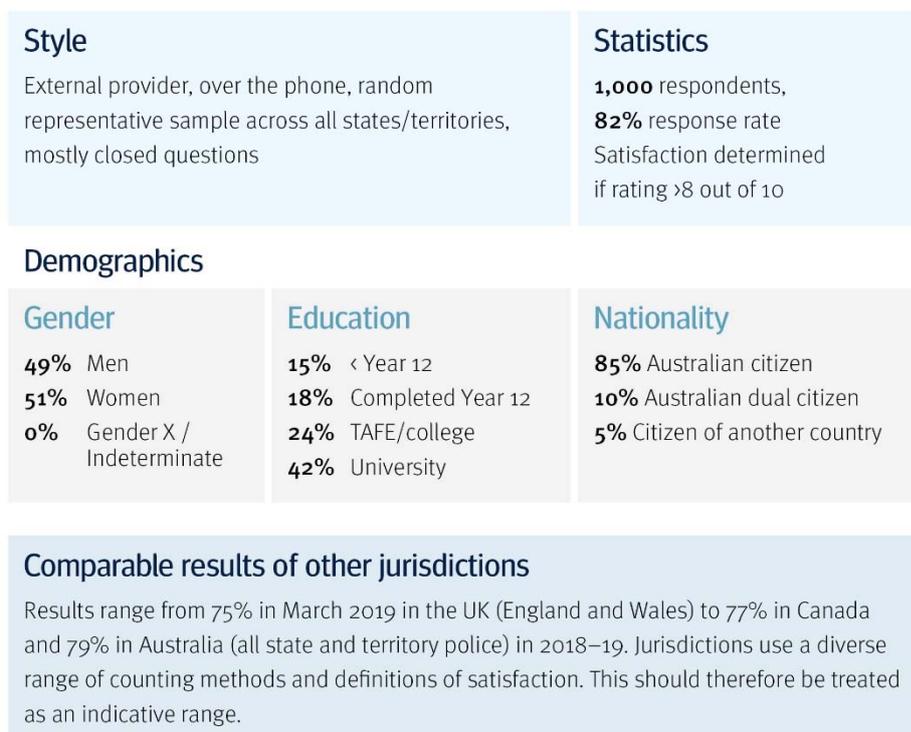
Program 1.1 Federal Policing and National Security performance measures and results

1.1 Community confidence

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 26	
Result	2018–19	2019–20	Target	Target achieved
	61%	69%	75%	No

In April 2020 the AFP commissioned a survey to gauge Australian community confidence in the AFP’s contribution to law enforcement and national security (see Figure 3.3). The AFP engaged Colmar Brunton to carry out the survey.

Of those surveyed, 69 per cent gave a high confidence rating (8 or more out of 10). While this did not meet the target of 75 per cent, the result was significantly stronger than in 2019.

Figure 3.3 Survey details

Confidence was similar across gender and age, although those aged 18–34 gave a rating of 60 per cent while those aged 75 and over gave a rating of 75 per cent. Nationality did make a difference: Australian dual citizens generally expressed lower levels of confidence (a rating of 58 per cent). The ACT had the highest confidence score (83 per cent).

High ratings were based on general perceptions of the service like ‘the AFP did a good job’ or they ‘had trust in what they do’—28 per cent and 16 per cent respectively of high confidence rating respondents said this. Few of these respondents were influenced by their personal interactions with the AFP or how well they thought the AFP policed drugs or terrorism or handled the COVID-19 pandemic. In contrast, almost half of those with low confidence levels said they lacked knowledge of the service.

The survey found that generally people source information about the AFP from TV or radio news and TV or radio current affairs programs: 74 per cent of respondents said they had used TV or radio news and 85 per cent of respondents said they had used TV or radio current affairs programs. The next most common source was online news websites at 57 per cent.

In 2018–19, respondents generally had low levels of knowledge about what the AFP does. In 2019–20 the results showed uneven knowledge. For example, when respondents were asked how they would rate their knowledge of AFP responsibilities, 12 per cent rated their knowledge as high, the same as last year; and 43 per cent rated it as low. However, when respondents were asked to list AFP

responsibilities unprompted, 15 per cent of participants answered that they 'didn't know'—this figure is probably more accurate than the 43 per cent. Further, when asked to nominate AFP tasks unprompted, the free-form answers showed that respondents did know what the AFP did but there was no shared or dominant view. The highest rated responsibility, 'border protection', interpreted as dealing with drugs at the border, was identified by only 31 per cent of respondents. It seems people know the kinds of things the AFP does, but there is no common shared view of our priorities.

This inference is supported by respondents' responses when asked to rate the importance of various AFP responsibilities. The survey listed our responsibilities and asked respondents to rate them from low to very high importance. Of the nine responsibilities tested, seven were rated as 'very important'. Almost all respondents (96 per cent and 94 per cent) rated victim-based crime and terrorism as very important; these responsibilities were given much higher ratings than our other responsibilities. For example, 87 per cent of respondents rated the responsibility 'dealing with organised crime including illegal drug importation' as very important; and 88 per cent rated 'protecting international airports' as very important. This shows the challenge for the AFP in delivering work across a broad remit: the community views most of the tasks we perform to be of similarly high importance. It also reflects positively on the alignment between AFP operational priorities and community sentiment—for example, counter-terrorism and leading responses to human exploitation were rated as 'very important' and they were also operational imperatives in 2019–20.

The increased level of satisfaction may reflect the new Commissioner's strategy of increasing media engagement and communication. Media liaison officers have been appointed in the Eastern, Southern and Western commands. We have increased the number of media releases we issue and we proactively issue information on sentencing outcomes. We have also developed the AFP's social media presence. Media officers in the commands attend operational briefings so they can proactively identify opportunities for media engagement and communication. The AFP now has Assistant Commissioners in regions, and this has also increased media engagement. Assistant Commissioners are encouraged to make themselves available for interviews, and they are taking more of these opportunities.

The Commissioner also identified and addressed key public relations issues such as the warrants on ABC and News Corporation journalists in June 2019. He commissioned an independent review in October 2019 of the AFP's handling of sensitive investigations and has committed to making changes in line with the review's recommendations.

At a more granular level, we use community outreach through crime prevention activities to increase community communication and engagement. This work may in turn influence community confidence ratings.

In 2019–20 the AFP ran a sworn recruitment campaign. We conducted recruitment advertising predominantly on social media and in all capital cities and larger regional centres (for example, Bendigo, Dubbo and Shepparton). Staff also participated in school career expos. We wrote to all private girls' schools in Australia and asked them to include articles about our work in school

newsletters as a way to bolster female recruitment. These awareness-raising activities should result in an improvement in overall understanding of AFP activities and brand recognition.

1.2a Return on investment—transnational crime

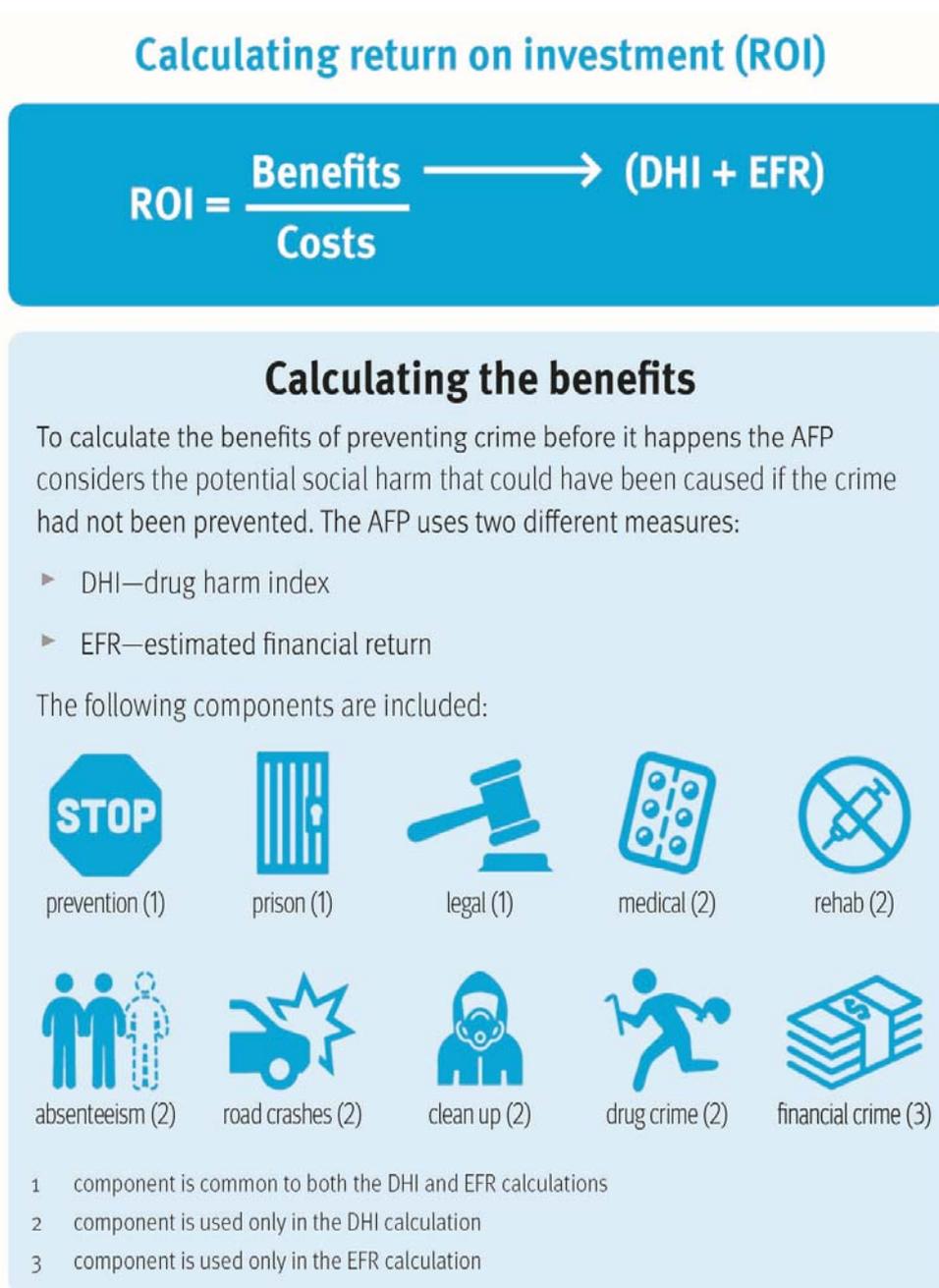
Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 26	
Result	2018–19	2019–20	Target	Target achieved
	3.6	10.3	Positive return (i.e. >1)	Yes

The AFP's two return on investment (ROI) measures rate our efficiency in key types of work to show public value. The first of these, the Transnational ROI, examines drug and financial crime work.

The Transnational ROI is based on drugs and financial crime investigations finalised within the financial year, regardless of when the drug seizure or financial crime occurred. It is calculated by dividing the saving in social harm by the costs (including staffing and legal) of these investigations. The AFP uses two measures to calculate the Transnational ROI: the drug harm index (DHI) and the estimated financial return (EFR):

- The DHI calculates the social harm that would have occurred had the drugs seized by the AFP been consumed by the Australian community (see Figure 3.4). It estimates social harms depending on drug type; for example, the social harms caused by heroin are different to those caused by methamphetamine.
- The EFR calculates the social cost of financial crime by estimating the harm that would have occurred if money involved in the crime had been retained by criminals and used for illicit purposes.

Figure 3.4 Transnational return on investment calculation and social harm



The Transnational ROI result of 10.3 is significantly higher than last year’s result of 3.6 (see Figure 3.5). The increase was driven by the finalisation of several drug investigations. This year two cases involving particularly large drug seizures were finalised: Operation Sweeney/Jacaranda (Southern Command, in which 876 kilograms of methamphetamine was seized, with a DHI value of \$410 million); and Operation Roselle (Eastern Command; 575 kilograms of methamphetamine; DHI value \$164 million). By comparison the largest DHI for a case finalised in 2018–19 was Operation Collage (Eastern Command; DHI \$190 million) and only three cases involved a DHI of over \$100 million.

Figure 3.5 Return on investment for transnational crime, 2015–16 to 2019–20



Relatively few financial investigations with large initial fraud estimates were finalised in 2019–20, leading to a continued drop in EFR. This result reflects the fact that fraud matters are often progressed by other agencies, given their increasing investigative maturity; the time taken for the AFP to investigate; the relative priority of financial crime cases; and the increasing use of non-prosecutorial treatments in this space. This last point in particular indicates that the financial component of this result is an underestimate. Despite this, the performance criterion was still very clearly met.

The ROI is sensitive to operational strategy—for example, offshore police liaison may reduce a syndicate’s illicit drugs imports into Australia, leading to fewer and smaller domestic seizures. This in turn lowers the DHI. The ROI should alter with time and with the adoption of prevention and especially multi-agency treatments and disruptions.

Since the AFP adopted its harm indexes, other agencies have developed similar indexes using varying methodologies. The AFP updates its index components, but the frameworks have remained relatively stable and focused on enforcement outcomes. The AFP examined other indexes over 2019–20 and will continue to examine external developments for additional ways to report harm averted and ROI in light of the AFP’s operationally diverse focuses and its need to maximise outcomes within the existing AFP footprint.

1.2b Return on investment—assets confiscation

Source of criterion	PBS 2018–19 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 26	
Result	2018–19	2019–20	Target	Target achieved
	2.7	1.95	Positive return (i.e. > 1)	Yes

Australia is committed to depriving those involved in organised crime of illicit wealth, and it is a signatory to several international treaties that combat money laundering and terrorism financing

and enable confiscations of the proceeds of crime. Under the *Proceeds of Crime Act 2002* (Cth), the Commissioner is a 'proceeds of crime authority' and the AFP plays a key role in targeting illicit wealth.

The Criminal Assets Confiscation Taskforce (CACT) plays a large part in investigating and identifying possible proceeds of crime. The CACT, hosted by the AFP, is a multi-agency taskforce that brings together investigators, forensic accountants, analysts and litigators in co-located teams around the country. Participating agencies include the ATO, ACIC and AUSTRAC. The CACT also draws on the expertise of the Australian Border Force and other domestic and international partners.

Money laundering and drug-related offences feature prominently in the criminality targeted by the CACT. Where assets can be identified as either 'proceeds' or an 'instrument' of crime, the CACT may take civil action to restrain those assets. Ultimately the assets are forfeited to the Commonwealth.

AFSA also plays a key role in the process by managing assets until liquidation and managing the Confiscated Assets Account (CAA) on behalf of the Commonwealth. Once assets have been liquidated, proceeds are credited to the CAA. With approval from the Minister for Home Affairs, funds in the CAA may be used for a suite of crime prevention and law enforcement programs and measures.

The ROI for assets confiscation compares the value of confiscated assets from proceeds of crime matters in 2019–20 with the costs of running the CACT (the investigation and criminal assets litigation teams within the AFP, including secondees provided by the ATO and ACIC).

AFSA provides the realised assets values. It should be noted that these assets may relate to investigations commenced in previous years or where the confiscation order was made in an earlier financial year and the assets have been realised in a subsequent financial year or over a number of years.

The ROI for assets confiscation is 1.95 against a target of 1. This is based on a total benefit of \$38.8 million of confiscated assets over costs of \$20.0 million.

2.1 Prevention case study analysis—domestic (PAES Program 1.1) and international (PAES Program 1.2)

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 27	
Result	2018–19	2019–20	Target	Target achieved
	Met	Case studies below	Successfully targeted crime prevention	Yes

One of the strategies the AFP uses to prevent offending that causes harm is to ensure that the crime does not take place. To achieve the prevention performance criterion, the AFP:

- works to reduce anticipated victimisation of a person, place or thing
- works with potential offenders and vulnerable individuals to ensure they do not engage in crime
- targets underlying social, procedural or system vulnerabilities that are likely to be exploited
- strengthens institutions, the rule of law and police legitimacy to ensure order is maintained, enforcement occurs and the majority of citizens voluntarily adhere to the law.

Many of our prevention approaches are well known. For example, police are involved in school safety and industry/consumer education. The Constable Kenny Koala and Foreign Bribery Network case studies in this chapter illustrate these activities. Other approaches are less recognisable. Enforcement can be seen as preventive because it has a downstream impact of deterrence in that effective enforcement makes criminals less likely to offend. However, prevention can also be achieved through preventive legal structures—for example, the National Sex Offender Registry and offences in the counter-terrorism space where people commit crimes in planning an act—and by identification of system vulnerabilities by investigative taskforces. Enforcement, disruption and prevention are closely interrelated in policing.

Prevention is notoriously difficult to measure, so qualitative case studies are used to show processes involved. Into the second year of this performance criterion, the AFP continues to examine ways to show our impact and incorporate detection and preparatory offences. The case studies below show aspects of prevention across Outcomes 1 and 2 during 2019–20.

Case study: Raising awareness of community scams

Scams are increasingly affecting our community, and the impact of scams on the Australian economy can be devastating.

Scammers are opportunistic. They use many different types of scams—for example, we have seen romance scams, investment scams and banking scams. Scammers particularly target people aged over 55³. They go to great lengths to ensure their content appears to be legitimate—they are able to style their material to pretend emails are from banks, the ATO, the government or even police.

They will exploit any situation to their advantage. Even during national emergencies such as the recent bushfires and COVID-19, scammers have been seeking opportunities. Over the past year scammers sought to access bank account details by sending emails pretending to sell COVID-19 products online or relay testing advice from the government. Scammers have even made phone calls to potential targets pretending to be from the World Health Organization.

³ Australian Competition and Consumer Commission, 'Scams Cost Australians Half a Billion Dollars', *Scamwatch*, 29 April 2019. Available at: www.scamwatch.gov.au/news/scams-cost-australians-half-a-billion-dollars

To counter scams, the AFP and other agencies—for example, the Australian Competition and Consumer Commission, through its *Scamwatch* newsletter, and ACIC—distribute public education and information to ensure that messages about keeping safe from scams reach the right people in the community.

The AFP continues to use press releases as a staple form of communication about scams. However, since 2012, our social media platforms have become increasingly important in disseminating scam prevention messages.

The AFP’s social media platforms offer an invaluable two-way engagement with the community, and our audiences have grown to over half a million. Younger people in particular respond well to the interactive and often humorous methods the AFP uses to communicate its messages.

Most people will only ever have limited contact with the AFP, engaging with it either as a passive viewer of news bulletins about its work or as a victim, witness or offender. Online engagement opens up a different and increasingly effective pathway.



Case study: Bribery Prevention Network online hub to prevent foreign bribery

Companies that attempt to bribe foreign officials so that they can be treated favourably in an international business transaction are committing a crime. The Australian Government has international obligations to address and report on foreign bribery, and the AFP is responsible for pursuing those matters. However, we are often faced with ingrained international business practices that have normalised bribes and other distortions in private and government contracts or purchases. For this reason, the AFP sees prevention as a key way to reduce this type of crime.

Education is key to combating foreign bribery, as it can lift standards among all types of businesses. For this reason, in 2019 a new Bribery Prevention Network (BPN) was established. The BPN uses education to improve the capacity and capability of Australian businesses to comply with foreign bribery legislation and to minimise their risk exposure. It is a public–private partnership between the AFP, government agencies, industry groups, civil society and a number of leading Australian corporations.

Bribery Prevention Network members include:

- Australian Federal Police
- Attorney-General's Department
- Allens
- BHP
- Commonwealth Bank of Australia
- Global Compact Network Australia
- Transparency International Australia
- Westpac

The BPN is currently developing an online hub where Australian businesses, especially small to medium enterprises, can access high-quality content, case studies and tools to help them prevent, detect and respond to the risks of bribery and corruption. Many larger organisations develop their own resources, but it is costly to maintain them and it is difficult to share them across the broader business community. Smaller firms tend to lack resources to develop advice, leaving a key sector vulnerable.

In May 2019 the BPN Steering Committee organised a government-hosted CEO roundtable involving major Australian firms. The event raised awareness among senior business leaders of the importance of avoiding foreign bribery and corruption and sought cultural change within industry sectors. The BPN has also presented to Asia-Pacific Economic Cooperation (APEC) in Chile in August 2019, the Organisation for Economic Co-operation and Development (OECD) Working Group on Bribery in Paris in December 2019, the UN Global Compact Leaders Summit and a number of forums in Australia. It has attracted significant interest from the international community for its approach in making the private sector and governments accountable for the problem and identifying solutions through collaboration.

The AFP's involvement in the BPN assists in strengthening the rule of law; upholding the protection of human rights; building confidence in public institutions; and safeguarding the most vulnerable. It supports recommendations by the OECD Working Group on Bribery, showing the links of AFP work to multinational policy efforts on fighting crime.

Case study: Constable Kenny Koala helps to spread awareness of child safety

Since 1975, Constable Kenny Koala has been a key part of ACT Policing’s strategy to educate children about dangerous or unsafe situations and how to seek help from police and support services.



Constable Kenny talks to young people about things like protective behaviours, how to deal with bullying, how to stay safe online, how to deal with strangers, how to make good decisions and how to look after others. Children find Constable Kenny very approachable, so he is able to build a trusted relationship between police and children in a friendly, non-threatening way. Between 1 July 2019 and 19 March 2020, Constable Kenny visited 19,618 students

across 946 classrooms; and attended 19 community events, engaging with families, parents, children and other members of the community.

Constable Kenny has had to postpone his visits to community events and schools at this time because of the COVID-19 pandemic. However, he is still using social media to spread education and awareness among young people. For example, in March 2020 he released a video on ACT Policing’s Facebook page to educate children on how to protect themselves against the spread of COVID-19. The video reached more than 45,000 people. Constable Kenny is building a large social media presence—he has Twitter and YouTube pages and his Twitter account currently has 985 followers. Between 27 March and 29 May 2020, he tweeted 18 educational activities and safety tips on his Twitter account.

To complement safety messaging delivered by Constable Kenny, ACT Policing, as part of the ThinkUKnow education program, provides other age-appropriate online safety presentations to improve childhood protective behaviours.

Constable Kenny reflects the commitment of ACT Policing and the ACT Government to ensure the safety of all vulnerable people in our community, including children. He helps ACT Policing to achieve its mission of ‘keeping the peace and preserving public safety in the ACT’ through early childhood education.

2.2 Disruption case study analysis—domestic (PAES Program 1.1) and international (PAES Program 1.2)

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 27	
Result	2018–19	2019–20	Target	Target achieved
	Met	See case studies below	Successfully undertook disruption	Yes

The AFP's disruption strategy is an important part of its crime prevention activities. Disruption involves delaying, diverting or otherwise complicating the commission of crimes or the operations of a criminal entity. Many different operational tactics and strategies can be used to effect a disruption.

Disruption can be used as a standard response to reoccurring crimes—for example, where officers manage repeat drug importation attempts where drugs are concealed in imported equipment—or they may be more tailored responses to a specific investigation or criminal threat if the AFP believes that disruption is the best way to proceed in dealing with offending, especially if victims are at risk. Disruptions may need to be used numerous times during an investigation given the resilience of criminal groups. As disruptions often occur during investigations, they are often seen as linked to enforcement activities, but they may occur outside a case as a generic response to a crime—for example, cancelling visas for travelling sex offenders.

Disruptions can also be the most appropriate response when securing a successful prosecution in Australia may not be feasible or cost-effective. Also, for some crimes it is better to use disruption to interrupt harm and prevent it from continuing—for example, in human trafficking, counter-terrorism, drug imports and instances of anonymous but trackable offending.

Some of the AFP's domestic and international disruption activities are discussed in the following case studies.

Case study: Joint Counter Terrorism Team disrupts domestic terrorist activities

The Joint Counter Terrorism Teams (JCTT), comprise the AFP, ASIO and state and territory police agencies, who work collaboratively to disrupt potential terrorism threats. In NSW, this includes the NSW Crime Commission. JCTTs work closely with other domestic law enforcement and intelligence agencies and with the AFP's foreign law enforcement partners to identify and investigate terrorist activities in Australia including planning terrorism acts, and support to or financing of terrorism. The primary object is the safety of the community and an emphasis is on preventative operations. The JCTTs are part of a comprehensive national response to CT threats where state and terrorist police and emergency response agencies have operational responsibility for first response to a terrorist act.

In December 2019 the NSW JCTT became aware that a man had been creating and posting increasingly extremist material on social media. He had also downloaded a document on weapons and tactics, and the JCTT believed that the information in it could have been used to facilitate a terrorist act. After the JCTT's investigation, the man was charged with acts done in preparation for or planning a terrorist act, membership of a terrorist organisation and advocating terrorism. The JCTT also believes he actively attempted to influence teenagers to adopt and act upon his extremist views.

Despite the challenges involved in investigating people who are operating in an online environment, the JCTT has remained committed to protecting the community from extremist ideologies, with community safety the prime consideration of all JCTT investigations.

Case study: International disruption—online child sexual exploitation

In cases of online child sexual exploitation, protection of children is the key goal. Disruption is an appropriate mechanism to use in these cases because it ensures the immediate safety of the children and limits the harm caused by their ordeal.

To help to disrupt child sexual exploitation in the Philippines, the AFP is involved with the Philippine Internet Crimes against Children Center (PICACC), which enhances the global response to online sexual exploitation of children. The PICACC operates as a cooperation between Philippine and international law enforcement bodies and the non-government sector. Between its inception in February 2019 to 30 June 2020, the PICACC has conducted 58 operations, arrested 53 suspects and rescued 194 child victims. AFP Manila Post holds positions in the PICACC Donor Board of Management and Operations Coordination Group, which enables it to influence the strategic direction of the PICACC and helps to develop its capabilities to address online sexual exploitation of children at the source.

In 2019–20 a referral generated by the Tasmanian Joint Anti Child Exploitation Team was sent to the PICACC. The PICACC worked with the Philippine National Police, the Women and Children Protection Centre and the Mindanao Field Unit (MFU) to investigate the referral. As a result, one facilitator of online sexual exploitation of children was arrested and 13 victims were rescued. AFP Manila supported the MFU deployment with logistical and funding support. Evidence obtained from the Philippine resolution may enable additional charges to be laid in Australia.

The arrest and prosecution of these offenders led to their being held accountable and potentially punished for their crimes. By removing victims who were being used in the production of online abuse material, police also disrupted the business model and ongoing harm to these and other potential victims.

Case study: India and Australia work together to prevent drug importation

In 2019–20 the AFP was involved in multiple disruptions of a transnational organised crime syndicate that was exporting cocaine and methamphetamine from India and other countries to Australia. The group was later assessed as being part of a larger transnational organised crime syndicate with connections to Nigeria, Canada, the United States and Australia.

On 3 April 2019, 200 kilograms of methamphetamine was seized in Melbourne, having arrived via air cargo from Canada. A person using an Indian contact number was attempting to collect the consignment. The AFP post in New Delhi shared information relating to the drug seizure with the Narcotics Control Bureau (NCB) in India, who commenced an investigation in conjunction with the AFP, the United States Drug Enforcement Administration (DEA) and the Royal Canadian Mounted Police (RCMP). The NCB identified a further two consignments that had been sent to Australia and had already been delivered, and a third consignment that was intercepted in the United States. The NCB later arrested and charged an Indian person and their accomplice in connection to these importations.

On 12 June 2019, a shipping container arrived into Sydney from India. It contained 110 blocks of cocaine concealed within a plasma cutting machine. The estimated gross weight of the cocaine was 55 kilograms. Those responsible for the shipment were identified, additional quantities of cocaine that were assessed as being destined for Australia were seized in India, and seven persons were arrested for their involvement in the matter.

Investigation by the AFP identified links between the syndicate and other drug shipments, including the seizure of 200 kilograms of methamphetamine at Brisbane Airport. The syndicate is estimated to have undertaken 60 cargo importations between October 2018 and October 2019. An AFP investigator and an ACIC analyst travelled to India in December 2019 and in collaboration with the NCB, DEA and RCMP further built and enhanced intelligence holdings relating to the group, with a view to effecting further disruptions and arrests.

Each disruption has damaged the effectiveness of the syndicate and has reduced the impact and harm to the Australian community. Information sharing and ongoing collaboration between the AFP and our overseas law enforcement and intelligence partners was the key to the ultimate success of the operations and furthers the AFP's goal to combat transnational serious and organised crime. This case reflected improvements in sharing operational information and intelligence between the AFP and partner agencies on a police-to-police basis.

Case study: AFP disruption activities prevent methamphetamine manufacturing

In 2019–20, joint cooperation between the AFP and other law enforcement agencies led to the disruption of a group seeking to produce methamphetamine in Australia. Enforcement for immigration offences served as an effective tool to disrupt a potential drug enterprise, illustrating the interplay between disruption and enforcement.

In May 2018, Chinese authorities informed the AFP's Guangzhou office that they suspected several people were travelling to Australia to establish a clandestine methamphetamine lab in Sydney. The AFP in Australia began to investigate. The AFP identified a concurrent Australian Border Force (ABF) investigation into the importation of precursors, which was assessed as linked.

Potential domestic production of methamphetamine is primarily a state police matter. However, once people begin to produce methamphetamine, significant quantities of border-controlled precursors are required in the cooking process. This leads to the AFP's involvement.

The then Joint Organised Crime Group (JOCG) in New South Wales, which consisted of members of the AFP, the NSW Police Force, the ABF, ACIC, the New South Wales Crime Commission (NSWCC) and the Department of Home Affairs, was advised of and progressed the matter. Cooperation with and assistance from external agencies and the states was required throughout the investigation.

China imposes the death penalty for drug manufacture, so the JOCG had to consider whether the death penalty would apply in the case. It found that, as the Chinese traveller had not offended in China, death penalty considerations were not present.

JOCG partners tracked the two suspects during their stay in Australia. The JOCG's aim was to identify and prevent the production of methamphetamine if and when the clandestine laboratory was established; and prosecute those responsible. Its secondary aim was to disrupt organised criminal activity. During the evidence collection process, the suspects did not undertake any criminal drug-related activity.

However, one of the suspects was known to the NSW Police Force as an unlawful non-citizen from Malaysia. That person was detained under immigration laws and deported. The other suspect voluntarily left Australia without authorities' intervention, using a one-way ticket.

With both suspects out of the country, the potential harm was removed. In the end, this investigation resulted in disruption and enforcement outcomes. Immigration law was upheld while the departures disrupted potential plans to establish a lab.

Case study: AFP and Australian Border Force disrupt human trafficking plan

When dealing with human trafficking, disruptions are often much more timely and effective than pursuing legal action.

In February 2020 the AFP Human Trafficking team was informed that an Australian woman was at risk of being forced into marriage with a man in Afghanistan. The team received the referral from the non-government agency Shakti Migrant and Refugee Women's Support Group.

The team assessed the woman's risk as credible. It alerted the relevant offshore AFP post, which in turn liaised with the ABF office responsible for issuing a visa to the Afghan man who was seeking to travel to Australia in order to marry the woman. The ABF considered the circumstances of the case and denied the man's visa application. Through the straightforward act of cancelling a visa, potential ongoing sexual abuse and harm to the woman was averted.

2.3 Disruption count

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 27	
Result	2018–19	2019–20	Target	Target achieved
	246	294	206	Yes

The AFP recorded 294⁴ disruptions in 2019–20. Fifty-eight per cent of disruptions were international and 42 per cent were national. The majority focused on drugs (34 per cent), cybercrime (29 per cent) and child sexual exploitation (12 per cent). Small numbers of disruptions were related to other crime types, including human trafficking, financial crime and terrorism.

⁴ Using the definition of disruption in performance criterion 2.2, disruptions are recorded in case notes in the AFP database and counted for this measure.

Results show that the primary benefit of disruption is to create efficiency by building relationships with partners and reducing crime-related harm in Australia. The use of disruption is sensitive to the context and particulars of an investigation and will reflect the mix of active investigations.

2.4 Avoidable incidents

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 27	
Result	2018–19	2019–20	Target	Target achieved
	1	0	<2 incidents	Yes

A key objective of AFP Protection is to keep designated individuals like the Governor-General, the Prime Minister, other ministers and designated diplomats and foreign officials safe from acts of terrorism, violent protest and issue-motivated violence. Protection is provided to them within Australia and overseas. The AFP has a key role in protection, owning and leading this work.

The success of this effort is gauged by counting the number of avoidable incidents⁵ that occurred in the reporting period.

There were no avoidable incidents in 2019–20. The AFP's intelligence and risk assessments and planning of events and personnel movement ensured this good result.

2.5 Response case study analysis

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 28	
Result	2018–19	2019–20	Target	Target achieved
	Met	Case studies below	Successfully delivered response	Yes

The AFP's emergency response role can involve it in domestic time-critical activities such as initial drug seizures at the border; phone calls from vessels in distress; alarms at high office holder and foreign diplomat premises; incidents at designated airports; and coordinating and participating in counter-terrorism first response. The AFP can also assist other agencies in national emergencies such as bushfires and COVID-19, as was the case in 2019–20.

The AFP's emergency role can also be international, supporting other Australian and foreign agencies with offshore liaison to return Australians home. The AFP may work alongside local police and the

⁵ Avoidable incidents are incidents that could have been avoided through physical action, intervention or reasonable intelligence and result in death, injury, loss of dignity or embarrassment to individuals and interests identified by the Australian Government or the AFP as being at risk.

Australian Defence Force (ADF) to assist with offshore civil unrest. It can coordinate Australian policing support to international emergencies created by regional natural disasters.

The AFP's response role reflects our links to national policing, the Australian Government and Australian interests. It differs from the state and territory police services emergency roles, which have a range of publicly well-defined roles and avenues of contact.

In managing emergencies, governments invoke governing frameworks and committees that confer specific and time-limited powers on agencies. The types of structures used alter with the type of emergency and the location. In emergencies, the AFP often takes on a crucial support role, along with other police services. It may receive evacuation powers or become responsible for security and law and order around the emergency operation.

In 2019–20, in response to several unprecedented national emergencies, the AFP collaborated with diverse partners; sustained its staff, maintaining their safety; and negotiated complex jurisdictional and legal arrangements in order to contribute to keeping the community safe. We also worked alongside partners like the ADF on Australian soil for the first time. The following case studies illustrate this important stream of work.

Case study: AFP assistance during extreme summer bushfire season

The summer bushfire season of 2019–2020 was one of Australia's worst on record. The fires were accompanied by heatwaves and resulted in hazardous smoke pollution. ACT Policing was on the front line in protecting the Canberra community during this time.

From December 2019, ACT Policing coordinated with the ACT Rural Fire Service and Fire & Rescue ACT to deliver fire training and bushfire kits to officers before the bushfire season started. Training was needed to update members' knowledge and prepare them to respond to a potential bushfire situation, especially as many members had not experienced the devastating 2003 Canberra bushfires.

By 22 January 2020, two fires burned in the suburb of Beard, close to Canberra Airport. Warnings were issued and the airport closed for a day. The fire resulted in a number of buildings and vehicles being damaged. ACT Policing managed traffic and road closures and prepared the community for evacuations.

On 27 January 2020, shortly after these fires were extinguished, a major fire developed in Namadgi National Park. By 28 January the fire was only 9 kilometres from Tharwa in the south of the ACT. Emergency warnings were issued for Canberra's southern suburbs and rural villages. With the fires on each side of the New South Wales – ACT border, authorities worked around territorial divides to provide a united response. Coordination and communication were crucial for an effective response.

On 30 January 2020, ACT Policing established a unified (multi-agency) command post at the Lanyon Vikings Club in Tuggeranong, south Canberra. Teams of ACT Policing, Australian Defence Force (ADF) soldiers and State Emergency Service personnel doorknocked more than 8,000 houses and apartment

complexes in Weston Creek and Tuggeranong, and carried out patrols, road and traffic management operations and public engagement duties to get citizens prepared.

As conditions intensified, on 31 January 2020 the ACT Government announced a State of Emergency. This declaration activated a range of emergency provisions involving ACT Policing and the Chief Police Officer and delegated authorities.

During the emergency, ACT Policing members worked out of the ACT Emergency Services Agency (ESA) emergency command centre at Fairbairn, which was coordinating the emergency, with the Chief Police Officer working alongside the ESA Commissioner. AFP representatives also attended whole-of-government crisis coordination meetings involving the ADF, the State Emergency Service, the Bureau of Meteorology, Emergency Management Australia, the Department of Human Services, the Australian Communications and Media Authority, the Department of Home Affairs and the Department of Agriculture as they planned response and anticipated recovery operations.

AFP members from outside ACT Policing were drawn on to assist with the response. The AFP also provided additional technical resources—for example, AFP Forensics were deployed to a live fire scene to assist with an investigation into suspicious activity, producing large maps of the affected region to support the Police Forward Commander's critical decision-making and utilising a mobile phone signal reception booster that enhanced secure communications for emergency service members.

The fire was declared extinguished on 27 February. Our ability to cooperate with other services and work under emergency management provisions assisted ACT Policing to respond to an erratically unfolding emergency, keeping the Canberra community safe during a long and trying summer.

Case study: Operation Burdei—AFP assists key partner agencies to coordinate Australian evacuation response from Wuhan, China

In early 2020 the AFP played a part in organising a safe return home for many Australians trapped in Wuhan, China, during the COVID-19 pandemic. Many who were in Wuhan at the time could not leave because international airlines grounded flights and regional borders were closed. Operation Burdei was set up to coordinate the evacuation. It commenced on 2 February 2020 and concluded on 4 March 2020, with 65 members deployed in teams consisting of AFP members and Christmas Island community police officers.

The Australian Government organised chartered flights to collect 713 Australian citizens in Wuhan. The AFP assisted the lead agencies, the ABF and the Department of Health, by providing public order and security for those being transported and quarantined.

Before evacuees could return to the mainland, they had to first undertake a mandatory 14-day period of isolation at designated quarantine facilities located at Christmas Island. Later other evacuees were taken to Howard Springs in the Northern Territory. To do this, on 7 February the Northern Territory Chief Health Officer used the *Notifiable Diseases Act 1981* (NT) to allow the use of Howard Springs as a quarantine site that restricted movement of those accommodated there. On 3 and 4 February 2020 the first two contingents of repatriated Australians boarded charter flights from Wuhan and made the

journey to Christmas Island. The AFP had two officers on each charter. Similar evacuations occurred to Howard Springs.

The AFP established and provided a continuous 24/7 security presence at both quarantine facilities and liaised with stakeholders to deal with media and community concerns about the evacuations, especially at Howard Springs. In addition, the AFP assisted with evacuating 170 Australians from the *Diamond Princess* cruise ship, which was moored in Tokyo, and relocating them to the Howard Springs quarantine facility. In doing this work, officers navigated different Acts and emergency provisions in order to work alongside state police and other partners.

The planning and coordination required for an operation of this magnitude relied on ongoing collaboration and active engagement with all stakeholders and partner agencies, as well as active and careful management of staff. The COVID-19 emergency demonstrated the courage and organisation of the AFP and its partners to ensure the safety and care of evacuees, officers and the general community.

Case study: AFP assistance with COVID-19 response—Operation Protect

On 19 March 2020, in response to the COVID-19 pandemic, the Australian Government declared a health emergency. The AFP launched Operation Protect to help manage safety measures that were put in place to contain the spread of the virus.

The AFP assisted with management of airport and cruise ship arrivals and quarantine of Australians returning from overseas. It also deployed members to the Northern Territory Police Force to help protect remote and vulnerable Indigenous communities. It maintained a physical presence at

Centrelink offices (at the request of Services Australia) and at shopping centres and supermarkets. It increased patrols to ensure that citizens adhered to social distancing measures and were complying with lawful public health orders and government instructions. It also supported enforcement of state border checks when requested.

AFP Eastern Command members escorted 32,936 people through Sydney Airport until the NSW Police Force took over on 7 July 2020. Returning passengers underwent health checks upon arrival in Sydney before being taken to hotels across Sydney. AFP teams of two to four members escorted each transfer. Even though AFP members were operating at a high tempo and engaging with a significant number of people and partner agencies, no member on this operation became infected with COVID-19. Eastern Command's Operation Protect unified response will continue into the foreseeable future as more Australians return home.



AFP members with the Royal Flying Doctor Services, Tanami Mine airport, NT

AFP Northern Command has also had significant involvement in the COVID-19 response. Strong operational partnerships have developed between AFP Brisbane Airport members and their Queensland Police Service (QPS) colleagues. QPS members have been working in airports to assist with serving health notices and quarantine directives. Also, AFP Northern Command and QPS worked alongside members from Queensland and Commonwealth agencies in the Brisbane District Disaster Management Group, which



Screening passengers – Perth, WA

operated from the District Disaster Coordination Centre (DDCC). The AFP made a large section of the Emergency Operations Centre at Brisbane Airport Operations Centre (BAOC) available to the DDCC Transport and Accommodation Planning Cell. The DDCC immediately moved all of their operational staff into the BAOC, where they worked alongside the AFP’s Aviation Major Incident Room.

AFP Darwin office supported the Northern Territory Government’s state border and biosecurity checkpoint at Darwin International Airport while maintaining their normal business activities. Since the introduction of restrictions in March, Darwin office AFP members have been heavily involved in processing all travellers arriving through the international and domestic airport gateways. Since May 2020 the Darwin office has assisted with more than 340 flights, processed more than 5,500 passengers and crew with Northern Territory border arrival quarantining forms, and provided 58 escorts to quarantine hotels.

AFP Southern Command was also involved in the COVID-19 response, facilitating the arrival, screening and quarantine of 21,582 international arrivals.

AFP Western Central Command was involved in the COVID-19 response relating to flight arrivals, border vehicle checkpoints and biosecurity checkpoints, facilitating the arrival, screening and quarantine of 6,814 international arrivals.

With COVID-19 still posing challenges, the pandemic-related work of all AFP teams seems likely to continue into at least the near future.

2.6 Response to aviation incidents within priority time frames

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 28	
Result	2018–19	2019–20	Target	Target achieved
	Priority 1—93%	Priority 1—91%	Priority 1—90%	Yes
	Priority 2—93%	Priority 2—91%	Priority 2—90%	
	Priority 3—100%	Priority 3—99%	Priority 3—95%	
	Priority 4—100%	Priority 4—100%	Priority 4—95%	

This performance criterion covers the AFP response at designated Australian airports: Adelaide, Brisbane, Cairns, Canberra, Darwin, Gold Coast (Coolangatta), Melbourne, Perth and Sydney. The AFP has set response time targets that depend on the priority level⁶ of the incident. Targets range from priority 1, for life-threatening incidents, to priority 4, where there is no immediate danger.

Other jurisdictions that use response times as a performance criterion (New South Wales, Queensland, Western Australia, South Australia and the ACT) aim to have between 80 and 90 per cent of their priority 1 call-outs met within time targets of between 10 and 15 minutes⁷. The AFP's target of 90 per cent is high compared with state targets, while the 10-minute time frame is also one of the leanest. Despite this, the AFP exceeded targets in all priority levels, with results slightly lower (2 per cent) than last year.

The AFP attended 703 priority 1 incidents in 2018–19. We were on target to have similar numbers of incidents in 2019–20 until COVID-19 was declared a pandemic in March 2020. As can be seen in Table 3.4, Figure 3.6 and Figure 3.7, from April 2020 the numbers of incidents fell dramatically as travel restrictions were imposed by state governments and airports were closed for holiday and business travel.

Despite the impact of COVID-19 and increased focus on escorting passengers to quarantine, the performance criterion was met. The AFP's remit is to keep people safe by offering incident response. It successfully did this despite the changing demand for the service.

Table 3.4 All aviation incidents, comparison between April 2019 and April 2020

Priority	Average number of incidents per month	Incidents
	July 2019–March 2020	April 2020
1	44	23
2	761	189
3	147	65
4	1,463	819

⁶ Priority level definitions:

1—Life-threatening or time-critical situation.

2—Situation requiring immediate AFP attendance but not life threatening.

3—No immediate danger to safety or property but where AFP response or attention is required. This is determined in consultation with the complainant but, in any event, no later than 120 minutes from the initial contact by the complainant.

4—No immediate danger to safety or property but where police response or attention is required. This is determined in consultation with the complainant but, in any event, no later than 24 hours from the initial contact by the complainant.

⁷ Productivity Commission, Report on government services 2019, Australian Government, Canberra, Ch 6.

Available at www.pc.gov.au/research/ongoing/report-on-government-services/2019/justice/police-services

Figure 3.6 Airport incidents by priority, 2019–20

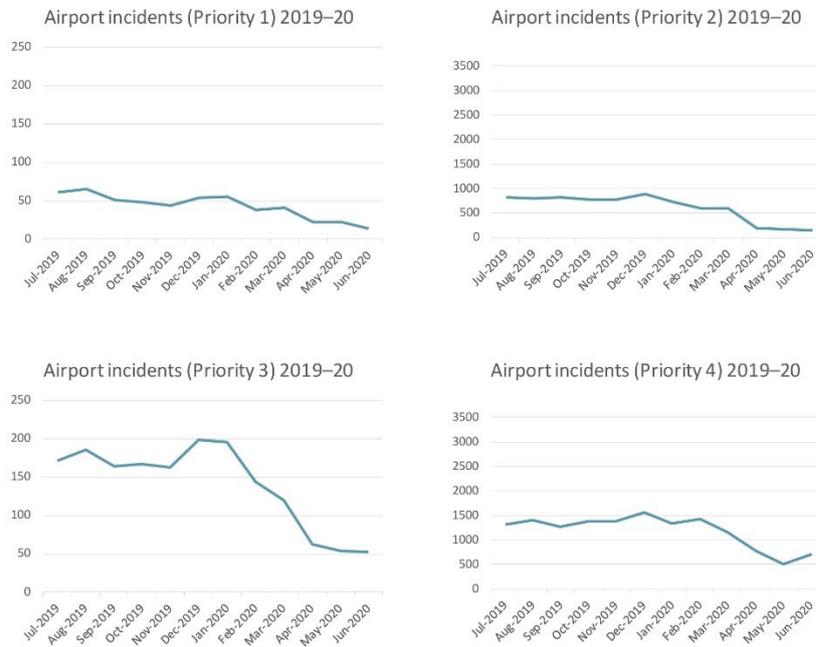
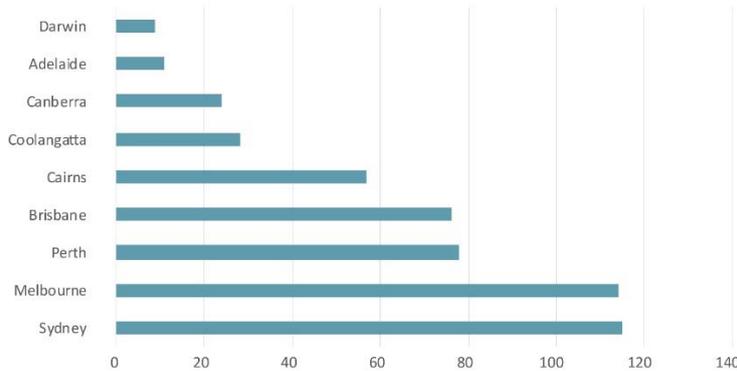


Figure 3.7 Priority 1 incidents across airports, 2019–20



2.7 Enforcement case study analysis

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 28	
Result	2018–19	2019–20	Target	Target achieved
	Met	Case studies below	Successfully targeted crime prevention	Yes

The AFP conducts enforcement activities to compel compliance with laws, rules or regulations. It investigates the commission of federal criminal offences (and other relevant offences) and assists other regulatory/enforcement agencies to enforce their laws/regulations.

For the AFP, core enforcement activities include:

- undertaking investigations related to offences against the Commonwealth or national security
- providing community policing in Australia and internationally as well as carrying out peacekeeping duties that operationalise criminal and community safety laws, leading to civil order and security
- actioning Commonwealth policing provisions contained in various laws and initiatives—for example, child sex offender registration, INTERPOL, international alerts, assets confiscation or mutual assistance
- responding to criminal breaches of court processes related to topics that the AFP is responsible for—for example, family law and AFP investigations/prosecutions
- assisting other agencies to do their investigations or enforcement. AFP officers may assist with warrants, interviews, surveillance and intelligence. The AFP may have powers that other investigative agencies lack, so we can provide specialist policing services to help the agency investigate. The AFP may also help another law enforcement agency to locate criminals and return them to face charges/court in their home territory or help a regulatory agency to enforce a decision by offering a police presence.

Enforcement is the most commonly recognised element of any police service. The ways it occurs, its rationale and its goals vary, as do the social outcomes; these are shaped by the workings of the criminal justice system. The AFP does not necessarily control the final social outcome. For example, AFP members contribute to prosecution by investigating matters, but they do not control the next and final steps of the process—prosecution, court and sentencing, where key social impacts and outcomes are generated.

The case studies below illustrate the interconnected and multiple aspects of, and outcomes from, our enforcement work.

Case study: Forty-one kilograms of cocaine seized as part of Operation Birdlip

In August 2015, 10 kilograms of cocaine was imported into Australia from California via air cargo. In May 2016, a further 15 kilograms of cocaine with similarities to the August 2015 consignment was intercepted upon arrival into Australia. Operation Birdlip was established to investigate the importations.

On 2 September 2016, a 29-year-old Queensland resident and Rio Tinto executive was arrested by the AFP at Sydney Airport following extensive investigations. It was alleged the man had tracked both cocaine shipments intercepted by the AFP, both in Australia and from overseas. At the time of his arrest, the executive was in possession of a Blackberry Curve mobile device encrypted with Phantom

Secure software. He denied ownership of the device or the password to it. However, he later provided the password to the AFP.

The following day, the AFP, using the Blackberry device, entered into communications with a person who was later identified. These communications enabled the AFP to intercept a further 16 kilograms of cocaine and arrest the new person and an accomplice following a successful controlled operation. The three men pleaded guilty to their respective offences, receiving custodial sentences of between four and nine years.

During the AFP's investigation, links to suspects under investigation by the NSWCC were identified. One of those suspects was a prominent US sporting identity. A subsequent investigation launched by the US Federal Bureau of Investigation (FBI) resulted in the arrest of 22 persons. The NSWCC also arrested an offender allegedly involved in 17 importations of cocaine into Australia. The collaborative efforts of the AFP, NSWCC and FBI were key to dismantling this transnational criminal network.

Operation Birdlip was more complex than a typical parcel post investigation because the criminal syndicate's structure and discipline were particularly good. The AFP believes that the syndicate facilitated multiple cocaine importations before it came to the attention of law enforcement. Additionally, the use of encrypted communications made investigations more difficult and time consuming. The acquisition of a Controlled Operation Authority, which enabled the AFP to covertly engage an operational target, was key to the successful outcome.

Case study: IM-RAT malware distribution disrupted under Operation Cepheus

The AFP's Operation Cepheus is investigating the development and sale of the Imminent Monitor (IM) Remote Access Tool (RAT). IM-RAT can be used for illegal purposes and can give the purchaser complete access to a victim's computer. Once the RAT is installed on a computer, a remote user can access and view documents, photographs and other files, record all the keystrokes entered and even activate the webcam and microphone on the victim's computer. All of this can be done without the victim's knowledge. The AFP investigation presented opportunities for both enforcement and disruption outcomes.

Following information from the FBI and Unit 42 at Palo Alto Networks, a technology firm, in December 2017, the AFP team began to investigate IM-RAT. Not all uses of IM-RAT are illegal and owning a licence is not a criminal offence. However, the AFP found that this particular IM-RAT product contained all of the features that show software to be malware.

The AFP investigation uncovered a network of individuals who supported the distribution and use of the IM-RAT software across 124 countries. Sales records showed there may be more than 14,500 purchasers. IM-RAT was advertised via a website dedicated to hacking and the use of criminal malware. A licence could cost as little as US\$25 and little technical knowledge was required to deploy it. The number of victims is unknown but estimates suggest that globally it could be in the tens of thousands.



AFP officer conducting an in-field examination

AFP Cybercrime Operations shut down the software supporting purchases from this website, thereby preventing new crimes and victims. Between 25 and 29 November 2019 the AFP coordinated a global week of action involving domestic law enforcement, EUROPOL and EUROJUST, and law enforcement agencies in 16 countries. Eighty-five search warrants were issued, there were 13 arrests and 434 items were seized. As a result of the search warrants, AFP investigators identified evidence of stolen personal details and are working to identify victims.

In the UK the operation led to a conviction of a Liverpool man who admitted to installing the RAT on the devices of three unsuspecting women. He used the tool to hack the victims' computers and webcams to spy on and film them in compromising positions, including undressing and having sex⁸.



Take-down notice posted on the website

At the conclusion of the week of action, the AFP organised a takedown notice to be posted on the website selling Imminent Monitor. This significantly disrupted users. A media campaign aimed at victims of the software was released to provide guidance to members of the public on what they should do if they identified the software on their system. These preventive measures assisted with educating the public as to the effects of malware variants of this nature.

Domestically, person profiles on 18 domestic targets were prepared and disseminated to state and territory police along with lists of all Australian purchasers of the tool. The NSW Police Force advised that they have issued formal warnings to 29 purchasers of the tool.

This operation sought prosecution through enforcement, but it also shows the interrelated mix of strategies and outcomes the AFP uses in major cases, involving prevention, victim support and disruption.

⁸ Tara Seals, 'Liverpool Voyeur Used IM-RAT to Video Women at Home', Threatpost, 8 January 2020. Available at: <https://threatpost.com/liverpool-voyeur-im-rat-video-women/151638>

Case study: Operation Circinus intercepts major drug importations through Melbourne ports

In December 2019 three people were charged over Australia’s largest ever onshore methamphetamine seizure, worth more than \$1 billion.

During a sea cargo inspection at the Melbourne Container Examination Facility, ABF officers detected the huge haul in vacuum-sealed packages concealed within stereo speakers that originated in Bangkok. Operation Circinus, involving both the AFP and the ABF, was established to investigate the matter.

As a result of investigations, the AFP charged two men (aged 37 and 38) and a woman (aged 37) for being involved in importation of more than 1.6 tonnes of illicit drugs—equal to almost 16 million drug deals. In total, 1.596 tonnes of methamphetamine and 37 kilograms of heroin (a total of 1,633 kilograms) were detected, with an estimated DHI value of \$365 million and \$49 million respectively.

Operation Circinus was successful in identifying and removing serious vulnerabilities at the Melbourne waterfront and effectively dismantling a drug importing syndicate.

2.8 Prosecution acceptance rate

Source of criterion	PBS 2019–20 (PAES)		Program 1.1, page 65	
	Corporate Plan 2019–20		Page 28	
Result	2018–19	2019–20	Target	Target achieved
	95%	94%	95%	No

This measure examines the support the AFP provides to the workings of the criminal justice system. In its second year, details for this measure are still being refined, given the complexity of how AFP work supports the legal process and emerging data issues.

As a leading investigative policing agency, the AFP investigates a range of matters that will have very different forms of engagement and pathways through the court and prosecutorial process. Some offences are summary; others are indictment or indictment treated summarily. The ways in which these different matters progress through court, the type of court that will hear the matter and the common milestones that will be part of the case (such as first mention, committal, or contested hearings if there is a non-guilty plea) will differ according to the matter. The timing of when and whether an offender pleads guilty will also affect the prosecutorial process. Given this, there is uniqueness and complexity in the prosecutorial process.

Compounding this, data issues have emerged. In the previous year, the AFP used a report from the Commonwealth Department of Public Prosecutions (CDPP). However, that report covered only a small fraction of AFP-related prosecutorial work. It covered matters where a brief of evidence is prepared and submitted to the CDPP for assessment, and the AFP is seeking to secure representation before laying charges.

As members of a key investigative policing agency, AFP officers can and often do lay charges autonomously, with arrests and other methods forming the bulk of their prosecutorial workload. For example, in 2019–20, AFP National Investigations arrested 285 people, charging them with 891 counts of diverse offences—ranging from child protection to drug importation and money laundering crimes, to name a few—relating to 224 cases. Similarly, at airports, AFP members arrested 225 people, charging them with 316 counts of various offences, relating to 221 cases. The majority of these arrests led to court hearings, where a magistrate hears the charges and the CDPP represents the AFP. In these matters the magistrate tends to decide whether the charges are suitable and there is a case to answer.

Given such issues, for 2019–20 this performance measure examined the percentage of AFP finalised cases that resulted in either a conviction or a discharge. As cases are counted, each case may have more than one offender who could have been charged with multiple offences and counts of the same offence. This data enabled a greater proportion of AFP work to be included in the measure, thereby strengthening it. The quality of AFP briefs used in prosecutions is indirectly measured using the assumption that adequate quality ensured the court process occurred, while matters the CDPP elected not to argue were reflected in matters being discharged.

Of the finalised national (excluding airport) cases in 2019–20 that reached court, 94 per cent resulted in a sentence and 6 per cent were discharged. This is a slight drop from last year and just misses the performance measure target. As the measure uses finalised cases, these matters may relate to offences committed outside the current year.

In addition, during 2019–20, 743 offenders whose cases related to AFP-led investigations (not necessarily finalised cases⁹) went before court for sentencing. The AFP can pursue charges and offences as part of other agencies' court actions. Given this, this figure underestimates the sentencing related to AFP investigations. For AFP-led non-appeal matters, the last quarter showed that the majority of offenders entered guilty pleas (91.7 per cent) and that 50 per cent of the 10 matters involving non-guilty pleas were won by the prosecution. Of those matters that were lost, four out of five predominantly involved juries. Only 6.6 per cent of the sample ended up having a nil sentencing result (for example, withdrawn or discharged). In this regard, the AFP continues to support the prosecutorial process and holding offenders to account, with commensurate community benefits of offender rehabilitation and punishment, and general deterrence.

⁹ With potentially many offenders in one case, there can be time delays between court sentencing dates for each of the offenders in an investigation, as well as delays in closing the investigation after a sentence is handed down for one offender, due to administrative processes or the need to keep the investigation active for other suspects.

Program 1.2 International Police Assistance performance measures and results

Disruption and prevention case studies are reported with domestic case studies under Program 1.1. The remaining performance criteria for Program 1.2 are reported here.

1.2 Return on investment—international operations

Source of criterion	PBS 2019–20 (PAES)		Program 1.2, page 66	
	Corporate Plan 2019–20		Page 26	
Result	2018–19	2019–20	Target	Target achieved
	22	46	1	Yes

The AFP's international operations ROI assesses one aspect of the work of international AFP posts—international drug seizures where there was AFP involvement—against the cost of the AFP doing this work. Estimates of costs include all operating and staffing costs of AFP international posts in 2019–20. The value of the international drug seizures, or benefit, is measured by applying the DHI¹⁰.

This year the AFP's international operations returned \$46 for every dollar spent—substantially above the target ROI of 1. This figure was calculated based on 23 tonnes of drugs and precursors, with a corresponding DHI of approximately \$6 billion, which were seized overseas by local police services with AFP assistance during 2019–20, and AFP post costs of \$145 million.

As was the case last year, the countries associated with largest overall seizures by weight were Myanmar, China and the Netherlands. This reflects the strong and effective partnerships constructed through the AFP's international network.

The ROI has increased to 46 from last year's figure of 22. This reflects operational strategy and the crimes being targeted. Many posts in the Asia-Pacific continue to focus on prevention and, increasingly, child sexual exploitation matters. This will affect the share of work involving drugs and drug seizures. As only drug seizures are used in this ROI, these changes in the mix of cases and operational focus will alter the ratio of AFP costs to seizures. The result for this performance criterion still exceeds the target.

1.3 Mission/external territories performance evaluation

Source of criterion	PBS 2019–20 (PAES)		Program 1.2, page 66	
	Corporate Plan 2019–20		Page 26	
Result	2018–19	2019–20	Target	Target achieved
	See 2018–19 Annual Report	Evaluation results below	Evaluations completed and recommendations addressed	Yes

¹⁰ Australian Federal Police, 'Return on Investment Methodology' (web page).

Available at: www.afp.gov.au/about-us/publications-and-reports/return-investment-methodology

In 2019–20, internal mid-term reviews were conducted of the Solomon Islands Police Development Program (SIPDP) and the Timor-Leste Police Development Program (TLPDP). In addition, a health check was conducted of the Pacific Transnational Crime Network (PTCN).

Due to COVID-19, during the last quarter of 2019–20 the AFP trialled remote assessment methods. These may be used for evaluations in 2020–21.

Solomon Islands Police Development Program mid-term review

The purpose of the SIPDP review was to:

- assess the adaptation of the program in the post Regional Assistance Mission to Solomon Islands context
- consider progress against program goals so far
- provide advice to improve program outcomes
- prepare the program for an independent evaluation in 2021.

The mid-term review found that the first phase of SIPDP had been a success. In the first two years of the program the Royal Solomon Islands Police Force had managed the largely peaceful national general election in 2017. It had strengthened its specialist capabilities, including forensics, and addressed corruption, which resulted in improved community confidence and trust in the force. The SIPDP will now focus on ensuring the Royal Solomon Islands Police Force can continue to sustainably strengthen its capacity. The findings of the mid-term review are already informing decision-making for the future of SIPDP.

Timor-Leste Police Development Program mid-term review

The purpose of the TLPDP review was to:

- assess the program against the program's design
- make recommendations on possible changes or improvements to program delivery.

The mid-term review showed that the TLPDP is one of the Australian Government's successful flagship programs in Timor-Leste. The establishment of the Vulnerable Persons Unit (VPU) in Dili and across the districts was a high point. The VPU provides a safe and private space for victims—including children affected by sexual and gender-based violence—to report crime.

The TLPDP has also created a strategic shift among Polícia Nacional de Timor-Leste (PNTL) leadership towards favouring a community policing model, while a sustainable training model has proven successful in providing the PNTL with capacity development opportunities. The review's findings are informing decision-making about the future of the TLPDP, as well as a recent aid quality check process in partnership with the Department of Foreign Affairs and Trade.

Pacific Transnational Crime Network review

The PTCN remains a major contributor to regional law enforcement efforts to combat transnational crime in the Pacific region. The analytical capacity and potential of the Pacific Transnational Crime Coordination Centre (PTCCC) is currently unmatched by any comparable regional mechanism.

The PTCN health check conducted in 2019 identified the value of secondments to the PTCCC to enhance the capability of the PTCN and foster regional training capacity. Longer secondments to the PTCCC are enabling greater opportunities to develop transnational crime and intelligence expertise, while also serving to highlight how the network operates and regional differences.

The effect of this development has been strengthened by the relatively high status of the Transnational Crime Units (TCUs) located in each participating nation. The skills and experience developed at the PTCCC have been retained and have strengthened the capability of many TCUs in the region. Some secondees said the PTCCC provided a ‘vehicle for teaching’ and that they valued the opportunity to share their experiences with newer PTCN members. In this sense, the PTCCC provides a way to draw on national intelligence and transnational crime capabilities for the benefit of the region as a whole.

Results for Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government

Program 2.1 ACT Community Policing performance measures and results

Source of criterion	PBS 2019–20 (PAES)		Outcome 2, page 68	
	Corporate Plan 2019–20		Page 6	
Result	2018–19	2019–20	Target	Target achieved
		See ACT Policing Annual Report		

The AFP has responsibility for providing policing services in the ACT. This year ACT Policing continued to demonstrate its expertise in emergency management and ongoing work in crime prevention and disruption. Whilst upholding the law in our capital territory, ACT Policing enjoys a high level of community confidence and is able to maintain this via strong community ties and an innovative approach to community policing. ACT Policing is also subject to the ACT performance framework under the 2017–2021 Purchase Agreement for ACT Policing. Further information can be found in the ACT Policing Annual Report, available at www.police.act.gov.au/about-us/publications.

Financial performance

The AFP's \$1,435 million departmental operating income for 2019–20 comprised \$1,128 million in government appropriation, \$170 million from the ACT Government for policing services and \$137 million in other revenue. In addition, the AFP received \$78 million in government appropriations for departmental capital expenditure and \$53 million in equity injections for specific initiatives. The AFP also administered \$8 million in expenses on behalf of the government in 2019–20.

The result for 2019–20 reported by the AFP is a departmental comprehensive loss of \$114 million. After adjusting for the impact of depreciation expense of \$200 million and including the impact of lease payments of \$94 million and the revaluation of non-financial assets of \$23 million, the AFP recorded a deficit for the year of \$31 million. The deficit was predominately a result of the recognition of an additional provision in respect of unpaid superannuation, the procurement of protective equipment in response to COVID-19 and the bushfires, and reduced leave taken by employees as a result of COVID-19.

Audited financial statements showing the AFP's financial position are in Chapter 5. The agency resource statement is in Appendix C. Summary financial tables are in Appendix D.

Overall analysis

The AFP continues its positive results and contribution to Portfolio Budget Statements Program 1.1 and 1.2 outcomes. Figure 3.8 shows the overall throughput of AFP cases for 2019–20. Despite COVID-19 the AFP experienced only a small decrease in throughput this financial year (3,062 in 2019–20 compared to 3,416 in 2018–19). Within the case load, the AFP delivered highlights such as:

- delivering public value, as seen through positive return on investments
- successful and diverse enforcement, as seen in case studies showing support for community safety and the workings of the criminal justice system
- reducing crime through prevention and disruption, as seen in case studies showing the diverse ways the AFP contributes to public safety, often by interrupting criminal activities and bolstering defences using enforcement frameworks and preparatory offences
- assistance during national emergencies in 2019–2020.

Figure 3.8 Overall AFP cases throughput, 2019–20



While the AFP performed well this year, it had to contend with major challenges and emergencies. This affected some of the performance criterion calculations and called for the service to alter work arrangements and tasks. For example, officers were called on to escort people into quarantine. They faced unknown health risks and emotional strain if those they were looking after were very ill, but they still ensured their own and the community's safety through protection functions. Investigations were suspended as officers were re-tasked or could not progress matters due to travel restrictions and physical distancing. In emergencies like the ACT bushfires, some members volunteered to help while others stopped normal duties to be redeployed. The demand for and breadth of AFP activities continued to increase and this financial year morphed into myriad challenges, compounding the busy and complex work of national policing.

Despite overall strong performance, the community confidence target was not achieved. Although there are clear reasons why the target is ambitious, the result shows improvement. The other performance criterion not met was the prosecution brief acceptance rate, which has raised a number of technical calculation challenges. The complexity and individuality of pathways for investigations going before court raises data extraction issues which will require additional work in the coming year.

The ability to develop diverse and complex enforcement, prevention and disruption activities is key to AFP performance. As seen in the case studies, these three factors are often associated and they become part of the policing response, offering more practical tools and allowing tailored solutions.

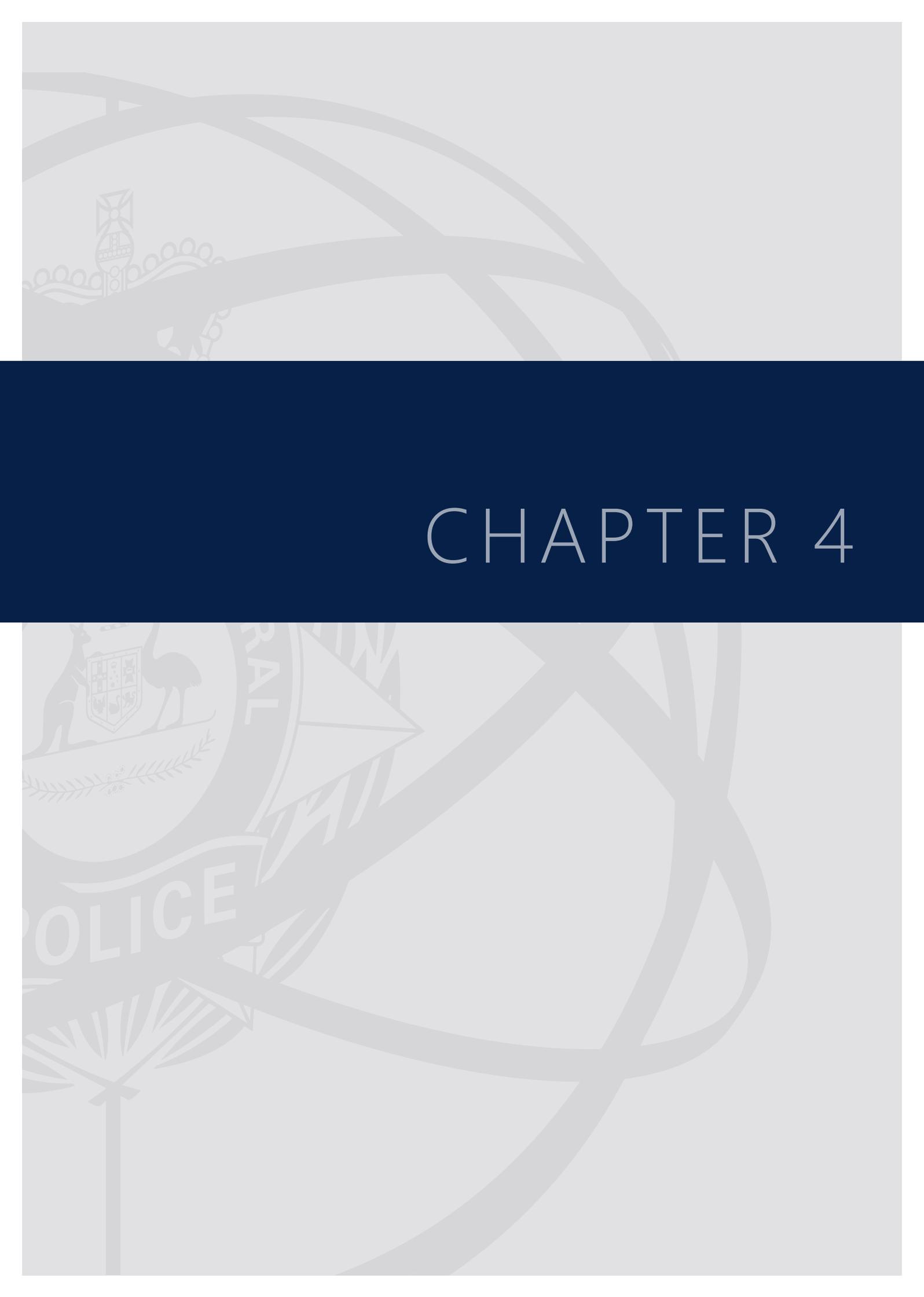
The strong results in disruption and prevention work are often underpinned by the AFP's international liaison network, officer training and managerial recognition that some crimes (for example, human trafficking) are at times more effectively addressed using disruption and prevention rather than prosecution. Such decisions are taken in light of stakeholder consultation, the nature of referrals, and outcomes for policing effort.

Lessons for future performance

In many cases the AFP is adopting a more flexible problem-solving approach to crime and referrals, with clear operational and social benefits. This is particularly the case when dealing with juveniles or matters where there is a need to address a crime and protect the community but the likelihood of getting the matter to court is low.

Increasingly the AFP, like other police services, also needs to cooperate and work not only across borders but also in different political and legal jurisdictions and even crime types. The performance results show that the AFP is managing these relationships in a variety of situations.

With such diverse complexity, policing is an increasingly sophisticated and demanding business, often challenging its personnel, processes and systems. This year was especially challenging, but the AFP delivered. Our work on reforms and future-proofing over the last four years stood the agency in good stead. The AFP will continue to invest in partnerships and cooperation, reforms aimed at efficiency and general improvements outlined in the *AFP Corporate Plan 2020–21* to maximise operational impact, especially entering into a post-COVID budgetary and geopolitical environment.



CHAPTER 4

Management and accountability

Corporate governance

Key committee framework

In late 2019, in response to the findings of both the Ernst & Young review of the AFP's structure and operating model, and the Review into the AFP's Response to and Management of Sensitive Investigations (Lawler Review), the current AFP governance structure was streamlined to increase the link between strategy and performance, and align with the new organisational structure and imperatives. This approach emphasises supporting strategic decision-making and governance in line with the Commissioner's intent, particularly the reduction of red tape, the facilitation of faster decision-making, and an emphasis on data-driven performance monitoring. The previous committee structure ceased operating in December 2019, with the new arrangements commencing from January 2020.

The Strategy and Performance Board (SPB) is the AFP's principal governing body, ensuring that the strategic intent of the AFP is matched by the required level of organisational performance. Strategic direction will be adapted in line with emerging operational and policy challenges and informed by evidence-based performance monitoring.

The Commissioner's Advisory Panel (CAP) provides independent, non-binding strategic advice to the AFP Commissioner on non-operational matters. The CAP assists the AFP Commissioner to navigate the AFP's external environment and engage key stakeholders.

The Senior Leadership Committee (SLC) delivers strategic outcomes, based on the performance standards set by the SPB. It monitors and reflects on changes in the operating environment and recommends adjustments to strategy to maintain organisational momentum and performance.

In addition to the SPB and SLC, the AFP governance framework is supported by three portfolio-level boards, which deliver on the strategy and priorities outlined by the SPB.

The Resource Management Board provides advice to the Commissioner and the SPB on the management of AFP business resources to meet strategic and operational priorities. This includes national coordination on strategic workforce, finance and budgetary matters.

The Investigations and Operations Board provides joint strategic oversight of the AFP's investigations and operations, including direction on crime and operational strategies and priorities, and on the AFP's responses to emerging threats and changes in the criminal environment. It ensures that there is national and international coordination on investigations and that operational resources are aligned with strategic priorities.

The Capability Board advises the Commissioner and the SPB on the AFP's current and future capability requirements in support of the AFP's vision and strategic priorities, to ensure the AFP is an effective and innovative capability-led organisation.

Our committee framework is shown at Figure 4.1.

Figure 4.1 AFP key committee framework



* Portfolio-level boards are chaired at the Senior Executive Service Band 3 level.

Corporate planning and reporting

The AFP Corporate Plan sets out our purpose, priorities, environmental context, activities, performance measurement methods and management approach to risk engagement. It guides us in achieving the results we have targeted. We update our Corporate Plan every year, ensuring it aligns with the legislative requirements of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act), the accompanying Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and revisions to the AFP Ministerial Directions.

Along with the AFP Portfolio Budget Statements and annual performance statement, the Corporate Plan is an integral part of our performance management and reporting cycle.

Progress and performance against our performance criteria as detailed in the *AFP Corporate Plan 2019–20* appear in this report in Chapter 3, 'Annual performance statement'.

Internal audit

The AFP delivers an annual Internal Audit Program that takes into consideration agency-wide and organisational business unit risks, previous and proposed Australian National Audit Office (ANAO) coverage, previous internal audit coverage and new initiatives. The program is approved by the Commissioner and is delivered using in-house and external resources.

The AFP Audit and Risk Committee met seven times during 2019–20 and considered 15 internal audit reports. Key areas examined by internal audits during 2019–20 included:

- access to and use of AFP information
- operational capabilities
- program management
- property.

The Audit and Risk Committee monitors the progress of recommendations listed in internal audit and ANAO reports, through regular reporting. The Audit Committee Charter determines its functions.

A copy of the charter is available from www.afp.gov.au/about-us/information-publication-scheme.

Table 4.1 Audit and Risk Committee membership and attendance, 2019–20

Member name	Qualifications, knowledge, skills and experience	Number of meetings attended / total number of meetings	Total annual remuneration
Mark Ridley	<p>Mark Ridley has served as the chair of audit committees for the AFP, the Australian Financial Security Authority, the Royal Australian Mint and private entities such as CO2CRC Ltd. Mark has also served as a member of the audit and risk committees for other Commonwealth entities such as the Department of Defence, the Australian National University, the Australian Electoral Commission, the Department of Human Services (Services Australia), the Department of Home Affairs and the Clean Energy Regulator.</p> <p>Mark was previously a senior partner with over 20 years' experience at chartered accounting firm PricewaterhouseCoopers, holding leadership roles with the firm in risk management and assurance.</p>	7/7	\$39,500
Carol Lilley	<p>Carol Lilley has held numerous audit committee roles for both the Commonwealth and ACT governments as well as being a special assurance advisor on the Commonwealth whole-of-government financial statements. Carol has held board positions for the Australian Financial Security Authority and private sector entities.</p> <p>Carol was a partner at chartered accounting firm PricewaterhouseCoopers, with 20 years' experience providing financial statement and internal audits, accounting advice and risk management.</p>	7/7	\$23,660
Philippa Godwin	<p>Philippa Godwin PSM is a consultant providing advice in areas such as leadership, organisational design and public sector management. Philippa retired from the Commonwealth Public Service in 2013 after a career of almost 40 years in the areas of service delivery and design, program and organisational management, and change leadership and management.</p> <p>Philippa's roles in the Public Service included Deputy Secretary, Department of Human Services; Head of the Child Support Agency; and Deputy Chief Executive Officer and Acting Chief Executive Officer for Medicare Australia. In 2010 Philippa was awarded the Public Service Medal for leading major organisational and cultural change in a range of departments and agencies.</p>	7/7	\$10,500
Karl Kent	<p>Karl Kent OAM held the position of AFP Deputy Commissioner, Specialist and Support Operations. Karl's portfolio delivered the AFP's technical, specialist and scientific services in support of agency operations and investigations activity.</p> <p>Karl was awarded the Medal of the Order of Australia for his contribution to the 2002 Bali bombings investigation.</p> <p>Karl Kent was a committee member for part of 2019–20.</p>	3/7	\$0 Internal member
Leanne Close	<p>Leanne Close APM held the position of AFP Deputy Commissioner, National Security. Leanne's portfolio was responsible for the AFP's Counter Terrorism and Protection Operations directorates and its subsidiary Asia Pacific Group on Money Laundering.</p> <p>Leanne was awarded the Australian Police Medal in 2005.</p> <p>Leanne Close was a committee member for part of 2019–20.</p>	1/7	\$0 Internal Member
Sue Bird	<p>Sue Bird held the position of Chief Operating Officer and Chief Risk Officer for the AFP. Sue led the corporate and enabling functions that supported the operations of the AFP. Prior to this role, Sue was the AFP's Chief Counsel and National Manager Legal.</p> <p>Sue Bird was a committee member for part of 2019–20.</p>	2/7	\$0 Internal Member

Risk management

The AFP manages risks through its risk management framework. The framework enhances the quality of the AFP's decisions in complex and dynamic environments and allows the AFP to consider emerging risks which may arise from developments in economic, technological, social, political or environmental factors, including community expectations. It provides the AFP with a mature basis for engaging and managing risk, contributing to innovation, efficiency and safety in the achievement of its objectives.

Throughout 2019–20 the AFP used the risk management framework reviewed and endorsed in 2018–19. Continuous improvement processes have identified some aspects of the framework which could be enhanced, and will feed into a formal review in 2020–21. Potential improvements based on lessons learned during the year largely relate to ensuring that systematic risk oversight is embedded into key committees and business processes of the AFP.

At the agency level, the AFP manages eight broad risks which directly relate to its ability to achieve its objectives. When engaged and managed well, these eight agency risks are also recognised as significant opportunities to enhance the AFP's outcomes and contribute to policing for a safer Australia.

The eight agency-level risks relate to:

- the health, safety and wellbeing of AFP appointees
- AFP culture, standards and integrity
- achievement of operational outcomes
- partnerships and stakeholder engagement
- the ongoing effectiveness of AFP capabilities
- attracting, retaining, maintaining and effectively utilising a skilled workforce
- effectively managing the AFP's resources, including finances
- effectively using, managing or protecting information.

In 2019 the AFP submitted a nomination for the 2019 Comcover Awards for Excellence in Risk Management in relation to work undertaken to enhance its risk culture. The AFP's submission was shortlisted for the enterprise-wide risk management category—for excellence in implementing risk management frameworks, practices and processes across the entity. Feedback from Comcover acknowledged the high calibre of shortlisted nominations and provided independent assurance on the AFP's risk culture initiatives.

Fraud control

The AFP promotes a culture of ethical conduct and does not tolerate misconduct and, specifically, fraud and corruption. The AFP maintains a robust internal fraud control and anti-corruption framework designed to prevent, detect and respond to fraud and corruption.

As a Commonwealth entity, the AFP maintains a fraud control plan and conducts fraud assessments in compliance with section 10 of the PGPA Rule.

The AFP Fraud Control and Anti-Corruption (FCAC) Plan 2020 sets out our strategy for overall management of fraud and corruption risks within, and against, the agency. The FCAC Plan applies to all members, contractors and service providers, who are made aware of their individual roles and responsibilities in fraud and corruption prevention, detection and response. The FCAC Plan is consistent with the AFP's professional standards framework.

Fraud and corruption risks are reviewed regularly. As part of its oversight and assurance role, the AFP Audit and Risk Committee monitors the progress and effectiveness of the implementation of the FCAC Plan.

Governance instrument framework

The governance instrument framework is a collection of AFP governance instruments (including Commissioner's Orders and National Guidelines) and external agreements (including memoranda of understanding). It is available through an AFP intranet portal. The governance instrument framework contributes to the:

- achievement of AFP operational and administrative outcomes, consistent with AFP values and the efficient and ethical use of Commonwealth funds and property
- security of the AFP
- professional standards of the AFP and procedures for addressing conduct issues established in Part V of the *Australian Federal Police Act 1979* (Cth) (AFP Act)
- legal compliance of AFP appointees in discharging their duties, including responsibilities under the PGPA Act, *Work Health and Safety Act 2011* (Cth) (WHS Act), *Crimes Act 1900* (ACT), *Crimes Act 1914* (Cth) and *Privacy Act 1988* (Cth)
- management of risk
- effective delegation of statutory authority and powers.

More information is available on the AFP's Information Publication Scheme web page:

www.afp.gov.au/ips.

Business continuity

The AFP has a well-developed business continuity management framework. The framework includes policies, systems and programs to assist the AFP to continue to operate effectively during unplanned

disruptions to its staff, facilities, infrastructure or logistics. It assists in preventing, preparing for, responding to, managing and recovering from the impacts of a disruption. This framework was revised and updated during 2019–20 based on lessons learned when undertaking a live field exercise of the AFP's business continuity arrangements in late 2019.

The AFP has an appointed business continuity committee which convenes as a decision-making body to assist AFP business activities to continue or recover in the event of disruption. The committee's activities are focused on the recovery of business outcomes once the disruption is contained. It utilises the Incident Command and Control Structure Plus model to coordinate these activities. The committee is supported by systems and capabilities which facilitate decisions regarding critical business activities during disruption.

The AFP's business continuity framework contributed to managing a number of disruptions in 2019–20, including bushfires and associated air quality hazards as well as the COVID-19 pandemic.

Ecological sustainability

The AFP continues to be committed to ecological sustainability and to be recognised as a leader across both government and industry.



The AFP receives one of its City Switch awards

One of many initiatives the AFP undertook nationally in 2019–20 to address its environmental sustainability was the CitySwitch program. CitySwitch is an organisation whose objective is to reduce the environmental impacts of commercial offices' emissions from energy consumption and waste management. It showcases member organisations that have demonstrated environmental leadership and recognises those that have improved,

maintained or achieved their National Australian Built Environment Rating System energy tenancy or whole building rating and have reported significant energy savings.

CitySwitch activities must be both successful in their application and useful as models for other organisations. In this regard, the work the AFP has done in reducing air conditioning energy use in its computer centres and offices and embracing energy-efficient lighting is viewed as government leading. Since rolling out its air conditioning recommissioning and efficiency program in October 2018, the AFP has seen a reduction of over 50 per cent in energy consumption attributed to these systems; this equates to approximately 480,000 kWh of annual energy.

In 2019 the AFP was Victorian signatory of the year and national runner-up in the CitySwitch category for offices over 2,000 m². Underpinning these achievements was the AFP's significant work to reduce energy consumption in data centre cooling, which clearly demonstrated the value of ecological sustainability.

External scrutiny

Auditor-General reports

During 2019–20 the Auditor-General conducted no AFP-specific audits or cross-agency audits that included the AFP.

Commonwealth Ombudsman reports

Section 40XA of the AFP Act requires the Commonwealth Ombudsman to conduct at least one annual review of the AFP's administration of Part V of the AFP Act and report to parliament on the results of those reviews.

The findings from the 2018–19 review are yet to be published and tabled before parliament; however, preliminary discussions indicate that the Ombudsman will make a number of observations regarding process improvements but no significant or systemic issues are expected to be identified.

The 2019–20 inspection due to commence on 20 April 2020 was postponed due to COVID-19 restrictions; this was rescheduled for 22 June 2020 and carried out in a shortened format.

The AFP continues to work closely with the Ombudsman's office to ensure best-practice complaint management in the AFP. The 2020–21 inspection is scheduled to commence on 19 April 2021.

Australian Information Commissioner decisions

During 2019–20 the Australian Information Commissioner made four decisions concerning AFP freedom of information requests. Three decisions were varied but did not provide the applicant with greater access to information contained in the documents, and one decision was affirmed.

Freedom of information: Information Publication Scheme

The Information Publication Scheme (IPS) created by Part 2 of the *Freedom of Information Act 1982* (Cth) (FOI Act) requires Australian Government agencies subject to the FOI Act to publish a broad range of information on their public website.

The IPS underpins a pro-disclosure culture across government and transforms the freedom of information framework from one that is reactive to individual requests for documents to one that is agency driven. More information is available on the AFP's Information Publication Scheme web page: www.afp.gov.au/ips.

Judicial decisions and decisions of administrative tribunals

In 2019–20 there were no judicial or tribunal decisions that had a significant effect on the operations of the AFP.

Parliamentary committees

In 2019–20 the AFP made submissions to, or appeared before, the following parliamentary committee inquiries in relation to operations of the AFP:

- Parliamentary Joint Committee on Law Enforcement—examination of the AFP’s 2017–18 annual report pursuant to section 7(1)(f) of the *Parliamentary Joint Committee on Law Enforcement Act 2010* (Cth)
- Parliamentary Joint Committee on Intelligence and Security—review of the AFP’s functions under Part 5.3 of the Commonwealth *Criminal Code* and Division 3A of Part IAA of the *Crimes Act 1914* (Cth)
- Parliamentary Joint Committee on Intelligence and Security—inquiry into the impact of the exercise of law enforcement and intelligence powers on the freedom of the press under the *Intelligence Services Act 2001* (Cth)
- Parliamentary Joint Committee on Intelligence and Security—review of the mandatory data retention regime prescribed by the *Telecommunications (Interception and Access) Act 1979* (Cth)
- Parliamentary Joint Committee on Law Enforcement—examination of the AFP’s 2018–19 annual report pursuant to section 7(1)(f) of the *Parliamentary Joint Committee on Law Enforcement Act 2010* (Cth)
- Senate Select Committee on COVID-19—inquiry into the Australian Government’s response to the COVID-19 pandemic
- Senate Environment and Communications References Committee—inquiry into press freedom.

Significant developments in external scrutiny and capability reviews

In 2019–20 two reviews were carried out in relation to the AFP.

The independent Review into the AFP’s Response to and Management of Sensitive Investigations was conducted by Mr John Lawler AM APM from October 2019 and reported in January 2020 (refer to ‘AFP Sensitive Investigations Oversight Board’ in Chapter 2). A review of the structure and operating model of the AFP was conducted by Ernst & Young (refer to ‘Structure and operating model review’ in Chapter 2). These reviews were commissioned by the AFP.

Our people

The AFP continues to develop a workforce that reflects all elements of our community. We are focused on harnessing the inherent abilities of our diverse workforce through inclusion initiatives that enable our members to support the communities that they serve.

The AFP continues to place a high priority on the health, welfare and development of its personnel, supporting them to success in their roles.

Workforce overview

The AFP had 6,834 staff at 30 June 2020. This figure comprises:

- 3,247 police officers
- 829 protective service officers
- 2,758 unsworn staff.

Forty-three per cent of employees were located outside the Australian Capital Territory, including 174 staff overseas and 29 serving in Commonwealth external territories.

The natural attrition rate has been steadily increasing over the past five years and remained at 4.9 per cent in 2019–20. The breakdown of this overall natural attrition rate was:

- police officers—4.1 per cent
- protective service officers—2.9 per cent
- unsworn staff—6.3 per cent.

The overall proportion of female employees slightly increased in 2019–20, with women comprising 38.6 per cent of the workforce compared to 38 per cent in 2018–19. The proportion of women in Senior Executive Service (SES) roles increased from 36.5 per cent in 2018–19 to 41.9 per cent in 2019–20.

Further AFP staffing statistics are in Appendix B.

Strategic workforce planning

In line with the AFP People Strategy, work commenced in February 2020 to develop function and command specific workforce plans to assist with understanding current and future workforce needs, capability gaps and skills shortages. These plans will be used to inform an agency-wide strategic workforce plan.

To further assist managers and commanders to understand their workforce, the AFP has invested in software to provide real-time data to aid in evidence-based decision-making. SAS Firefly has been developed to assist AFP managers to access real-time information about their workforce, and this development will continue to progress throughout 2020–21. Information on a range of metrics

including leave, mandatory training, qualifications and higher duties, to name a few, has been included in the SAS Firefly reports that are available from a manager's desktop.

Employment arrangements and remuneration

Enterprise Agreement

The *AFP Enterprise Agreement 2017–2020* (EA) was approved by the Fair Work Commission on 19 May 2018 and it came into operation on 24 May 2018. The agreement has a nominal expiry date of 24 May 2021 and covers Band 1 to 8 employees.

Executive Level Enterprise Agreement

The *AFP Executive Level Enterprise Agreement 2019–2021* (ELEA) was approved by the Fair Work Commission on 4 April 2019 and it came into operation on 11 April 2019. The agreement has a nominal expiry date of 11 April 2021. The Minister for Home Affairs and the Minister for Finance approved a two-year ELEA. This enables the AFP to review both the ELEA and the EA at the same time, with a view to creating a modern, streamlined employment framework.

Senior Executive Service remuneration

The AFP Commissioner and Deputy Commissioners (DCs) are statutory appointments made by the Governor-General under section 17 of the AFP Act.

The Commissioner's remuneration is determined by the Remuneration Tribunal, and the DCs' remuneration is set out in an AFP Determination under sections 17(4A) and 20(2A) of the AFP Act. All other SES employees are engaged under section 24 of the AFP Act and declared under section 25 of the AFP Act to be senior executive AFP employees.

The terms and conditions of employment for SES employees are set out in individual AFP SES employment contracts. SES (including DC) salaries are reviewed annually by the Commissioner following performance assessments. Further information on AFP SES remuneration can be found in Appendix B.

Performance management

In 2019–20 the AFP Performance Management Team provided support to supervisors in managing 180 cases of underperformance, with a focus on performance improvement. The team provides advice on a range of complex people issues through performance coaching discussions. These discussions have resulted in 82 cases of performance being improved to a satisfactory level. There are 62 ongoing cases still requiring advice, support and resolution. Automation of email reminders for employees on probation has assisted in raising issues in a timely fashion for positive resolution.

In 2019–20 the AFP Performance Management Team developed and delivered 31 face-to-face performance workshops to 250 supervisors. These provided practical tips and techniques to assist

supervisors to link performance and organisational outcomes, undertake meaningful and regular feedback sessions, identify and manage capability gaps, address behaviour issues, understand the linkages between health and performance, and understand how to develop effective performance improvement plans. These sessions complement presentations delivered at the AFP Team Leader Development Program.

Recruitment

With a focus on bolstering frontline policing, during 2019–20 the AFP graduated eight recruit programs, totalling 197 graduates. Included in this number were 118 police graduates, 19 of whom completed a lateral program for experienced investigators from other jurisdictions across Australia; and 79 protective service officer graduates. The new police members were deployed to the ACT and various national roles, primarily in Sydney and Melbourne. The new protective service officers were deployed to various locations within Australia.

Over the course of 2019–20 the AFP continued to make improvements in recruitment to deliver effective and efficient resourcing outcomes. Highlights include the establishment of a recruitment consultant role to work more closely with business areas and develop contemporary recruitment approaches for hard-to-fill niche unsworn positions; ongoing improvements to the AFP's recruitment platform, MyCareer; and a review of the administration of special members to reduce red tape and provide business areas and regional commands with more flexibility in managing their workforce. A number of initiatives were also implemented to improve the outcomes of the AFP's Directions Program for Aboriginal and Torres Strait Islander people. These included securing state-based positions to allow some participants to remain in their home location, providing career development coaching and raising the nationally recognised qualification to diploma level.

Recruitment Market Research and Communications Project

Acting on the Commissioner's intent to ensure the AFP is fit for purpose now and into the future, the AFP engaged Host/Havas to conduct market research with members of the Australian public in order to identify perceptions of a career with the AFP, particularly in entry-level policing and specialist protective services.

The project focused specifically on three key target groups: women, Aboriginal and Torres Strait Islander people, and people from culturally and linguistically diverse communities. This research, combined with a thorough review of law enforcement and defence agencies as well as stakeholder engagement, will inform the development of a communications/attraction strategy for the AFP. While there is a focus on recruitment and how to attract the best and most diverse pool of candidates, at a later stage the project will also focus on the AFP's brand more broadly.

Diversity and inclusion

The AFP Cultural Reform—Diversity and Inclusion Strategy 2016–2026 identifies diversity as a core element of modern policing and includes targeted initiatives to create a level playing field in the AFP for women; Aboriginal and Torres Strait Islander people; lesbian, gay, bisexual, trans and intersex people; people with disability; and people with linguistically diverse backgrounds.

During 2019–20 the AFP supported a number of initiatives to progress inclusive practices in the organisation. These initiatives included:

- participation in the Australian Network on Disability Access and Inclusion Index
- participation in the Australian Workplace Equality Index
- participation in Mardi Gras and other Pride events
- leadership of the 21st Australasian Council of Women and Policing, held in Canberra in September 2019, which was attended by more than 500 delegates from more than 20 countries. The theme was ‘Collaboration—The future belongs to us’.

The AFP continues to progress inclusion in the organisation and retain the support and identity of its five primary diversity networks:

- Malunggang Indigenous Officers Network
- Gay and Lesbian Liaison Officers Network
- AFP Ability Advisory Network
- National Women’s Advisory Network
- Culturally and Linguistically Diverse (CALD) Network.

Reconciliation Action Plan

The AFP’s inaugural Reconciliation Action Plan (RAP) continues to be implemented and provides a framework to support the national reconciliation movement and frontline Aboriginal and Torres Strait Islander police members and staff. Recognising our outstanding Aboriginal and Torres Strait Islander police members and staff is an important component of the plan in action.

The next phase of the RAP has commenced with the formation of the Reconciliation Working Group to ensure collaboration and consensus in building our policing future together.

During 2019–20 the AFP progressed a range of initiatives relating to the RAP. For example:

- Two AFP Darwin members were announced as recipients of the Ben Blakeney Memorial Award for their demonstrated commitment and drive in support of strengthening partnerships, promoting diversity and raising awareness of Indigenous issues, as well as promoting career advancement for Indigenous employees
- In May 2020, AFP members from across Australia came together to recognise and celebrate National Reconciliation Week, demonstrating the theme ‘In This Together’.

Disability reporting

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

Disability reporting is also included in the Australian Public Service Commission (APSC) State of the Service reports and the Australian Public Service (APS) Statistical Bulletin, which are available on the APSC website. The AFP subscribes to reporting at a high level (Portfolio) and embraces the strategy’s focus areas to improve outcomes for people with disability.

Work health, safety and rehabilitation

To ensure due diligence and compliance in accordance with the WHS Act and associated regulations, the Work Health and Safety Team conducted three audits internationally and four audits nationally. The AFP was compliant with the WHS Act in all audits undertaken.

During 2019–20 the AFP notified Comcare of 18 incidents under section 38 of the WHS Act. Comcare issued five notices pursuant to section 155 of the WHS Act. The AFP provided the requested information in response to these and did not receive any subsequent provisional improvement notices.

In late 2019 the AFP had its first advanced work health and safety management system audit conducted by Comcare. The audit covered 108 criteria and was conducted over a two-week period. The AFP achieved a good compliance rate of 74 per cent. A corrective action plan has been established to review the nonconformances and observations, which will be addressed and actioned in 2020–21.

Support services

The AFP has an extensive range of support services available to members and their families. Support services are provided by a range of skilled professionals including psychologists, chaplains, social workers, health and fitness advisers, nurses, mental health nurses, rehabilitation case managers and welfare officers. This network of services provides support to members affected by stress of work or personal pressures and can help facilitate pathways to professional help or other forms of assistance where required.

In 2019–20, a number of key initiatives were undertaken to better support AFP employees, including:

- increasing the presence of support services in regional and remote areas, including engagement of additional regional nurses
- establishing a telehealth model of service delivery
- increasing the number of mental health practitioners
- improving members’ Comcare claim experience

- continuing specialist Road to Mental Readiness (R2MR) training
- educating members about how to support their own health and wellbeing and that of their colleagues, family and friends.

Learning and development

The AFP Learning Strategy provides for a principles-based approach to learning, including the premise that learning is critical for success. As part of the strategy the AFP adopted a 70:20:10 learning model, recognising that 70 per cent of learning is informal 'on the job' experience; 20 per cent is coaching, mentoring and developing through others; and 10 per cent is formal learning.

Formal training delivery

The AFP College is a registered training organisation (RTO) in accordance with the Vocational Education and Training Quality Framework. This enables the AFP College to deliver and award nationally recognised qualifications and accredited vocational education and training courses domestically and regionally to our appointees and law enforcement partners. Qualifications currently on the AFP College scope of registration are:

- Certificate IV in Government Investigations
- Certificate IV in Protective Services
- Diploma of Policing
- Diploma of Police Intelligence Practice
- Diploma of Police Search and Rescue Coordination (Marine/Land)
- Diploma of Intelligence
- Advanced Diploma of Surveillance
- Advanced Diploma of Police Close Personal Protection
- Advanced Diploma of Police Investigation.

In 2019–20 the AFP College awarded 295 qualifications to AFP appointees. As the only RTO within the Home Affairs portfolio, the AFP is uniquely placed to support its partner agencies by awarding qualifications to their employees. In 2019–20 the AFP delivered critical intelligence training through a partnership with the Australian Crime Intelligence Commission (ACIC), resulting in 81 ACIC employees and 115 AFP appointees being awarded a Diploma of Intelligence.

Training delivery and support

Leadership training

In 2019–20 the AFP supported a range of leadership training initiatives, including:

- delivery of the AFP Team Leader Development Program to 98 current or emerging AFP Team Leaders to develop their decision-making and leadership skills
- participation in specialist leadership courses with institutions such as the Australian Institute of Police Management and the National Security College.

AFP Tertiary Study Assistance Scheme

The AFP encourages appointees at all levels to pursue lifelong learning in order to meet the current and future demands of their roles. In 2019–20 the AFP Tertiary Study Assistance Scheme (ATSAS) supported 275 AFP appointees to study and gain qualifications that are relevant to their current roles or career development. The most common areas of study related to law, cybersecurity and leadership. ATSAS support included financial aid to assist with the cost of course fees.

Coaching and mentoring

Coaching and mentoring initiatives supported by the AFP in 2019–20 included:

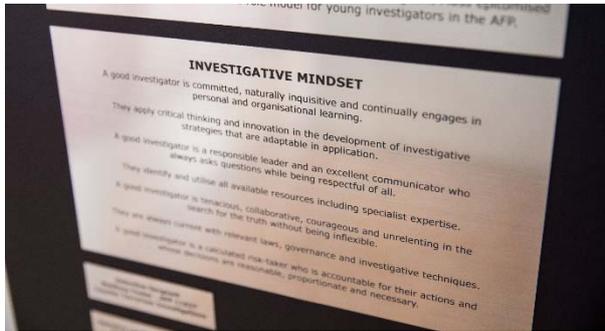
- participation in the Women in Law Enforcement Strategy Mentoring Program, which supports women pursuing executive-level careers in law enforcement. The program is sponsored by the Criminal Justice and Law Enforcement Forum
- delivery of internal mentoring programs
- launching a coaching network comprising 60 coaches trained to support employees with personal and professional growth and to strengthen their leadership skills.

Investigations training

The AFP Investigator's Development Continuum describes a clear pathway from new member through to senior investigating officer. The AFP's investigator development programs are aligned to higher education qualifications and provide participants with an opportunity to demonstrate a high level of investigative skills, practices, decision-making and knowledge.

As part of the continuum, the AFP delivers:

- the Federal Police Development Program to develop foundational skills and knowledge to perform the role of an AFP police constable
- the Lateral Recruit Program for experienced police officers joining the AFP
- the Detective Training Program, which provides members with skills and investigative techniques including crime scene management, search warrant and controlled operation applications. In 2019–20 the AFP awarded the inaugural Detective of the Year award to recognise AFP detectives who demonstrate excellence, commitment, outstanding perseverance, innovation and leadership
- senior investigating officer training, which focuses on increasing investigative leadership skills and capabilities
- the Management of Serious Crime Program, which provides a forum for senior crime managers to share their skills and enhance their capabilities to effectively lead and manage complex, serious and organised crime investigations.



Attributes of a good investigator

Improved instructions to support investigative capability

In order to support the front line, the AFP ensures its investigative instructions are subject to continuous improvement. As a result of recommendations outlined in the Lawler Review, the AFP has worked with external partners to remediate its suite of instructions, including its investigations standards. As a result, the relevant learning curricula are currently being modified.

Building capability of our partners

Whole-of-government arrangements and international engagements strengthen our ability to work together with partners to combat evolving crime threats and challenges posed by a rapidly changing environment. The AFP continues to lead efforts to build capability across the Commonwealth and internationally.

In 2019–20 the AFP supported a range of initiatives including:

- Commonwealth Fraud Investigations Capability (CFIC)—The AFP established the CFIC Project to identify the learning and development needs of our fellow Commonwealth agencies and international partners and build a sustainable framework for enhancing the Commonwealth response to fraud through interagency cooperation and collaboration.
- Jakarta Centre for Law Enforcement Cooperation (JCLEC)—Established as an expertise exchange hub with 32,468 alumni representing 80 countries, JCLEC has created an unparalleled body of knowledge, experience and cooperation. JCLEC contributes to capacity and capability building efforts throughout the Asia-Pacific region to deter and respond to emerging threats of transnational crime. In 2019–20 there were 160 activities conducted in JCLEC, located in Indonesia, which is the highest number to date.
- Management of Serious Crime (MOSC) Program—The MOSC Program is offered to senior crime managers from various agencies within Australia and overseas. The program enables members to share skills and experiences in the management and leadership of investigations of serious and complex criminal matters, with an emphasis on strengthening partnerships both nationally and internationally.

Financial management

Procurement

The AFP applies the Commonwealth Procurement Rules when procuring goods and services, including consultancies. The rules are applied to activities through the Commissioner's Financial Instructions with supporting guidelines. The AFP has a centralised procurement and contracting team that actively promotes and focuses on compliance.

The AFP monitors compliance to identify any emerging issues, including breaches of official duties, processing control gaps and fraudulent activity. Activities to monitor non-compliance include regular transaction testing, the nature and extent of which is managed on a risk basis, an annual assurance review and an internal audit program. AFP Professional Standards investigates allegations of possible misconduct and fraud and may seek prosecution. Significant issues are reported to the Minister for Home Affairs and, where an issue relates to management of public resources, to the Minister for Finance. For further information on the AFP's Professional Standards, refer to Appendix A.

In 2019–20 the AFP conducted a number of tender processes, including for remediation cleaning services, supply of munitions, and health support services for Papua New Guinea.

Information on the value of contracts, including consultancies, is available at www.tenders.gov.au. The Senate Order on departmental and agency contracts is available on the AFP's website via a link to AusTender.

In 2019–20 the AFP entered into 11 contracts of \$100,000 or more which did not provide for the Auditor-General to have access to the contractor's premises. These contracts are detailed in Table 4.2.

Table 4.2 Contracts without Auditor-General access, 2019–20

Name of vendor	Purpose of contract	Value of contract	Reason
Red Energy Pty Limited	Supply of electricity	\$211,854	The AFP accepted the vendor terms
College of Policing Ltd	Provision of training	\$110,090	The AFP accepted the vendor terms
Puma Energy PNG Limited	Supply of fuel	\$250,000	The AFP accepted the vendor terms
Red Hat Asia-Pacific Pty Ltd	Supply of software	\$153,094	The AFP accepted the vendor terms
Broadcast Australia Pty Limited	Communication site licence—ACT	\$167,200	The AFP accepted the vendor terms
TAFE Queensland	Provision of training	\$135,425	The AFP accepted the vendor terms
Brisbane Airport Corporation Pty Limited	Supply of electricity	\$176,000	The AFP accepted the vendor terms
ERM Power Retail Pty Ltd	Supply of electricity	\$168,623	The AFP accepted the vendor terms
ActewAGL Retail Ltd & AGL ACT Retail Investments Pty Ltd T/A ACTEWAGL Retail	Supply of gas	\$1,500,000	The AFP accepted the vendor terms
NexusXplore Pty Ltd	Supply of software licence	\$132,000	The AFP accepted the vendor terms
Microsoft Pty Ltd	Provision of software support	\$918,468	The AFP accepted the vendor terms

Consultancies

During 2019–20, 61 new consultancy contracts were entered into involving total actual expenditure of \$5.51 million. In addition, 26 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$1.244 million.

Table 4.3 Number of and expenditure on consultants, 2019–20

	Total
No. of new contracts entered into during the period	61
Total actual expenditure during the period on new contracts (inc. GST)	\$5,510,097
No. of ongoing contracts engaging consultants that were entered into during a previous period	26
Total actual expenditure during the period on ongoing contracts (inc. GST)	\$1,244,787

The decisions to engage consultants are made in accordance with the PGPA Act, Commonwealth Procurement Rules and relevant internal policies where there is an identified need for specialist skills, knowledge or independent expertise in areas outside of the agency's core business functions. The AFP takes into consideration the skills and resources required for the task, the skills available internally and the cost-effectiveness of engaging external expertise.

Annual reports contain information about actual expenditure on contracts for consultancies; information on the value of individual contracts and consultancies is available on the AusTender website.

Exempt contracts

During 2019–20, the AFP did not publish on AusTender the details of 43 contracts, with a total value of \$12,298,576, as the details would disclose exempt matters under the FOI Act.

Procurement initiative to support small business

The AFP supports small business participation in the Australian Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website.

The AFP's procurement practices support small business enterprises by promoting, where possible, use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000, encouraging the use of credit card payments for procurements valued under \$10,000 and setting the default terms of payment for small business through the accounts payable system to seven calendar days.

The AFP 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.

Discretionary grants

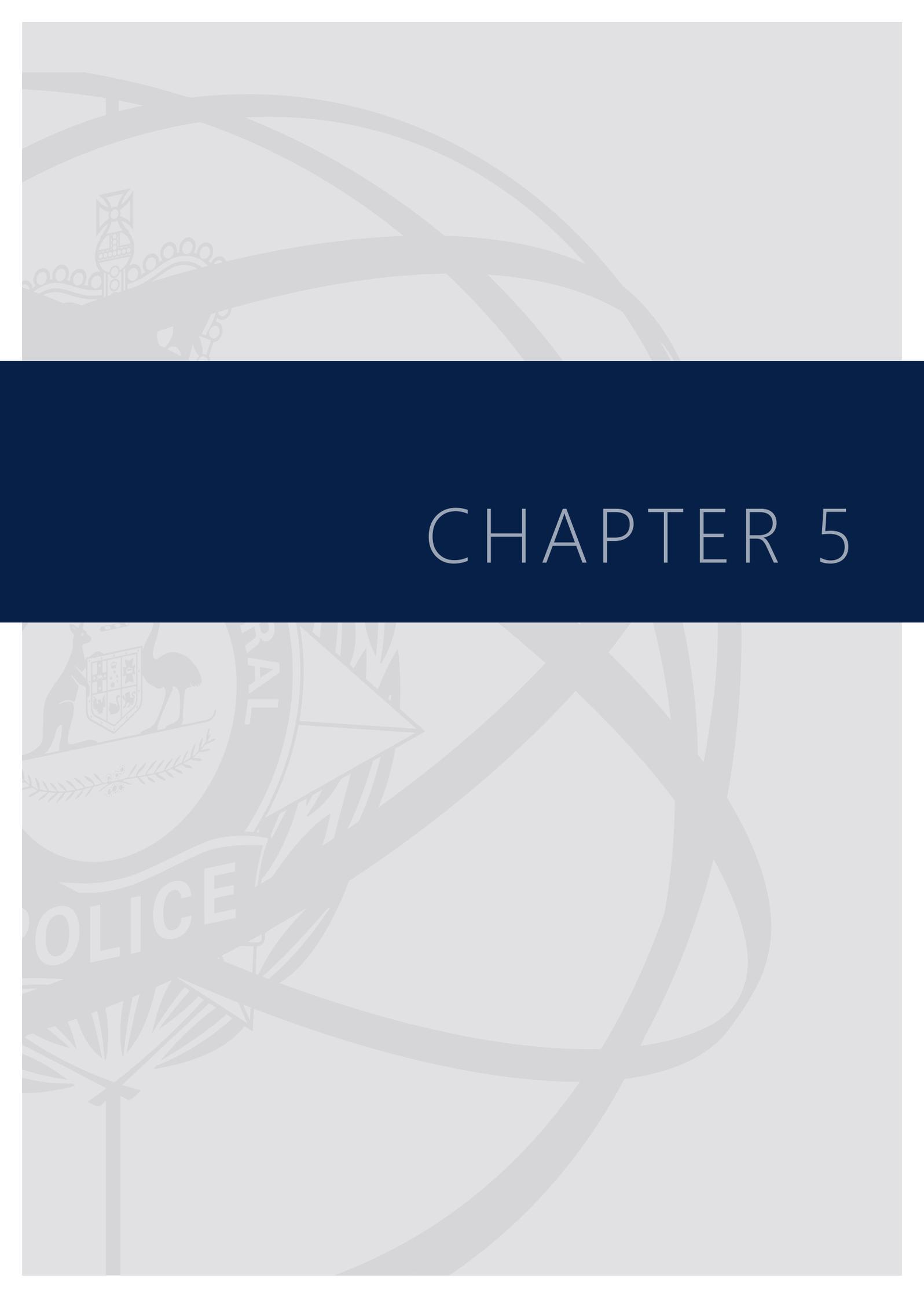
Information on grants that the AFP awarded during the period 1 July 2019 to 30 June 2020 is available at www.grants.gov.au.

Advertising and market research

Table 4.4 Advertising and market research expenditure, 2019–20

Category	Vendor	Amount (\$)
Campaign	Media Heads Pty Ltd	36,073
Campaign	Association & Communications Events Pty Ltd	16,650
Campaign	Comvantage Pty Ltd	18,200
Campaign	Productology Pty Ltd	80,991
Campaign	The trustee for Core Ideas Unit Trust	25,785
Campaign	Trustee for the Media Services Trust	14,850
Campaign	Nation Creative Pty Ltd	41,105
Market Research	Colmar Brunton Pty Ltd	35,610
Market Research	Havas Australia Pty Ltd	219,726
Market Research	Orima Research Pty Ltd	45,228
Non-Campaign	Folk Pty Limited	32,540
Non-Campaign	Havas Australia Pty Ltd	8,034
Total		574,792

The AFP did not conduct any government advertising campaigns in 2019–20.



CHAPTER 5



Financial statements



INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

Opinion

In my opinion, the financial statements of the Australian Federal Police for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Australian Federal Police as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Australian Federal Police, which I have audited, comprise the following statements as at 30 June 2020 and for the year then ended:

- Statement by the Commissioner and the Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered 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 Australian Federal Police 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* (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.

Other Information

The Accountable Authority is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020 but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Australian Federal Police, the Commissioner 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 – Reduced Disclosure Requirements and the rules made under the Act. The Commissioner is also responsible for such internal control as the Commissioner 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 Commissioner is responsible for assessing the ability of the Australian Federal Police to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Commissioner 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 Australian Federal Police'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 Australian Federal Police'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



Scott Sharp

Executive Director

Delegate of the Auditor-General

Canberra

16 September 2020

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Statement by the Commissioner and the Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2020 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 Federal Police (AFP) will be able to pay its debts as and when they fall due.



Reece P Kershaw APM
Commissioner

16 September 2020



Tarnya Gersbach
Acting Chief Financial Officer

16 September 2020

Statement of comprehensive income

for the year ended 30 June 2020

	Notes	Actual 2020 \$'000	Actual 2019 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
NET COST OF SERVICES					
Expenses					
Employee benefits	1.1A	943,682	928,200	909,219	34,463
Suppliers	1.1B	403,343	475,338	506,361	(103,018)
Depreciation and amortisation	2.2A	203,319	93,459	106,982	96,337
Finance costs	1.1C	14,941	565	-	14,941
Write-down and impairment of other assets	1.1D	2,434	8,593	-	2,434
Grants		2,148	3,197	-	2,148
Other expenses		1,250	910	-	1,250
Total expenses		1,571,117	1,510,262	1,522,562	48,555
Own-source income					
Own-source revenue					
Revenue from contracts with customers		290,676	284,066	289,046	1,630
Other revenue		5,150	1,514	340	4,810
Total own-source revenue	1.2A	295,826	285,580	289,386	6,440
Gains					
Resources received free of charge		6,179	6,114	6,129	50
Gains from sale of assets		611	952	-	611
Other gains		3,703	797	-	3,703
Total gains	1.2B	10,493	7,863	6,129	4,364
Total own-source income		306,319	293,443	295,515	10,804
Net cost of services		(1,264,798)	(1,216,819)	(1,227,047)	(37,751)
Revenue from government	4.1A	1,128,302	1,103,344	1,122,948	5,354
Deficit attributable to the Australian Government		(136,496)	(113,475)	(104,099)	(32,397)
Other comprehensive income					
Items not subject to subsequent reclassification to net cost of services					
Revaluation of property, plant and equipment		22,877	-	-	22,877
Total other comprehensive income		22,877	-	-	22,877
Total comprehensive loss attributable to the Australian Government		(113,619)	(113,475)	(104,099)	(9,520)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2018-19 figures. Refer to Note 3.4.

² The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2019–20. Explanations of major variances are presented in Note 5.1.

Statement of financial position

as at 30 June 2020	Notes	Actual 2020 \$'000	Actual 2019 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2.1A	23,442	21,467	15,596	7,846
Trade and other receivables	2.1B	285,005	287,315	264,201	20,804
Accrued revenue		9,230	5,570	6,421	2,809
Total financial assets		317,677	314,352	286,218	31,459
Non-financial assets					
Land and buildings	2.2A	1,361,999	364,372	325,438	1,036,561
Property, plant and equipment	2.2A	244,973	180,014	252,427	(7,454)
Intangibles	2.2A	101,295	82,083	113,334	(12,039)
Inventories		6,197	6,399	6,094	103
Prepayments		23,067	29,478	25,303	(2,236)
Total non-financial assets		1,737,531	662,346	722,596	1,014,935
Total assets		2,055,208	976,698	1,008,814	1,046,394
LIABILITIES					
Payables					
Suppliers	2.3A	65,443	100,927	115,408	(49,965)
Other payables	2.3B	35,535	18,586	19,674	15,861
Total payables		100,978	119,513	135,082	(34,104)
Interest bearing liabilities					
Leases	2.4	1,046,592	-	-	1,046,592
Total interest bearing liabilities		1,046,592	-	-	1,046,592
Provisions					
Employee provisions	3.1	417,220	409,650	326,652	90,568
Other provisions	2.5	37,732	31,499	32,366	5,366
Total provisions		454,952	441,149	359,018	95,934
Total liabilities		1,602,522	560,662	494,100	1,108,422
Net assets		452,686	416,036	514,714	(62,028)
EQUITY					
Contributed equity		1,455,572	1,330,782	1,460,725	(5,153)
Reserves		147,348	124,471	124,471	22,877
Accumulated deficit		(1,150,234)	(1,039,217)	(1,070,482)	(79,752)
Total equity		452,686	416,036	514,714	(62,028)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2018-19 figures. Refer to Note 3.4.

² The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2019–20. Explanation of major variances are presented in Note 5.1.

Statement of changes in equity

for the year ended 30 June 2020

	Actual 2020 \$'000	Actual 2019 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
CONTRIBUTED EQUITY				
Opening balance carried forward from previous period	1,330,782	1,201,250	1,330,756	26
Transactions with owners				
<i>Departmental capital budget</i>				
Returns of contributed equity	(6,780)	-	-	(6,780)
<i>Contributions by owners</i>				
Equity injection - appropriations	53,319	70,909	51,319	2,000
Departmental capital budget	78,251	58,623	78,650	(399)
Total transactions with owners	124,790	129,532	129,969	(5,179)
Closing balance as at 30 June	1,455,572	1,330,782	1,460,725	(5,153)
RETAINED EARNINGS				
Opening balance				
Opening balance carried forward from previous period	(1,039,217)	(917,803)	(966,383)	(72,834)
Adjustment for prior year restatement	-	(7,939)	-	-
Adjustment for changes in accounting policies ⁴	25,479	-	-	25,479
Adjusted opening balance	(1,013,738)	(925,743)	(966,383)	(47,355)
Comprehensive income				
(Deficit) for the period	(136,496)	(113,475)	(104,099)	(32,397)
Total comprehensive income	(136,496)	(113,475)	(104,099)	(32,397)
Closing balance as at 30 June	(1,150,234)	(1,039,217)	(1,070,482)	(79,752)
ASSET REVALUATION RESERVE				
Opening balance carried forward from previous period	124,471	124,471	124,471	-
Comprehensive income				
Other comprehensive income	22,877	-	-	22,877
Total comprehensive income	22,877	-	-	22,877
Closing balance as at 30 June	147,348	124,471	124,471	22,877
TOTAL EQUITY	452,686	416,036	514,714	(62,028)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2018-19 figures. Refer to Note 3.4.

² The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2019–20. Explanation of major variances are presented in Note 5.1.

⁴ The adoption of AASB 16 *Leases* resulted in the lease balances previously recognised under AASB 117 being adjusted against opening retained earnings. Refer to the Overview for further detail.

Accounting policy

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Cash flow statement

for the year ended 30 June 2020

	Notes	Actual 2020 \$'000	Actual 2019 \$'000	Original Budget ¹ \$'000	Variance ² \$'000
Operating activities					
<i>Cash received</i>					
Appropriations		1,420,744	1,403,641	1,363,423	57,321
Sales of goods and rendering of services		309,107	285,884	287,207	21,900
Net GST received		45,160	37,532	31,994	13,166
Other		41,323	2,588	340	40,983
Total cash received		1,816,334	1,729,645	1,682,964	133,370
<i>Cash used</i>					
Employees		938,718	904,083	911,757	26,961
Suppliers		447,586	517,036	502,450	(54,864)
Section 74 receipts transferred to Official Public Account (OPA)		309,529	285,403	264,053	45,476
Interest payments on lease liabilities		14,381	-	-	14,381
Grant payments		2,148	3,197	-	2,148
Total cash used		1,712,362	1,709,719	1,678,260	34,102
Net cash used by operating activities		103,972	19,926	4,704	99,268
Investing activities					
<i>Cash received</i>					
Proceeds from sale of property, plant and equipment		611	1,119	-	611
Total cash received		611	1,119	-	611
<i>Cash used</i>					
Purchase of property, plant and equipment		74,700	26,675	133,843	(59,143)
Purchase of land and buildings		34,088	67,341	-	34,088
Purchase of intangibles		31,264	30,148	-	31,264
Total cash used		140,052	124,164	133,843	6,209
Net cash used by investing activities		(139,441)	(123,045)	(133,843)	(5,598)
Financing activities					
<i>Cash received</i>					
Contributed equity		43,556	59,136	132,347	(88,791)
Departmental capital budget funding		91,110	49,855	-	91,110
Total cash received		134,666	108,991	132,347	2,319
<i>Cash used</i>					
Principal payments of lease liabilities		97,222	-	-	97,222
Total cash used		97,222	-	-	97,222
Net cash used by financing activities		37,444	108,991	132,347	(94,903)
Net increase in cash held		1,975	5,872	3,208	(1,233)
Cash and cash equivalents at the beginning of the period		21,467	15,595	12,388	9,079
Cash and cash equivalents at the end of the period	2.1A	23,442	21,467	15,596	7,846

The above statement should be read in conjunction with the accompanying notes.

¹ The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited).

² The variance between the actual and original budgeted amount for 2019–20. Explanation of major variances are presented in Note 5.1.

Administered schedule of comprehensive income

for the year ended 30 June 2020

	Actual 2020 \$'000	Actual 2019 \$'000	Original Budget ¹ \$'000	Variance \$'000
NET COST OF SERVICES				
Expenses				
Consultants and contractors	259	250	-	-
General and office	377	2,818	-	-
Grants	400	-	-	-
Impairment loss on financial instruments	10	17	-	-
Infrastructure for other jurisdictions	-	750	-	-
Operational expenses	259	130	-	-
Police equipment for other jurisdictions ²	3,390	3,347	-	-
Training	2,401	5,891	-	-
Travel	963	1,263	-	-
Total expenses	8,059	14,466	7,868	191
Income				
Non-taxation revenue				
Court fees, fines and penalties	191	193	-	-
Exhibits and seizures	701	319	-	-
Other income	7	7	-	-
Total non-taxation revenue	899	519	-	899
Net cost of services	7,160	13,947	7,868	(708)
Total comprehensive deficit	(7,160)	(13,947)	(7,868)	708

The above schedule should be read in conjunction with the accompanying notes.

¹ The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited).

² Police equipment for other jurisdictions is for amounts gifted to international police jurisdictions which are not cost recovered.

Administered schedule of assets and liabilities

as at 30 June 2020	Actual 2020 \$'000	Actual 2019 \$'000	Original Budget ¹ \$'000	Variance \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	-	-	644	(644)
Receivable - GST from Australian Taxation Office	23	4	17	6
Receivable - Other	-	34	114	(114)
Receivable - Court fees, fines and penalties	1,341	1,343	1,370	(29)
Less: impairment allowance (court fees, fines and penalties)	(1,317)	(1,307)	(1,290)	(27)
Total financial assets	47	74	855	(808)
Non-financial assets				
Prepayments	-	-	112	(112)
Total non-financial assets	-	-	112	(112)
Total assets administered on behalf of government	47	74	967	(920)
Liabilities				
Payables				
Suppliers ²	528	572	1,200	(672)
Other payables	433	565	-	433
Total liabilities administered on behalf of government	961	1,137	1,200	(239)
Net liabilities	(914)	(1,063)	(233)	(681)

The above schedule should be read in conjunction with the accompanying notes. All assets and liabilities are related to Outcome 1.

¹ The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited).

² Settlement is usually made within 7 days.

Administered reconciliation schedule

for the year ended 30 June 2020	Actual 2020 \$'000	Actual 2019 \$'000
Opening net liabilities as at 1 July	(1,063)	(343)
Net cost of services		
Income	899	519
Expenses	(8,059)	(14,466)
Total net cost of services	(7,160)	(13,947)
Transfers (to)/from Australian Government		
Appropriation transfers through OPA:		
Annual appropriations	8,364	15,387
Transfers to OPA	(1,055)	(2,160)
Total transfers (to)/from Australian Government	7,309	13,227
Closing net liabilities as at 30 June	(914)	(1,063)

The above schedule should be read in conjunction with the accompanying notes.

Administered cash flow statement

for the year ended 30 June 2020

	Actual 2020 \$'000	Actual 2019 \$'000	Original Budget ¹ \$'000	Variance \$'000
Operating activities				
<i>Cash received</i>				
Court fees, fines and penalties	227	898	-	227
Exhibits and seizures	701	319	-	701
Other – income	7	7	-	7
Net GST received	70	288	10	60
Total cash received	1,005	1,512	10	995
<i>Cash used</i>				
Suppliers	8,225	15,107	7,918	307
GST paid	89	275	10	79
Total cash used	8,314	15,382	7,928	386
Net cash used by operating activities	(7,309)	(13,870)	(7,918)	609
Net (decrease) in cash held by the Commonwealth	(7,309)	(13,870)	(7,918)	609
Cash at the beginning of the reporting period	-	644	644	(644)
<i>Cash from Official Public Account</i>				
Appropriations	8,364	15,387	7,918	446
<i>Cash to Official Public Account</i>				
Appropriations	(1,009)	(2,159)	-	(1,009)
GST	(46)	(1)	-	(46)
Cash at the end of the reporting period	-	-	644	(644)

The above schedule should be read in conjunction with accompanying notes. All assets and liabilities are related to Outcome 1.

¹ The original budget is from the 2019–20 Portfolio Budget Statement (PBS) (unaudited). The budget statement information has been reclassified and presented on a consistent basis with the corresponding financial statement.

Overview

Objectives of the Australian Federal Police

The AFP is an Australian Government controlled not-for-profit entity. As Australia's national policing agency, the AFP is a key member of the Australian law enforcement and national security community, leading policing efforts to keep Australians and Australian interests safe, both at home and overseas. This is delivered through the following outcomes:

Outcome 1: Reduced criminal and security threats to Australia's collective economic and societal interests through cooperative policing services

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government

The continued existence of the AFP in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the entity's administration and programs.

AFP's activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the entity in its own right.

Administered activities involve the management or oversight by the entity, on behalf of the Government, of items controlled or incurred by the Government. AFP conducts administered activities on behalf of the Government supporting the objectives of Outcome 1, predominantly international development assistance.

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*.

The financial statements have been prepared in accordance with:

- *Public Governance Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*; and
- Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements 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.

Significant accounting judgements and estimates

The AFP has made estimates and judgements with respect to the methods used to assess the fair value of assets and the calculation of employee provisions. All assets and liabilities are held at fair value. These estimates and judgements are outlined at the relevant note.

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

Impact of COVID-19 pandemic on the financial statements

Since mid-February 2020, the COVID-19 pandemic has led to global financial uncertainty. The AFP has been impacted by the pandemic through the delivery of emergency response services and capital project delays.

Management has assessed the impact on the financial statements including the potential for movements in the fair value of non-current assets and the potential for impairment of other assets such as receivables. The COVID-19 pandemic did not have a significant impact on the transactions and balances in the financial statements.

Overview (cont.)

New Australian Accounting Standards

Adoption of new Australian Accounting Standards requirements

AASB 16 became effective as at 1 July 2019. This new standard has replaced AASB 117 *Leases*, Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases—Incentives* and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases.

Adoption of AASB 16 has had a major impact on the AFP financial statements, recognising significant additional right-of-use assets and lease liabilities. AFP has applied a modified retrospective approach, recognising the cumulative effect of the standard as at 1 July 2019. AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The comparative information has not been restated and continues to be reported under AASB 117. The AFP applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Excluded initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date;
- Relied on previous assessments on whether leases are onerous as opposed to preparing an impairment review under AASB 136 Impairment of assets as at the date of initial application; and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

The impact on transition is summarised below:

<u>Departmental</u>	1 July 2019 (\$'000)
Right-of-use assets - property, plant and equipment	1,050,198
Lease liabilities	(1,041,964)
Prepayments	(8,234)
Retained earnings	(25,479)
Supplier payables	25,479

There has been no impact on AFP Administered accounts.

AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* were adopted from 1 July 2019 with no material impact on the AFP's financial statements.

No other new and revised standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period had a material effect on the AFP's financial statements.

No accounting standard has been adopted earlier than the application date as stated in the standard.

Taxation

The AFP is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards. Administered items are presented on shaded blue background.

Administered cash transfers to and from the Official Public Account

Revenue collected by the AFP for use by the government rather than the AFP is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under parliamentary appropriation on behalf of the government. These transfers to and from the OPA are adjustments to the administered cash held by the AFP on behalf of the government and reported as such in the administered cash flow statement and in the administered reconciliation schedule.

Events after the reporting period

Departmental

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Administered

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Note 1.1: Expenses

Note 1.1A: Employee benefits expense

	2020 \$'000	2019 ¹ \$'000
Wages and salaries	656,833	621,508
Superannuation:		
Defined contribution plans	65,368	56,682
Defined benefit plans	65,322	69,599
Leave and other entitlements	138,162	165,320
Separation and redundancies	4,807	2,685
Other employee expenses	13,190	12,406
Total employee benefits expense	943,682	928,200

¹ Adjusted 2018-19 figures. Refer to Note 3.4.

Note 1.1A: Accounting policy

The AFP's employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a nominated superannuation fund. The CSS and PSS are defined benefit plans for the Australian Government. All other superannuation funds are accumulation plans.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The AFP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

Note 1.1B: Supplier expenses

	2020 \$'000	2019 \$'000
Supplier expenses – goods and services		
Operational	56,397	50,759
Consultant and contractor services	49,989	52,787
Staff and recruitment	51,078	45,176
Communications and IT	62,501	53,639
Building and accommodation	45,755	38,619
Travel	31,042	36,761
General and office	34,304	26,845
Training	12,692	11,924
Vehicle expenses*	7,483	2,761
Postage and freight	2,855	2,232
Total supplier expenses – goods and services	354,096	321,503
Supplier expenses – other		
Operating lease rentals	-	111,067
Short term and low value leases	7,733	-
Workers compensation expenses	41,498	42,757
Other supplier expenses	16	11
Total supplier expenses - other	49,247	153,835
Total supplier expenses	403,343	475,338

* Vehicle expenses for 2019-20 include \$4.909m of costs previously categorised as operating lease rentals in the 2018-19 financial statements under AASB 117.

Note 1.1: Expenses (cont.)

Note 1.1B: Supplier expenses (cont.)

Note 1.1B: Accounting policy

Recognition and measurement of operating lease payments

With the introduction of AASB 16 Leases, operating lease payments relating to underlying assets are no longer reported as a supplier expense - for AFP these include leases for office space, vehicles and other equipment. AFP 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). Consistent with the modified retrospective approach, comparative figures are not restated. A reconciliation of lease commitments disclosed as at 30 June 2019 to lease liabilities recognised on 1 July 2019 is provided below:

	\$'000
Minimum operating lease commitment 30 June 2019	515,557
Less: GST included in commitments	(45,160)
Less: non asset related commitments	(15,422)
Less: short term leases not recognised under AASB 16	(2,168)
Less: low value leases not recognised under AASB 16	(1,145)
Plus: effect of extension options reasonably certain to be exercised	698,624
Undiscounted lease payments	1,150,286
Less: effect of discounting using the incremental borrowing rate	(108,322)
Lease liabilities recognised at 1 July 2020	1,041,964

The AFP has short term lease commitments of \$110.8m as at 30 June 2020.

Note 1.1C: Finance costs

	2020	2019
Interest on lease liabilities	14,381	-
Unwinding of discount	560	565
Total finance costs	14,941	565

Lease disclosures should be read in conjunction with accompanying notes 2.2 and 2.4.

Note 1.1D: Write-down and impairment of assets

	2020	2019
	\$'000	\$'000
Impairment from trade and other receivables	1,585	264
Impairment of buildings	54	728
Impairment of property, plant and equipment	715	6,806
Impairment of intangibles	80	795
Total write-down and impairment of assets	2,434	8,593

Note 1.1E: Regulatory charging summary

The AFP undertakes national police checks that are cost-recovered, as outlined in Schedule 2 of the *Australian Federal Police Regulations 1979*. Expenses and income associated with this activity is outlined below.

	2020	2019
	\$'000	\$'000
Expenses – departmental	19,591	20,223
Revenue – departmental	27,755	26,838

Note 1.2: Own-source revenue and gains

Note 1.2A: Revenue

	2020	2019
	\$'000	\$'000
Revenue from contracts with customers		
Sale of goods	119	104
Rendering of services:		
Police services	237,731	240,832
Criminal record checks	28,936	27,520
Other services	23,890	15,610
Total revenue from contracts with customers	<u>290,676</u>	<u>284,066</u>
Other revenue	5,150	1,514
Total revenue	<u>295,826</u>	<u>285,580</u>

Note 1.2A: Accounting policy

AFP primarily generates revenue from providing policing services to the ACT Government and other Commonwealth agencies. AFP also generates revenue from performing criminal record checks, and training related to police services.

Revenue from contracts with customers is recognised when the performance obligation has been met, either:

- at a point in time where the ownership or control of the goods or services is passed to the customer at a specific time; or
- over time where the services are provided and consumed simultaneously.

Note 1.2B: Gains

	2020	2019
	\$'000	\$'000
Resources received free of charge	6,179	6,114
Sale of assets:		
Proceeds from sale of assets	652	1,119
Carrying value of assets sold	(41)	(167)
Other gains	3,703	797
Total gains	<u>10,493</u>	<u>7,863</u>

Note 1.2B: Accounting policy

Resources Received Free of Charge

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge includes Australian National Audit Office audit fees of \$0.275m (2019: \$0.255m) for AFP's financial statements and \$5.854m (2019: \$5.859m) for ACT Policing facilities and legal services received free of charge from the ACT Government.

Contributions of assets at no cost of acquisition, or for nominal consideration, are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another government entity as a consequence of a restructuring of administrative arrangements.

Sale of Assets

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

Note 2.1: Financial assets

Note 2.1A: Cash and cash equivalents

	2020	2019
	\$'000	\$'000
Cash in special accounts	4,603	3,494
Cash on hand	101	101
Cash at bank	11,238	11,372
Cash - held by the OPA	7,500	6,500
Total cash and cash equivalents	23,442	21,467

The closing balance of Cash in special accounts does not include amounts held in trust: \$31.045m in 2020 and \$43.088m in 2019. See note 4.3 Special Accounts for more information.

Note 2.1B: Trade and other receivables

	2020	2019
	\$'000	\$'000
Goods and services receivable	13,198	11,920
Total goods and services receivables	13,198	11,920
Contract assets are associated with the provision of policing services to the ACT Government and other Commonwealth agencies.		
Appropriation receivable		
- for ordinary services	210,180	193,094
- for equity projects	57,707	67,583
Total appropriations receivables	267,887	260,677
Other receivables		
GST receivable from the Australian Taxation Office	5,761	5,155
Comcare	47	9,506
Other	438	823
Total other receivables	6,246	15,484
Total trade and other receivables (gross)	287,331	288,081
Less: impairment loss allowance	(2,326)	(766)
Total trade and other receivables (net)	285,005	287,315

Note 2.1B: Accounting policy

All trade receivables are expected to be recovered in less than 12 months. Credit terms for goods and services are 30 days (2019: 30 days). Receivables are held for the purpose of collecting contractual cash flows and measured at amortised cost using the effective interest method adjusted for any loss allowance.

Financial assets are assessed for impairment at the end of each reporting period based on *Expected Credit Losses*, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses.

Note 2.2: Non-financial assets

Note 2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold improve- ments \$'000	Total land and buildings \$'000	Other property, plant and equipment \$'000	Intangible assets - computer software \$'000	Total non-financial assets \$'000
As at 1 July 2019							
Gross book value	2,400	153,388	280,392	436,180	255,649	160,793	852,622
Accumulated depreciation and amortisation	-	(9,850)	(61,958)	(71,808)	(75,635)	(78,710)	(226,153)
Total as at 1 July 2019	2,400	143,538	218,434	364,372	180,014	82,083	626,469
Recognition of right-of-use assets on initial application of AASB 16	215	1,034,113	-	1,034,328	15,870	-	1,050,198
Total as at 1 July 2019	2,615	1,177,651	218,434	1,398,700	195,884	82,083	1,676,667
Additions:							
Purchased or internally developed	-	6,421	28,943	35,364	61,430	30,450	127,244
Right-of-use assets	-	98,775	-	98,775	27,552	-	126,327
Revaluations recognised in other comprehensive income	-	(1,491)	17,539	16,048	11,769	-	27,817
Write-down and impairment recognised in net cost of services	-	(29)	(25)	(54)	(715)	(80)	(849)
Depreciation/amortisation	-	(5,187)	(35,113)	(40,300)	(41,663)	(11,168)	(93,131)
Depreciation on right-of-use assets	(46)	(100,298)	-	(100,344)	(9,844)	-	(110,188)
Other movements of right-of-use assets ¹	-	(45,579)	-	(45,579)	-	-	(45,579)
Reclassifications	-	(516)	(95)	(611)	601	10	-
Disposals:							
Other	-	-	-	-	(41)	-	(41)
Total as at 30 June 2020	2,569	1,129,747	229,683	1,361,999	244,973	101,295	1,708,267
Total as at 30 June 2020 represented by:							
Gross book value	2,615	1,230,045	229,709	1,462,369	256,138	190,417	1,908,924
Accumulated depreciation and amortisation	(46)	(100,298)	(26)	(100,370)	(11,165)	(89,122)	(200,657)
Total as at 30 June 2020	2,569	1,129,747	229,683	1,361,999	244,973	101,295	1,708,267
Carrying amount of right-of-use assets	169	987,011	-	987,180	33,578	-	1,020,758

The carrying amount of computer software includes purchase of software of \$33.4m and internally generated software of \$65.0m.

¹ Other movements of right-of-use assets arise from lease modifications entered into during the financial year.

Capital commitments

The AFP has entered into contracts to purchase equipment, intangibles, leasehold fit-outs and buildings that are currently under construction. Some contracts contain a termination clause as part of the contract, the value of these contracts for 2020: \$43.976m (2019:\$35.041m). At 30 June, the AFP intends to fully exercise these contracts.

	2020 \$'000	2019 \$'000
As at 30 June, the future minimum payments under non-cancellable contracts were:		
Less than one year	44,671	38,186
Between one and five years	7,888	6,976
More than five years	-	-
Total capital commitments	52,559	45,162

Note 2.2: Non-financial assets (cont.)

Note 2.2B: Accounting policy

Assets under construction (AUC)

AUC are included in all asset classes in Note 2.2A except for Land. AUC are initially recorded at acquisition cost. They include expenditure to date on various capital projects carried as AUC. AUC projects are reviewed annually for indicators of impairment and all AUC older than 12 months at reporting date is externally revalued to fair value. Prior to rollout into service, the accumulated AUC balance is reviewed to ensure accurate capitalisation of built and purchased assets.

Make good

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to make good provisions in property leases taken up by the AFP where there exists an obligation to restore the property to its original condition. These costs are included in the value of the AFP's leasehold improvements with a corresponding provision for the make good recognised.

Asset recognition thresholds

Assets are recorded at cost on acquisition, except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Asset class	Threshold
Land and buildings	\$5,000
Property, plant and equipment	\$5,000
Intangibles - purchased	\$10,000
Intangibles - internally developed	\$25,000

All asset purchases below these thresholds are expensed in the year of acquisition. Where assets cost less than the threshold and form part of a group of similar items which are significant in total, they are recognised as assets. Asset thresholds for AFP (excluding APG and AIPM) have been updated to a capitalisation threshold of \$5,000 at 30 June 2019.

Leased 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 as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Leased ROU assets continue to be measured at cost after initial recognition.

Key judgement

Reasonable certainty of option exercise in relation to ROU assets

The AFP enters into property lease arrangements for domestic and international offices and residential premises. A significant number of these leases have options for the AFP to extend its ROU beyond the initial term. These option periods have been included in the measurement of the ROU asset and lease liability when management make the judgment that the option is reasonably certain to be exercised based on historical experience and the importance of the underlying asset to AFP's operations, the availability of alternative assets, security considerations and other relevant requirements for each particular location.

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The AFP has adopted a 3 year revaluation cycle. The AFP tests the valuation model as an internal management review at least once every 12 months to ensure there are no material differences. An asset revaluation was performed as at 30 June 2020.

The valuation of non-financial assets identified the current COVID-19 situation as an area of uncertainty which may impact asset values in the future. The AFP considers the value of non-financial assets recorded at 30 June 2020 to be reliable, with no current evidence of adverse impacts on relevant asset markets.

Valuations were conducted by registered and independent valuers at 30 June 2020 by Australian Valuation Services. Revaluations were conducted on all tangible assets, including those under construction.

Note 2.2: Non-financial assets (cont.)

Note 2.2B: Accounting policy (cont.)

Revaluations (cont.)

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation surplus except to the extent that it reverses a previous revaluation decrement of the same asset class that was 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.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Key judgement

The valuation basis for each class of assets is as follows:

- land – fair value based on market value of similar properties
- buildings and leasehold improvements – depreciated replacement cost due to no active market for custom-built assets
- other property, plant and equipment – measured at market selling price for assets unless a market does not exist. In these circumstances depreciated replacement cost is applied.

Where possible, a market approach was used through examination of similar assets. Revaluations were conducted on the following basis:

Asset class	Valuation technique
Land	Market valuation
Buildings	Depreciation replacement cost
Leasehold improvements	Depreciation replacement cost
Property, plant & equipment	Depreciation replacement cost and market valuation

Impairment and derecognition

All assets were assessed for impairment at 30 June 2020. Where indications of impairment exist, the asset's recoverable

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in

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

The AFP's intangibles comprise of internally developed and externally acquired software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Depreciation and amortisation expense

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to AFP using the straight-line method of depreciation. Depreciation and amortisation rates have been applied to each class of asset based on the following useful lives:

Buildings on freehold land	10 to 40 years
Buildings on leasehold land	4 to 60 years
Leasehold improvements	15 years or lease term
Other property, plant and equipment	1 to 30 years
Software assets	2 to 20 years

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.

Software is amortised on a straight-line basis over its estimated useful life.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Inventories

Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition. Inventory held by the AFP includes uniforms and goods held for distribution.

Note 2.3: Payables**Note 2.3A: Supplier payables**

	2020	2019
	\$'000	\$'000
Trade creditors and accruals	65,443	75,448
Operating lease rentals ¹	-	25,479
Total supplier payable	65,443	100,927

¹ Balances reflecting previous lease accounting were adjusted against opening retained earnings on transition to AASB 16. The AFP has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Note 2.3B: Other payables

	2020	2019
	\$'000	\$'000
Wages and salaries	15,970	10,603
Superannuation	1,908	989
Unearned income	17,656	6,967
Other payables	1	27
Total other payables	35,535	18,586

Note 2.3: Accounting policy

Recognition and measurement of supplier and other payables: payables are carried at the amount owing to parties for goods and services provided, which is usually the invoice amount. Settlement is usually made within 7 days (2019: 7 days).

Note 2.4: Interest bearing liabilities

	2020	2019
	\$'000	\$'000
Leases		
Land	217	-
Buildings	1,013,024	-
Property, plant and equipment	33,351	-
Total interest bearing liabilities	1,046,592	-

The AFP has applied AASB 16 *Leases* using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117. Lease disclosures should be read in conjunction with accompanying notes 1.1 and 2.2.

The cash outflow for leases for the year ended 30 June 2020 was \$111.604m, comprising \$97.223m in principal repayments and \$14.381m in interest payments.

Note 2.4: Accounting policy

On adoption of AASB 16 *Leases*, the AFP recognised right-of-use assets and lease liabilities in relation to leases of office space, vehicles and other equipment which had previously been classified as operating leases. Under AASB 16, the AFP recognises lease liabilities for most leases, however has elected not to recognise lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as at 1 July 2019. The incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The AFP has applied zero coupon yields to calculate the incremental borrowing rate applicable to each of its leases. Given that each lease has a unique lease term, the derived incremental borrowing rates varies for lease to lease. The weighted-average rate applied was 1.4%.

Note 2.5: Other provisions

	Provision for restoration obligations \$'000	Provision for settlements \$'000	Provision for relocations \$'000	Total \$'000
As at 1 July 2019	24,783	3,500	3,216	31,499
Additional provisions made	2,280	-	6,472	8,752
Amounts used	(45)	-	(1,858)	(1,903)
Provisions not realised	-	(3,500)	(2,616)	(6,116)
Revaluation	4,940	-	-	4,940
Unwinding of discount	560	-	-	560
Total as at 30 June 2020	32,518	-	5,214	37,732

Note 2.4A: Accounting policy

Provisions

Provisions are recognised when the AFP has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the unwinding of the discount or change in the discount rates is recognised in the Statement of comprehensive income.

Provision for restoration obligations

The provision for restoration obligations relates to leased accommodation where the AFP is required to restore the premises upon termination of the lease. The original estimates for future costs associated with restoration obligations are determined by independent valuation and discounted to their present value. The original provisions are adjusted for changes in expected future cost and the discount rate.

The AFP has 44 (2019: 43) agreements for leases of premises which have provisions requiring the AFP to restore the premises to their original condition at the conclusion of the lease. The AFP has made a provision to reflect the present value of this obligation.

Provision for legal settlement

The AFP provision for legal settlements includes legal claims made against the AFP which the AFP believes it will have to settle.

Provision for relocations

Staff relocations are payments which staff are entitled to for relocating but are yet to fully claim.

Note 3.1: Employee provisions

	2020 \$'000	2019 ¹ \$'000
Leave	335,383	329,771
Underpayment of superannuation	78,697	70,678
Unpaid overtime	3,090	9,151
Other	50	50
Total employee provisions	417,220	409,650
Breakdown of employee provisions		
- amount of employee provisions expected to be settled in less than 12 months	175,154	169,395
- amount of employee provisions expected to be settled in more than 12 months	242,066	240,255
Total employee provisions	417,220	409,650

¹ Adjusted 2018-19 figures. Refer to Note 3.4 for the adjustment and accounting policy in relation to the superannuation provision and Note 4.4.

Note 3.1: Accounting policy

Recognition and measurement of employee benefits

Employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if there is a present legal obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Leave

The leave liabilities are annual and long service leave. The 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 the AFP's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

An actuary review is performed every 3 years. A formal actuarial review was conducted as at 30 June 2019.

Employee provision

Employee provisions due within twelve months of the end of the 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.

Employee provisions which are expected to be settled beyond 12 months (commonly long service leave), are discounted to present value using market yields on the 10-year government bond rate.

Superannuation

The AFP's employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a nominated superannuation fund. The CSS and PSS are defined benefit plans for the Australian Government. All other superannuation funds are accumulation plans.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The AFP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

Key estimate

Employee provisions which are expected to be settled beyond 12 months required management judgement and independent actuarial assessment of key assumptions, including, but not limited to:

- future salaries and wages increases;
- future on-cost rates; and
- period of service and attrition; and
- discounted to present value using market yields on 10 year government bonds.

Note 3.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the AFP. The AFP has determined the key management personnel to be the members of the Executive Leadership Committee, including any member whom has acted for 30 days or more continuous. Key management personnel remuneration is reported in the table below. Included are those who have acted in any of the above mentioned roles deemed as key management personnel or who have departed prior to reporting date.

	2020	2019
	\$'000	\$'000
Short-term employee benefits	2,531	2,463
Post-employment benefits	380	394
Other long-term employee benefits	61	64
Termination benefits	620	-
Total key management personnel remuneration expenses¹	3,592	2,921

The total number of key management personnel included in the above table is 13 including 3 acting in management positions (2019: 9 including 2 acting in management positions). The number of key management personnel roles at 30 June 2020 was 6 (2019: 6 roles).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

¹ Key management personnel is included in the Home Affairs KMP remuneration tables for part of the year, and this amount has been excluded from AFP figures to avoid duplication.

Note 3.3: Related Party Disclosures

The AFP is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the AFP, it has been determined that there are no related party transactions to be separately disclosed.

Note 3.4: Prior year restatement

Provision

The prior period error relates to unpaid employee entitlements for superannuation. An estimate of the associated cost has been recognised in the opening balances for 2018-19 to the extent applicable to earlier years.

Following clarification on inclusion of entitlements to superannuation, the provision has been increased from the error recognised in the prior year. The current year correction accounts for additional superannuation payable on certain components of employee benefits not previously included in the superannuation calculations.

	Reported 2018-19 \$'000	Correction \$'000	Restated 2018-19 \$'000
Employee Benefits expense	924,083	4,117	928,200
Employee Provision	397,594	12,056	409,650
Opening Equity	(917,803)	(7,939)	(925,742)
Closing Equity	(1,027,161)	(12,056)	(1,039,217)

The provision is based on management's assessment of the range of potential outcomes taking into account independent advice. The estimate is subject to uncertainty such that the final outcome may be lower or higher than the amount reported as at 30 June 2019, as there are several eligibility criteria to be assessed when unpaid entitlements are calculated for each affected employee.

Note 4.1: Appropriations**Note 4.1A: Revenue from government**

	2020 \$'000	2019 \$'000
Departmental appropriations	1,128,302	1,103,344
Total revenue from government	1,128,302	1,103,344

Note 4.1A: 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 AFP 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 4.1B: Annual and unspent appropriations

	2020 \$'000	2019 \$'000
Annual Appropriations		
Opening unspent appropriation balance	273,432	285,488
Annual appropriation - operating ¹	1,127,943	1,100,464
Annual appropriation - capital budget ²	78,251	58,623
Annual appropriation - equity injection	53,319	70,909
PGPA Act Section 74 receipts	309,529	281,947
Total appropriation available	1,842,474	1,797,431
Appropriation applied (current and prior years)	1,555,549	1,523,999
Closing unspent appropriation balance	286,925	273,432
Balance comprises appropriations as follows:		
Appropriation Act (No. 1) 2017–18 ¹	160	160
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2017–18 ¹	4,091	4,091
Appropriation Act (No. 2) – Equity Injection – 2017–18	7,664	8,881
Appropriation Act (No. 4) – Equity Injection – 2017–18	2,332	2,874
Appropriation Act (No. 1) 2018–19	-	140,895
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2018–19 ¹	-	8,768
Appropriation Act (No. 2) - Equity Injection - 2018-19	21,033	46,554
Appropriation Act (No. 3) 2018-19	-	49,231
Appropriation Act (No. 4) - Equity Injection - 2018-19	238	507
Appropriation Supply Act (No. 1) 2019-20	91,000	-
Appropriation Supply Act (No. 2) - Equity Injection - 2019-20	14,463	-
Appropriation Act (No. 1) 2019-20	115,853	-
Appropriation Act (No. 2) - Equity Injection - 2019-20	16,758	-
Appropriation Act (No. 4) - Equity Injection - 2019-20	2,000	-
Appropriation – Cash on hand / at bank	11,333	11,471
Total unspent appropriation	286,925	273,432

All amounts are GST exclusive

1. The following amounts are included in unspent annual appropriations, as the amounts have not been formally reduced (by law). They have been reduced by permanent quarantine under section 51 of the PGPA Act which constitutes a permanent loss of control. They are included in this note, however do not form part of the appropriation receivable balance at note 2.1B.

- \$0.160m – Appropriation Act (No.1) 2017–18
- \$4.091m – Appropriation Act (No.1) Capital Budget (DCB) 2017–18
- \$6.780m – Appropriation Act (No.2) Equity Injection 2018–19

2. 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.

At 30 June 2020 the AFP recognised a receivable at Note 2.1B of \$3.699m for a no win / no loss arrangement to cover additional FBT expense related to living away from home allowance, to be received in 2020-21. This met the formal recognition criteria under section 51 of the PGPA Act; however, as the appropriation had not been formally appropriated by law, it is not represented in this note (2019: receivable of \$1.146m).

Note 4.1C: Annual and unspent administered appropriations

	2020	2019
	\$'000	\$'000
Opening unspent appropriation balance	3,435	4,423
Annual appropriation - operating ¹	9,115	15,958
Total available appropriation	12,550	20,381
Appropriation applied (current and prior years)	9,031	16,946
Closing unspent appropriation balance	3,519	3,435
Balance comprises appropriations as follows:		
Appropriation Act (No. 1) 2017–18	7	7
Appropriation Act (No. 1) 2018–19	6	395
Appropriation Act (No. 3) 2018–19	1,464	2,173
Appropriation Supply Act (No. 1) 2019–20	10	-
Appropriation Act (No. 1) 2019–20	785	-
Appropriation Act (No. 3) 2019–20	1,247	-
Appropriation – Cash on hand / at bank	-	860
Total unspent appropriation - ordinary annual services	3,519	3,435

All amounts are GST exclusive.

1. The following amounts are included in unspent annual appropriations, as the amounts have not been formally reduced (by law). They have been reduced by permanent quarantine under section 51 of the PGPA Act which constitutes a permanent loss of control.

- \$0.007m – Administered Appropriation Act (No.1) 2017–18
- \$0.006m – Administered Appropriation Act (No.1) 2018–19
- \$1.464m – Administered Appropriation Act (No.3) 2018–19

Note 4.2: Net cash appropriation arrangements

From 2010–11, the government introduced net cash appropriation arrangements whereby revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.

The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the cash impact on implementation of AASB 16 Leases, it does not directly reflect a change in appropriation arrangements.

	2020	2019
	\$'000	\$'000
Total comprehensive income (loss) less depreciation/amortisation expenses ¹	(33,391)	(22,821)
Movement in revaluation reserve	22,877	-
Plus: Depreciation/amortisation expenses not funded through revenue appropriation ¹	(90,139)	(90,654)
Plus: Depreciation right-of-use assets	(110,188)	-
Less: Principal repayments - leased assets ²	97,222	-
Total comprehensive income (loss) - per the Statement of comprehensive income	(113,619)	(113,475)

¹ The comprehensive income (loss) per the Statement of comprehensive income is (\$113.619m) (2019: (\$113.475m)). The depreciation/amortisation expense per the Statement of comprehensive income is \$203.319m including depreciation on right-of-use assets (2019: \$93.459m). The amount presented above for these two items has been reduced by \$2.992m (2019: \$2.641m), representing the depreciation/amortisation expense funded by the ACT Government for Outcome 2.

² Principal repayments - leased assets of \$97.222m per the Statement of cash flows includes prepaid lease payments of \$2.493m. The comprehensive loss for 2019–20 excluding the impact of the lease prepayments is (\$30.898m).

Note 4.3: Special accounts

The AFP has one special account that contains the receipt of monies temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth, for the payment of monies in connection with services performed on behalf of other governments and non-agency bodies and for expenditure related to providing secretariat support in relation to the detection and prevention of money laundering in the Asia–Pacific region and carrying out activities that are incidental to this purpose.

Services for other entities and trust moneys account (SOETM)¹	2020	2019
	\$'000	\$'000
Balance brought forward from previous year	53,084	50,706
Increases		
Appropriation credited to special account	3,738	2,921
Departmental receipts (AIPM ² and APG ³)	13,870	8,931
Other receipts	47,042	31,928
Total increases	64,650	43,780
Decreases		
Departmental payments (AIPM and APG)	(15,499)	(13,013)
Other payments	(59,085)	(28,389)
Total decreases	(74,584)	(41,402)
Balance carried to next year and represented by:	43,150	53,084
Cash – held by the agency	4,605	3,496
Cash – held by the agency on trust	31,045	43,088
Monies – held by the OPA	7,500	6,500
Total balance carried to the next year	43,150	53,084

All amounts are GST exclusive.

1. Appropriation: Public Governance, Performance and Accountability

Establishing Instrument: *Financial Management and Accountability (Establishment of Special Account for Australian Federal Police) Determination 2011/03*. Date established: 17 May 2011.

2. Accounting for the Australian Institute of Police Management (AIPM)

The purpose of the AIPM is to provide executive development and education services to Australasian police forces. The AIPM is hosted by the AFP. It also reports on its performance to a Board of Control that is comprised of police Commissioners from Australia and New Zealand.

3. Accounting for the Asia – Pacific Group (APG) on Money Laundering

The purpose of the APG on Money Laundering is to facilitate the adoption, implementation and enforcement of internationally accepted anti-money-laundering and anti-terrorist-financing standards. The APG is hosted by the AFP. It also reports on its performance to the members of the APG.

The AIPM and APG operate within the corporate governance framework of the AFP and the AFP's policies apply in all aspects of the AIPM and APG's functions. All staff members are staff members of the AFP. The AIPM is partly funded from AFP annual departmental appropriations. The AFP has effective control of the AIPM and APG and therefore AIPM and APG transactions are consolidated into the financial statements of the AFP.

AIPM and APG transactions are contained within the special account, 'Services for other entities and trust moneys account', in addition to being consolidated within the AFP financial statements. As a special account, AIPM and APG funds can only be used for the purpose specified.

Note 4.4: Contingent liabilities and contingent assets

Contingent liabilities and assets are not recognised in the Statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

The AFP has contingent liabilities in respect of legal claims. The amounts are still under negotiation, the remainder are unquantifiable at 30 June.

The AFP had no administered contingent liabilities or contingent assets at 30 June 2020 (2019: nil).

Unquantifiable contingencies

The AFP has unquantifiable contingencies in relation to a potential underpayment of employee costs resulting from interpretations of Enterprise Agreements and other employee arrangements. The quantum is indeterminate as the obligation is not considered probable.

If a matter prosecuted by the AFP is defended successfully, the court may order that the AFP meet certain costs incurred by the defence.

Any contingencies that may arise relating to compensation matters are covered by AFP's insurance providers Comcare and Comcover.

If a matter is being litigated by the AFP and assets are restrained under the *Proceeds of Crime Act 1987* or the *Proceeds of Crime Act 2002*, the AFP gives an undertaking against potential damages caused to the person(s) whose assets have been restrained. If the proceeds of crime action is unsuccessful, damages may be awarded against the AFP. In addition, cost orders may be made against the AFP if a proceeds of crime action is unsuccessful. Costs awarded are met from the AFP or client organisations' annual appropriations. Damages may be covered by Comcover where Comcover assesses that the liability is covered by the AFP's insurance policy.

Although costs and damages may be awarded against the AFP from time to time, the AFP is unable to declare an estimate of liabilities not recognised nor undertakings due to the uncertainty of the outcome of matters but, more particularly, due to the sensitivity of the information related to matters still before the courts.

Note 4.5: Aggregate assets and liabilities

	2020 \$'000	2019 \$'000
Assets expected to be recovered in:		
No more than 12 months	342,730	345,587
More than 12 months	1,712,478	631,111
Total assets	2,055,208	976,698
Liabilities expected to be settled in:		
No more than 12 months	279,011	295,287
More than 12 months	1,323,511	265,375
Total liabilities	1,602,522	560,662

All administered assets and liabilities are expected to be settled in no more than 12 months.

Note 5.1: Budget reporting and major budget variances

The Statement of comprehensive income, the Statement of financial position and the Cash flow statement provide a comparison of the original budget as presented in the 2019–20 Portfolio Budget Statements (PBS) to the 2019–20 actual outcome. No comparison has been provided for the Statement of changes in equity as major changes between the PBS and the actual outcome are explained by movements in the Statement of comprehensive income and the Statement of financial position.

Note 5.1A: Departmental major budget variances for 2020

(i) **Employee benefits (Statement of comprehensive income) and (Cash flow statement)**

Employee benefit expenses were \$943.682m, \$34.463m higher than the budget estimate of \$909.219m. The variance is primarily due to the recognition of additional provisions for unpaid employee on costs relating to superannuation on certain allowances and increased costs relating to increased leave provisions.

(ii) **Supplier expenses (Statement of comprehensive income) and (Cash flow statement)**

Supplier expenses were \$403.343m, \$103.018m lower than the budget estimate of \$506.361 due to the transition to AASB 16 *Leases*, resulting in the recognition of operating lease payments against the finance lease liability, not reflected in the budget estimates and lower operational costs across supplier expense categories.

(iii) **Depreciation and amortisation expenses (Statement of comprehensive income)**

Depreciation and amortisation expenses were \$203.319m, \$96.337m higher than the budget estimate of \$106.982m due to the transition to AASB 16 *Leases* and the recognition of depreciation expenses on leased right-of-use assets, not reflected in the budget estimates.

(iv) **Finance costs (Statement of comprehensive income) and (Cash flow statement)**

Finance costs were \$14.941m compared to the budget estimate of nil due to the transition to AASB 16 *Leases* and the recognition of interest expense on lease liabilities, not reflected in the budget estimates.

(v) **Trade and other receivables (Statement of financial position)**

Trade and other receivables were \$285.005m, \$20.804m higher than the budget estimate of \$264.201m. This is due to an additional \$12.222m provided in Additional Estimates and \$8.5m increase in goods and services receivables at year end.

(vi) **Revaluation of property, plant and equipment (Statement of comprehensive income)**

Revaluation of property, plant and equipment was \$22.877m compared to the budget estimate of nil. The budget did not include the impact of the asset revaluation of \$22.877m.

(vii) **Land and buildings (Statement of financial position) and (Cash flow statement)**

Land and buildings were \$1,361.999m, \$1,036.561m higher than the budget estimate of \$325.438m. The variance is due to the recognition of leased right-of-use assets on transition to AASB 16 *Leases*, not reflected in the budget estimates.

(viii) **Suppliers payable (Statement of financial position) and (Cash flow statement)**

Supplier payables were \$65.443m, \$49.965m lower than the budget estimate of \$115.408m. The variance is due to lease accruals no longer recognised under supplier payables due to transition to AASB 16 *Leases* and lower than expected payables at year end.

(ix) **Lease liabilities (Statement of financial position)**

Lease liabilities were \$1,046.592m compared to the budget estimate of nil due to the recognition of finance lease liabilities for buildings and property, plant and equipment on transition to AASB 16 *Leases*.

(x) **Employee provisions (Statement of financial position) and (Cash flow statement)**

Employee provisions were \$417.220m, \$90.568m higher than the budget estimate of \$326.652m. The variance is due to underestimated provisions which were increased by \$58.975m through Additional Estimates, recognition of additional provision for unpaid employee on costs relating to superannuation on certain allowances, and less leave taken over the period.



APPENDIXES

Appendix A: Professional standards and AFP conduct issues

AFP Professional Standards (PRS) is responsible for the development and maintenance of a robust and transparent framework to safeguard and strengthen the integrity of the AFP. It operates under Part V of the *Australian Federal Police Act 1979* (Cth) (AFP Act) to support the organisation and its appointees through the AFP's integrity framework, based on the key elements of prevention, detection, response and continuous improvement.

PRS focuses on continuous improvement and uses sophisticated data-driven methods to identify trends, risks and vulnerabilities to inform the AFP executive of the organisation's integrity health.

Education, including demystifying the work and role of PRS, is also a current area of focus. This includes sharing sanction outcomes and case studies as learnings, thus enhancing professional standards being embodied by the organisation and its members.

Complaint management

Part V of the AFP Act defines the categories of complaints about AFP appointees. Complaints are dealt with as breaches of the AFP Code of Conduct. Code of Conduct issues fall into one of four categories:

- The lowest, and least serious, is category 1
- The next highest, and next most serious, is category 2
- The next highest, and next most serious, is category 3
- The highest, and most serious, is conduct giving rise to a corruption issue (category 4).

Corruption issues as defined by the *Law Enforcement Integrity Act 2006* (Cth) can be deemed to be either significant or non-significant corruption and are notified to the Australian Commission for Law Enforcement Integrity (ACLEI). Corruption issues may be investigated by:

- ACLEI
- jointly between ACLEI and the AFP
- the AFP without ACLEI oversight or management
- the AFP with ACLEI oversight or management.

If conduct would otherwise belong to more than one category, it is taken to belong to the higher or highest of those categories.

In 2019–20 the AFP received a total of 306 complaints—a 16.16 per cent decrease on the figure of 365 in the previous reporting period. The number of new alleged breaches of the AFP Code of Conduct resulting from these complaints was 586, 10.26 per cent lower than the corresponding figure for 2018–19 (653).

Table A1 Categories of AFP conduct issues and case examples

Category 1	Incident: Customer service—unreasonable delay (established)
	<p>A member of the public made a complaint about the lack of contact by ACT Policing in relation to a theft in the ACT. The complainant had not received any contact from ACT Policing in relation to the theft within six months of the incident being reported. The complaint was found to be established on the basis that the officer did not provide adequate contact with the member of the public that would comply with section 4(b) of the <i>Victims of Crime Act 1994</i> (ACT). The officer was required to undergo formal counselling and the matter was recorded on the officer's performance development agreement.</p>
Category 2	Incident: Inappropriate breach of guide—failure to comply with procedure (established)
	<p>A member of the public made a complaint about the failure to return property within a reasonable time frame. The property was provided to ACT Policing to assist with enquiries in relation to a theft in the ACT. The investigation identified that the property was not lodged according to the AFP's Property Handling Guidelines, which caused the delay in returning the property to the owner. The complaint was found to be established on the basis that the officer provided inadequate service (category 1) and failed to comply with procedure (category 2). The officer was counselled in relation to the Property Handling Guidelines and complying with victims of crime legislation.</p>
Category 3	Incident: Information access (established)
	<p>A member was identified as having accessed the AFP's Police Real-time On-line Management Information System (PROMIS) to search their own name and those of family members on multiple occasions without lawful authority. Use of the PROMIS must be for a purpose related to a member's employment. This incident was identified as a result of an audit undertaken by the AFP's information technology area. The complaint was found to be established on the basis that the conduct demonstrated carelessness in the member's lack of adherence to National Guidelines and in their failure to comply with the use of systems for official use only. The member received a formal warning and formal counselling and was required to undertake training on information management, and the matter was recorded on the member's performance development agreement.</p>
Category 4 (Corruption)	Incident: Unlawful disclosure of information (established)
	<p>In 2019 a complaint was made alleging that an official AFP document had been released externally to a member of the public. The investigation identified that a member of the AFP had unlawfully disclosed official information. This conduct breached AFP governance and was found to be established on the basis that the member engaged in corrupt conduct when they disclosed operational information without authorisation. The conduct was identified as non-significant corruption in that the member's conduct constitutes an abuse of office. The member resigned during the investigation.</p>

Table A2 Alleged conduct breaches recorded by category, 2016–17 to 2019–20

	2016–17	2017–18	2018–19	2019–20
All AFP				
Category 1	105	96	117	84
Category 2	316	323	259	209
Category 3	333	183	197	202
Category 4	87	80	80	91
Total	841	682	653	586

Conduct breaches are individual issues identified within a complaint. Multiple breaches may be applied when two or more complaint issues are identified from information supplied by a complainant or when two or more members are subject to a complaint.

Table A3 Alleged complaints recorded by source, 2019–20

Source	Number of alleged complaints	Percentage
Anonymous member of the public	7	2%
Member of the public	97	32%
Another AFP member	183	60%
Self-reported	19	6%
Total	306	100%

Table A4 Finalised conduct breaches by category, 2019–20

	Established	Not established	Withdrawn	Discretion not to proceed	Total finalised
All AFP					
Category 1	15	91	6	23	135
Category 2	137	93	3	66	299
Category 3	98	157	0	47	302
Category 4	1	29	0	22	52
Total AFP	251	370	9	158	788
Percentage	32%	47%	1%	20%	100%

Conduct breaches are individual issues identified within a complaint. Multiple breaches may be applied when two or more complaint issues are identified from information supplied by a complainant or when two or more members are subject to a complaint.

Section 40TF of the AFP Act sets out the circumstances under which the Commissioner may decide to take no further action in relation to a conduct issue. These circumstances include when appropriate action has already been taken or further investigation is determined to be not warranted or the alleged issue took place more than 12 months before reporting.

This table includes matters reported before 1 July 2019 and finalised during 2019–20.

Table A5 Prohibited drug tests conducted, 2019–20

Category	2019–20
Mandatory applicant testing	586
Mandatory targeted and random testing	2,481
Mandatory investigation and certain incident testing	3
Total	3,070

The term 'certain incident' relates to an incident where a person is seriously or fatally injured in an incident involving a motor vehicle or while in police custody, or a person is seriously or fatally injured by a firearm discharging or physical force.

Appendix B: Staffing statistics and executive remuneration

Table B1 Ongoing employees by location, 2019–20

	Male			Female			Indeterminate			Total
	Part time		Total male	Part time		Total female	Part time		Total	
	Full time			Full time			Full time			
NSW	685	7	692	202	27	229	0	0	0	921
Qld	323	1	324	136	18	154	1	0	1	479
SA	97	0	97	29	10	39	0	0	0	136
Tas	2	0	2	3	0	3	0	0	0	5
Vic	458	7	465	158	47	205	0	0	0	670
WA	234	3	237	63	11	74	0	0	0	311
ACT	2,026	20	2,046	1,462	261	1,723	3	0	3	3,772
NT	110	0	110	27	0	27	0	0	0	137
Commonwealth territories	15	0	15	7	0	7	0	0	0	22
Overseas	115	0	115	56	0	56	0	0	0	171
Total	4,065	38	4,103	2,143	374	2,517	4	0	4	6,624

Table B2 Non-ongoing employees by location, 2019–20

	Male			Female			Indeterminate			Total
	Full time	Part time ¹	Total male	Full time	Part time ¹	Total female	Full time	Part time ¹	Total	
NSW	13	5	18	21	8	29	0	0	0	47
Qld	2	1	3	5	4	9	0	0	0	12
SA	0	0	0	2	0	2	0	0	0	2
Tas	0	0	0	0	0	0	0	0	0	0
Vic	1	1	2	7	6	13	0	0	0	15
WA	0	1	1	4	3	7	0	0	0	8
ACT	26	31	57	37	21	58	0	0	0	115
NT	0	0	0	1	0	1	0	0	0	1
Commonwealth territories	3	3	6	1	0	1	0	0	0	7
Overseas	2	0	2	1	0	1	0	0	0	3
Total	47	42	89	79	42	121	0	0	0	210

1. Casual employees are included in part-time figures.

Table B3 Ongoing employees by location, 2018–19

	Male		Female		Indeterminate		Total			
	Full time	Part time	Full time	Part time	Full time	Part time				
	Total male	Total female	Total female	Total female	Total	Total				
NSW	647	7	654	210	36	246	0	0	0	900
Qld	329	2	331	122	19	141	1	0	1	473
SA	94	0	94	24	11	35	0	0	0	129
Tas	3	0	3	2	0	2	0	0	0	5
Vic	454	8	462	154	49	203	0	0	0	665
WA	224	3	227	61	9	70	1	0	1	298
ACT	2,042	31	2,073	1,380	267	1,647	1	0	1	3,721
NT	67	0	67	19	1	20	0	0	0	87
Commonwealth territories	12	0	12	5	0	5	0	0	0	17
Overseas	141	0	141	72	0	72	0	0	0	213
Total	4,013	51	4,064	2,049	392	2,441	3	0	3	6,508

Table B4 Non-ongoing employees by location, 2018–19

	Male		Female		Indeterminate		Total
	Full time	Part time ¹	Full time	Part time ¹	Full time	Part time ¹	
NSW	11	0	11	3	0	0	25
Qld	0	0	5	0	0	0	5
SA	0	0	1	0	0	0	1
Tas	0	0	0	0	0	0	0
Vic	3	0	4	0	0	0	7
WA	0	0	2	1	0	0	3
ACT	36	8	50	10	0	0	104
NT	0	0	0	1	0	0	1
Commonwealth Territories	2	3	1	0	0	0	6
Overseas	3	0	0	0	0	0	3
Total	55	11	74	15	0	0	155

1. Casual employees are included in part-time figures.

Table B5 Remuneration for key management personnel

Name	Position title ¹	Short-term benefits			Post-employment benefits			Other long-term benefits			Total remuneration ⁷
		Base salary ²	Bonuses	Other benefits and allowances ³	Superannuation contributions ⁴	Long service leave ⁵	Other long-term benefits	Termination benefits ⁶	Total		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
Reece Kershaw ⁸	Commissioner	521,675	-	4,004	66,635	11,657	-	-	603,971		
Andrew Colvin ⁹	Commissioner	162,907	-	201	18,582	3,974	-	-	185,664		
Darren Box ¹⁰	Chief Operating Officer	160,338	-	6,436	26,819	3,730	-	-	197,323		
Suzanne Bird ¹¹	Chief Operating Officer	188,230	-	10,467	29,746	4,543	-	340,344	573,330		
Raymond Johnson ¹²	Chief Police Officer	72,695	-	13,713	40,642	6,056	-	279,239	412,345		
Neil Gaughan ¹³	Chief Police Officer	40,717	-	-	6,289	980	-	-	47,986		
Ian McCartney ¹⁴	Deputy Commissioner Investigations	191,610	-	4,931	28,747	4,543	-	-	229,831		
Lesa Gale ¹⁵	Deputy Commissioner Investigations	42,652	-	5,243	6,330	985	-	-	55,210		
Leanne Close ¹⁶	Deputy Commissioner Investigations	201,295	-	5,258	24,492	3,918	-	-	234,963		
Brett Pointing ¹⁷	Deputy Commissioner Operations	159,000	-	-	22,976	3,567	-	-	185,543		
Lesa Gale ¹⁸	Deputy Commissioner Operations	25,738	-	3,164	3,820	594	-	-	33,316		
Neil Gaughan ¹⁹	Deputy Commissioner Operations	297,972	-	-	46,024	7,173	-	-	351,169		
Karl Kent ²⁰	Deputy Commissioner Specialist & Support Operations	273,921	-	13,579	44,354	6,628	-	-	338,482		
Simon Walsh ²¹	Deputy Commissioner Specialist & Support Operations	72,058	-	249	10,887	1,759	-	-	84,953		
Ramzi Jabbour ²²	Deputy Commissioner Specialist & Support Operations	52,210	-	791	4,037	884	-	-	57,922		
Total		2,463,018	-	68,036	380,380	60,991	-	619,583	3,592,008		

1. The AFP has determined the key management personnel (KMP) to be the Commissioner, Deputy Commissioners, Chief Police Officer, and Chief Operating Officer, and any other members of the AFP Executive Board. Included are individuals who have acted in a KMP role for a continuous period of 30 days or more, or departed prior to reporting date. Details of Senior Executive Service employment arrangements can be found in Chapter 4.
 2. Base salary includes salary paid and accrued, annual leave accrued and higher duties allowances.
 3. Other benefits and allowances includes non-monetary benefits included in the Fringe Benefits Tax (FBT) Return for the year ended 31 March 2020 such as the provision of motor vehicle benefits. It also includes a health and fitness allowance, and associated FBT.
 4. For individuals in a defined contribution scheme (for example Public Sector Superannuation accumulation plan (PSSap) and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example Public Superannuation Scheme (PSS) and Commonwealth Superannuation Scheme (CSS)), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.
 5. Long service leave comprises the amount of leave accrued.
 6. Termination benefits are payments that may be made in relation to the cessation of a KMP position from the AFP.
7. Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits. This means that there are differences between remuneration determined by the Remuneration Tribunal and the remuneration disclosed in the table.
 8. Commenced KMP role in October 2019.
 9. Ceased KMP role in October 2019.
 10. Includes remuneration while acting in KMP role.
 11. Ceased KMP role in January 2020.
 12. Ceased KMP role in May 2020.
 13. Commenced KMP role in May 2020.
 14. Commenced KMP role in October 2019.
 15. Includes remuneration while acting in KMP role.
 16. Ceased KMP role in December 2019.
 17. Commenced KMP role in January 2020.
 18. Includes remuneration while acting in KMP role.
 19. Ceased KMP role in May 2020.
 20. Commenced KMP role in October 2019. For the period July 2019 to October 2019, Karl Kent (Deputy Commissioner Transnational Serious and Organised Crime) is included in the Home Affairs KMP remuneration tables, and has been excluded from AFP figures to avoid duplication.
 21. Includes remuneration while acting in KMP role.
 22. Ceased KMP role in August 2019.

Table B6 Remuneration for senior executives

Total remuneration bands	Number of senior executives (a)	Short-term benefits			Post-employment benefits		Other long-term benefits		Termination benefits		Total remuneration
		Average base salary (b)	Average bonuses	Average other benefits and allowances (c)	Average superannuation contributions (d)	Average long service leave (e)	Average other long-term benefits	Average termination benefits (f)	Average total remuneration (g)		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
\$0 – \$225,000	25	92,247	-	5,931	18,807	5,890	-	3,192	126,067		
\$225,001 – \$250,000	12	199,914	-	3,789	31,666	5,330	-	474	241,173		
\$250,001 – \$275,000	18	213,439	-	8,375	35,028	5,383	-	1,473	263,698		
\$275,001 – \$300,000	14	230,639	-	10,684	37,274	5,722	-	-	284,319		
\$300,001 – \$325,000	6	225,214	-	12,435	36,010	5,723	-	26,600	305,982		
\$325,001 – \$350,000	6	267,097	-	15,849	43,991	6,752	-	-	333,689		
\$350,001 – \$375,000	3	227,875	-	26,626	34,884	6,133	-	65,613	361,131		
\$375,001 – \$400,000	1	294,052	-	29,766	44,840	7,261	-	-	375,919		
\$425,001 – \$450,000	1	293,469	-	79,565	45,897	7,119	-	-	426,050		

(a) Senior executives comprises AFP employees declared Band 1, 2 or 3 senior executive in accordance with section 25 of the *AFP Act 1979* who are not substantive KMP. Included are individuals who have acted in a Senior Executive Service (SES) role for a continuous period of 30 days or more. Details of SES employment arrangements can be found in Chapter 4.

(b) Base salary includes salary paid and accrued, annual leave accrued and higher duties allowances.

(c) Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the FBT Return for the year ended 31 March 2020 such as the provision of motor vehicle benefits, accommodation and utilities whilst posted overseas, and associated FBT. Employees posted overseas reside in Commonwealth leased or owned residences at

the expense of the AFP and the benefit value is not received by the individual as direct remuneration.

(d) For individuals in a defined contribution scheme (for example PSSap and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

(e) Long service leave comprises the amount of leave accrued.

(f) Termination benefits are payments that may be made in relation to the cessation of a position from the AFP.

(g) Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits.

Table B7 Remuneration for other highly paid staff

Total remuneration bands	Number of other highly paid staff (a)	Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary (b)	Average bonuses	Average other benefits and allowance (c)		Average long service leave (e)	Average other long-term benefits		
\$225,001 – \$250,000	74	\$ 198,797	\$ -	\$ 3,328	Average superannuation contribution (d) 27,851	Average long service leave (e) 4,862	Average other long-term benefits -	Average termination benefits (f) 3,690	Average total remuneration (g) 238,528
\$250,001 – \$275,000	29	\$ 204,455	\$ -	\$ 9,230	Average superannuation contribution (d) 29,208	Average long service leave (e) 5,340	Average other long-term benefits -	Average termination benefits (f) 10,566	Average total remuneration (g) 258,800

(a) Other highly paid staff include staff who are neither KMP nor substantive senior executives and whose total remuneration for the reporting period exceeds \$225,000. Details of SES employment arrangements can be found in Chapter 5.

(b) Base salary includes salary paid and accrued, annual leave accrued and higher duties allowances.

(c) Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the FBT Return for the year ended 31 March 2020 such as the provision of motor vehicle benefits, accommodation and utilities whilst posted overseas. It also includes associated FBT. Employees posted overseas reside in Commonwealth leased or owned residences at the expense of the AFP and the benefit value is not received by the individual as direct remuneration.

(d) For individuals in a defined contribution scheme (for example PSSap and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

(e) Long service leave comprises the amount of leave accrued.

(f) Termination benefits are payments that may be made in relation to the cessation of a position from the AFP.

(g) Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits.

Appendix C: Agency resource statement and resources for outcomes

Table C1 Agency resource statement, 2019–20

	Actual available appropriation for 2019–20 ¹	Payments made 2019–20	Balance remaining 2019–20
	\$'000	\$'000	\$'000
	(a)	(b)	(a)–(b)
Ordinary annual services²			
Departmental appropriation ³	1,729,415	1,507,902	221,513
Total	1,729,415	1,507,902	221,513
Administered expenses			
Outcome 1 ⁴	12,544	9,031	3,513
Total	12,544	9,031	3,513
Total ordinary annual services	A 1,741,959	1,516,933	225,026
Other services⁵			
Departmental non-operating			
Equity injections	105,355	47,647	57,708
Total other services	B 105,355	47,647	57,708
Total available annual appropriations	1,847,314	1,564,580	
Total available annual appropriations excluding special accounts	1,847,314	1,564,580	
Special appropriation limited by amount			
<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act) (section 77)	50	19	
Total special appropriations	C 50	19	
Special accounts			
Opening balance ⁶	9,995		
Appropriation receipts ⁷	3,738		
Non-appropriation receipts to special accounts	13,870		
Payments made		15,499	
Total special accounts	D 27,603	15,499	12,104
Total resourcing and payments (A+B+C+D)	1,874,967	1,580,098	294,869
Less appropriations drawn from annual or special appropriations above and credited to special accounts	(17,608)	(17,608)	-
Total net resourcing and payments	1,857,359	1,562,490	294,869

- Actual available appropriation excludes amounts permanently quarantined under section 51 of the PGPA Act.
- Appropriation Bill (No. 1) 2019–20. This includes prior-year departmental appropriations available and section 74 relevant agency receipts.
- Includes an amount of \$78.251 million in 2019–20 for the departmental capital budget. For accounting purposes this amount has been designated as 'contributions by owners'.
- Appropriation Bill (No. 1) 2019–20. This also includes prior-year administered appropriations.
- Appropriation Bill (No. 2) 2019–20. This includes available equity appropriations from previous years.
- Opening balance for departmental special accounts (less 'special public money' held in the Services for Other Entities and Trust Moneys Special Account).
- Appropriation receipts from annual appropriations for 2019–20 included above.

Table C2 Expenses for Outcome 1

Outcome 1: Reduced criminal and security threats to Australia's collective economic and societal interests through cooperative policing services	Budget¹ 2019–20 \$'000	Actual expenses 2019–20 \$'000	Variation 2019–20 \$'000
	(a)	(b)	(a)–(b)
Program 1.1: Federal Policing and National Security			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	1,030	996	34
Special appropriations			
<i>Public Governance, Performance and Accountability Act 2013</i> (section 77)	50	19	31
Departmental expenses			
Departmental appropriation ²	1,036,737	1,071,688	(34,951)
Special accounts	13,275	15,499	(2,224)
Expenses not requiring appropriation in the budget year ³	96,353	88,711	7,642
Total for Program 1.1	1,147,445	1,176,913	(29,468)
Program 1.2: International Police Assistance			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	8,135	7,044	1,091
Departmental expenses			
Departmental appropriation ²	190,246	200,836	(10,590)
Expenses not requiring appropriation in the budget year ³	7,659	2,122	5,537
Total for Program 1.2	206,040	210,002	(3,962)
Outcome 1 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	9,165	8,040	1,125
Special appropriations			
Special appropriations	50	19	31
Departmental expenses			
Departmental appropriation	1,226,983	1,272,524	(45,541)
Special accounts	13,275	15,499	(2,224)
Expenses not requiring appropriation in the budget year	104,012	90,833	13,179
Total expenses for Outcome 1	1,353,485	1,386,915	(33,430)
		2018–19	2019–20
Average staffing level (number)		5,388	5,526

1. Full-year budget, including any subsequent adjustment made to the 2019–20 Budget.
2. Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (section 74)'.
3. Expenses not requiring appropriation in the budget year is made up of depreciation and amortisation expenses, excluding right-of-use assets, and resources received free of charge.

Table C3 Expenses for Outcome 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government	Budget¹ 2019–20 \$'000	Actual expenses 2019–20 \$'000	Variation 2019–20 \$'000
	(a)	(b)	(a)–(b)
Program 2.1: ACT Community Policing			
Departmental expenses			
Departmental appropriation ²	171,489	170,398	1,091
Expenses not requiring appropriation in the budget year ³	8,037	8,896	(859)
Total expenses for Outcome 2	179,526	179,294	232
		2018–19	2019–20
Average staffing level (number)		978	977

1. Full-year budget, including any subsequent adjustment made to the 2019–20 Budget.
2. Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (section 74)'.
3. Expenses not requiring appropriation in the budget year is made up of depreciation and amortisation expenses, excluding right-of-use assets, and resources received free of charge.

Appendix D: Summary financial tables

Table D1 Entity resource statement subset summary, 2019–20

	Actual available appropriation —current year	Payments made	Balance remaining
	(a)	(b)	(a)–(b)
	\$'000	\$'000	\$'000
Departmental			
Annual appropriations—ordinary annual services	1,729,415	1,507,902	221,513
Annual appropriations—other services—non-operating	105,355	47,647	57,708
Total departmental annual appropriations	1,834,770	1,555,549	279,221
Departmental special appropriations	-	-	-
Total special appropriations	-	-	-
Special accounts	27,603	15,499	12,104
Total special accounts	27,603	15,499	12,104
Less departmental appropriations drawn from annual/special appropriations and credited to special accounts	(17,608)	(17,608)	-
Total departmental resourcing (A)	1,844,765	1,553,440	291,325
Administered			
Annual appropriations—ordinary annual services	12,544	9,031	3,513
Annual appropriations—other services—non-operating	-	-	-
Annual appropriations—other services—specific payments to states, ACT, NT and local government	-	-	-
Annual appropriations—other services—new administered expenses	-	-	-
Total administered annual appropriations	12,544	9,031	3,513
Administered special appropriations	50	19	31
Total administered special appropriations	50	19	31
Special accounts	-	-	-
Total special accounts receipts	-	-	-
Less administered appropriations drawn from annual/special appropriations and credited to special accounts	-	-	-
Less payments to corporate entities from annual/special appropriations	-	-	-
Total administered resourcing (B)	12,594	9,050	3,544
Total resourcing and payments (A+B)	1,857,359	1,562,490	294,869

Table D2 Statement of comprehensive income, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Net cost of services			
Expenses			
Employee benefits expense	943,682	928,200	909,219
Supplier expense	403,343	475,338	506,361
Depreciation and amortisation expense	203,319	93,459	106,982
Other expenses	20,773	13,265	-
Total expenses	1,571,117	1,510,262	1,522,562
Income			
Total own-source income	306,319	293,443	295,515
Net cost of services			
Net cost of services	(1,264,798)	(1,216,819)	(1,227,047)
Revenue from government			
Revenue from government	1,128,302	1,103,344	1,122,948
Surplus/(deficit) after tax			
Surplus/(deficit) after tax	(136,496)	(113,475)	(104,099)
Other comprehensive income/loss	22,877	-	-
Total comprehensive income/(loss)	(113,619)	(113,475)	(104,099)

Table D3 Statement of financial position, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Assets			
Total financial assets	317,677	314,352	286,218
Total non-financial assets	1,737,531	662,346	722,596
Total assets	2,055,208	976,698	1,008,814
Liabilities			
Total payables	100,978	119,513	135,082
Total interest bearing liabilities	1,046,592	-	-
Total provisions	454,952	441,149	359,018
Total liabilities	1,602,522	560,662	494,100
Net assets	452,686	416,036	514,714
Equity			
Total equity	452,686	416,036	514,714

Table D4 Statement of changes in equity, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Opening balance			
Balance carried forward from previous period	416,036	407,918	488,844
Adjusted opening balance	441,515	399,979	488,844
Changes in equity			
Total transactions with owners	124,790	129,532	129,969
Total comprehensive income	(113,619)	(113,475)	(104,099)
Closing balance as at 30 June	452,686	416,036	514,714

Table D5 Cash flow statement, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Operating activities			
Total cash received (operating activities)	1,816,334	1,729,645	1,682,964
Total cash used (operating activities)	1,712,362	1,709,719	1,678,260
Net cash from operating activities	103,972	19,926	4,704
Investing activities			
Total cash received (investing activities)	611	1,119	-
Total cash used (investing activities)	140,052	124,164	133,843
Net cash from investing activities	(139,441)	(123,045)	(133,843)
Purchase of land and buildings	34,088	67,341	-
Purchase of property, plant and equipment	74,700	26,675	133,843
Purchase of intangibles	31,264	30,148	-
Financing activities			
Total cash received (financing activities)	134,666	108,991	132,347
Total cash used (financing activities)	97,222	-	-
Net cash from financing activities	37,444	108,991	132,347
Cash at the end of the reporting period			
Cash at the end of the reporting period	23,442	21,467	15,596

Table D6 Notes to the financial statements (departmental), 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Current assets	342,730	345,587	-
Current liabilities	279,011	295,287	-

Table D7 Administered statement of comprehensive income, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Net cost of services			
Total expenses administered on behalf of the government	8,059	14,466	7,868
Total income administered on behalf of the government	899	519	-
Net cost of services	(7,160)	(13,947)	(7,868)
Net contribution by services	-	-	-
Other comprehensive income			
Total other comprehensive income/(loss)	-	-	-
Total comprehensive income/(loss)	(7,160)	(13,947)	(7,868)

Table D8 Administered schedule of assets and liabilities, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Assets			
Total financial assets	47	74	855
Total non-financial assets	-	-	112
Total assets	47	74	967
Liabilities			
Total payables	961	1,137	1,200
Total provisions	-	-	-
Total liabilities	961	1,137	1,200
Net assets	(914)	(1,063)	(233)

Table D9 Administered reconciliation schedule, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Opening assets less liabilities	(1,063)	(343)	(350)
Closing assets less liabilities	(914)	(1,063)	(233)

Table D10 Administered cash flow statement, 2019–20

	30 June 2020	30 June 2019	Budget 30 June 2020
	\$'000	\$'000	\$'000
Operating activities			
Total cash received (operating activities)	1,005	1,512	10
Total cash used for (operating activities)	8,314	15,382	7,928
Net cash from operating activities	(7,309)	(13,870)	(7,918)
Investing activities			
Total cash received (investing activities)	-	-	-
Total cash used (investing activities)	-	-	-
Net cash from investing activities	-	-	-
Financing activities			
Total cash received (financing activities)	-	-	-
Total cash used (financing activities)	-	-	-
Net cash from financing activities	-	-	-
Transfers to/from official public account			
Total cash from official public account	8,364	15,387	7,918
Total cash to official public account	1,055	2,160	-
Cash at the end of the reporting period	-	-	644

Appendix E: List of annual report requirements

PGPA Rule Reference	Description	Requirement	Page
17AD(g)	Letter of transmittal		
17AI	A copy of the letter of transmittal signed and dated by 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	iii
17AD(h)	Aids to access		
17AJ(a)	Table of contents	Mandatory	v
17AJ(b)	Alphabetical index	Mandatory	166
17AJ(c)	Glossary of abbreviations and acronyms	Mandatory	165
17AJ(d)	List of requirements	Mandatory	152
17AJ(e)	Details of contact officer	Mandatory	li
17AJ(f)	Entity's website address	Mandatory	li
17AJ(g)	Electronic address of report	Mandatory	li
17AD(a)	Review by accountable authority		
17AD(a)	A review by the accountable authority of the entity	Mandatory	2
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	A description of the role and functions of the entity	Mandatory	8
17AE(1)(a)(ii)	A description of the organisational structure of the entity	Mandatory	14
17AE(1)(a)(iii)	A description of the outcomes and programmes administered by the entity	Mandatory	10
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan	Mandatory	10
17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority	Mandatory	ii
17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority	Mandatory	ii
17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	ii
17AE(1)(b)	An outline of the structure of the portfolio of the entity	Portfolio departments—mandatory	n.a.
17AE(2)	Where the 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	n.a.
17AD(c)	Report on the performance of the entity		
	Annual performance statements		
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	Mandatory	34
17AD(c)(ii)	Report on financial performance		
17AF(1)(a)	A discussion and analysis of the entity's financial performance	Mandatory	74
17AF(1)(b)	A table summarising the total resources and total payments of the entity	Mandatory	144
17AF(2)	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	n.a.

PGPA Rule Reference	Description	Requirement	Page
17AD(d)	Management and accountability		
	Corporate governance		
17AG(2)(a)	Information on compliance with section 10 (fraud systems)	Mandatory	82
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	iii
17AG(2)(b)(ii)	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	lii
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	iii
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	78
17AG(2)(d) – (e)	A statement of significant issues reported to 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	n.a.
	Audit Committee		
17AG(2A)(a)	A direct electronic address of the charter determining the functions of the entity's audit committee	Mandatory	80
17AG(2A)(b)	The name of each member of the entity's audit committee.	Mandatory	81
17AG(2A)(c)	The qualifications, knowledge, skills or experience of each member of the entity's audit committee	Mandatory	81
17AG(2A)(d)	Information about the attendance of each member of the entity's audit committee at committee meetings	Mandatory	81
17AG(2A)(e)	The remuneration of each member of the entity's audit committee	Mandatory	81
	External scrutiny		
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	85
17AG(3)(a)	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	85
17AG(3)(b)	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	85
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period	If applicable, mandatory	86

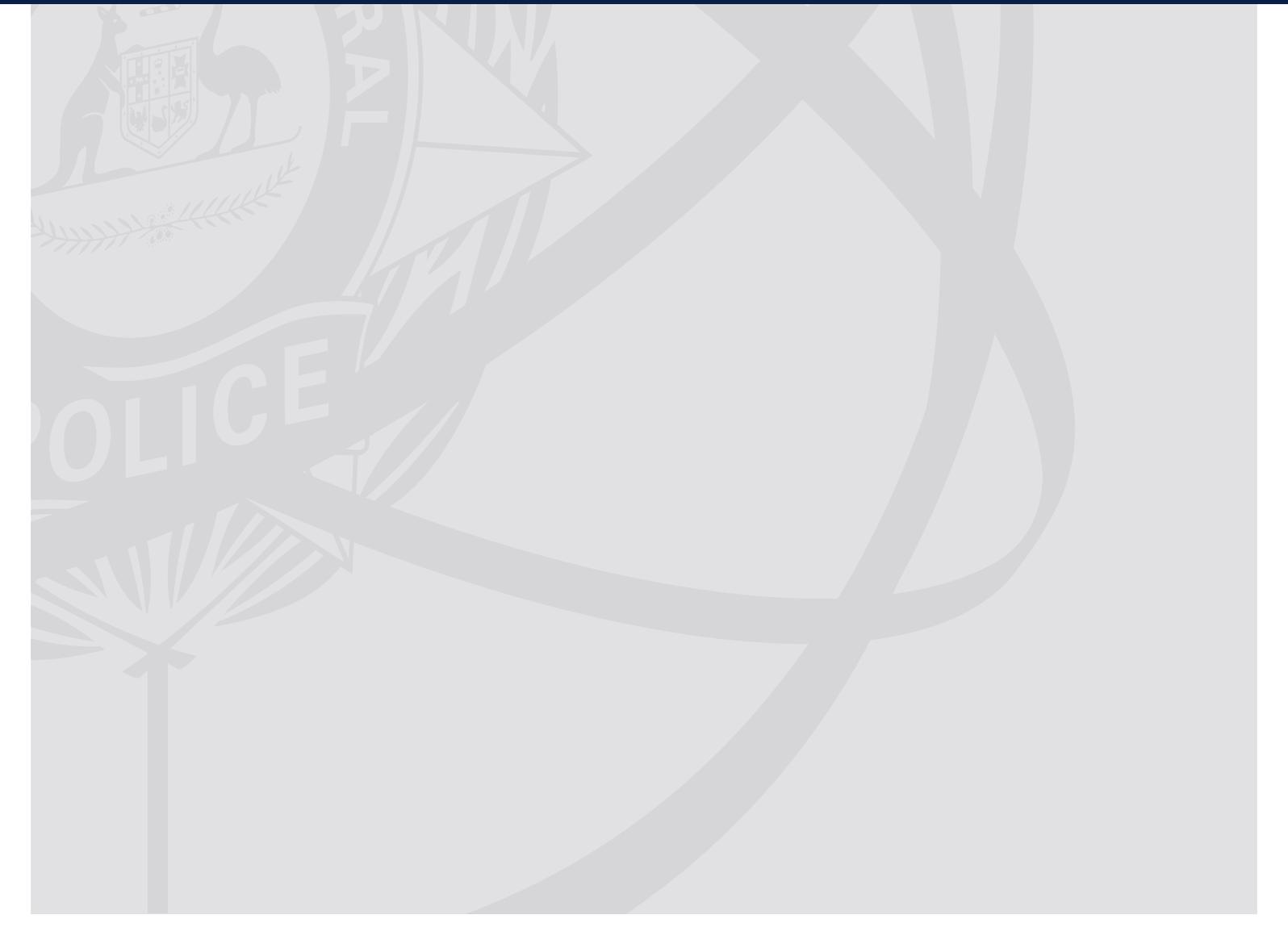
PGPA Rule Reference	Description	Requirement	Page
Management of human resources			
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	87
17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees (b) statistics on part-time employees (c) statistics on gender (d) statistics on staff location	Mandatory	136
17AG(4)(b)	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	n.a.
17AG(4)(c)	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	n.a.
17AG(4)(c)(i)	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c)	Mandatory	n.a.
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level	Mandatory	n.a.
17AG(4)(c)(iii)	A description of non-salary benefits provided to employees	Mandatory	n.a.
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay	If applicable, mandatory	n.a.
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level	If applicable, mandatory	n.a.
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level	If applicable, mandatory	n.a.
17AG(4)(d)(iv)	Information on aggregate amount of performance payments	If applicable, mandatory	n.a.
Assets management			
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	n.a.
Purchasing			
17AG(6)	An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory	95

PGPA Rule Reference	Description	Requirement	Page
Consultants			
17AG(7)(a)	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)	Mandatory	96
17AG(7)(b)	A statement that "During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]."	Mandatory	96
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	97
17AG(7)(d)	A statement that "Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website."	Mandatory	97
Australian National Audit Office access clauses			
17AG(8)	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	96
Exempt contracts			
17AG(9)	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	97
Small business			
17AG(10)(a)	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	97
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	97
17AG(10)(c)	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	97
Financial statements			
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act	Mandatory	100

PGPA Rule Reference	Description	Requirement	Page
Executive remuneration			
17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule	Mandatory	140
17AD(f) Other mandatory information			
17AH(1)(a)(i)	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	n.a.
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, mandatory	98
17AH(1)(b)	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, mandatory	97
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information	Mandatory	91
17AH(1)(d)	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	85
17AH(1)(e)	Correction of material errors in previous annual report	If applicable, mandatory	n.a.
17AH(2)	Information required by other legislation	Mandatory	157–164



ANNEX A



Annex A: National Witness Protection Program annual report 2019–20

Minister's introduction

I am pleased to submit the 2019–20 annual report on the operation of the National Witness Protection Program under the provisions of the *Witness Protection Act 1994* (Cth).

The report sets out the provisions of the legislation and relevant activity for the reporting period. The costs of the program are shown in the appendix to this report.

This report has been prepared to provide as much detail as possible without prejudicing the effectiveness of the security of the National Witness Protection Program.



The Hon Peter Dutton MP
Minister for Home Affairs
7 October 2020

Introduction

The *Witness Protection Act 1994* (Cth) (the Act) provides the statutory basis for the National Witness Protection Program (NWPP). It commenced operation on 18 April 1995. The Act enables protection and assistance to be provided to witnesses who are assessed as being under significant threat.

General operations of the NWPP

The NWPP provides an environment in which participants are able to give evidence in criminal trials that involve a significant degree of criminality at both the Commonwealth and state levels without fear of retribution. The majority of participants in the NWPP have been accepted into the program because of their involvement as witnesses in prosecutions relating to serious criminal matters.

In the year ending 30 June 2020, the NWPP managed 27 witness protection operations, providing protection and assistance to 56 people.

Two assessments continued from the previous year and seven assessments were commenced for inclusion into the NWPP, resulting in two people being included in the NWPP and four people declining to continue the assessment process. One operation was concluded and one person voluntarily withdrew from the NWPP, resulting in the departure of two participants from the NWPP.

The Commissioner made no disclosures under section 27 of the Act during the reporting period.

Integrity and accountability of the NWPP

Safeguards in the Act help to ensure that the integrity and accountability of the NWPP are maintained. AFP employees deployed to witness protection either hold or occupy designated positions that have national security clearance of Negative Vetting level 2.

NWPP employees are subject to AFP anti-corruption strategies, which include drug testing in accordance with section 40M of the *Australian Federal Police Act 1979* (Cth).

The NWPP is subject to the AFP governance instrument framework, which includes auditing of financial and performance management processes and compliance with the Act.

Complaints and reviews of decisions

The protection of information relating to participants in the NWPP is of paramount concern. Therefore, decisions made under the Act are not subject to the *Administrative Decisions (Judicial Review) Act 1977* (Cth).

AFP employees who administer the NWPP are subject to the same obligations as other members of the AFP. If a complaint is received, it will be dealt with in accordance with the *Australian Federal Police Act 1979* (Cth). Complaints against officers may also be the subject of investigation by the Commonwealth Ombudsman under the *Ombudsman Act 1976* (Cth).

In 2019–20, there were no Commonwealth Ombudsman investigations relating to the NWPP.

In 2019–20, the AFP Commissioner was not required to review any decisions made by a Deputy Commissioner to remove a person from the program involuntarily.

Performance and effectiveness of the NWPP

Section 28 of the Act protects participants' identities during court proceedings. The court can hold parts of the proceedings in private or it can make suppression orders on the publication of the evidence. Two suppression orders were required during the reporting period.

Amendment to the Act and related matters

There were no legislative amendments to the Act during the reporting period.

Complementary witness protection legislation

The purpose of section 24 of the Act is to protect the integrity of key Commonwealth documents that are needed in order for witnesses to establish new identities. All jurisdictions have enacted

complementary legislation¹¹, which has been declared ‘complementary witness protection law’ under section 3 of the Act. Signed section 24 arrangements are in place in all jurisdictions except Tasmania and the Northern Territory.

Financial arrangements

The NWPP is administered and operated by the AFP. Basic administration costs and the base salaries of AFP employees involved in witness protection activities are met from within the AFP budget.

By arrangement with the AFP, other agencies which have witnesses in the NWPP are responsible for costs, including those related to the security and subsistence needs of their witness and any operational expenses that the NWPP incurs. The AFP is responsible for costs of AFP-sponsored witnesses in the NWPP.

A table of costs for the NWPP for the previous 10 financial years is in the appendix to this report. The figures do not include the salaries and overhead costs of administering the NWPP. Figures provided are correct as at 30 June 2020.

Appendix: Expenditure

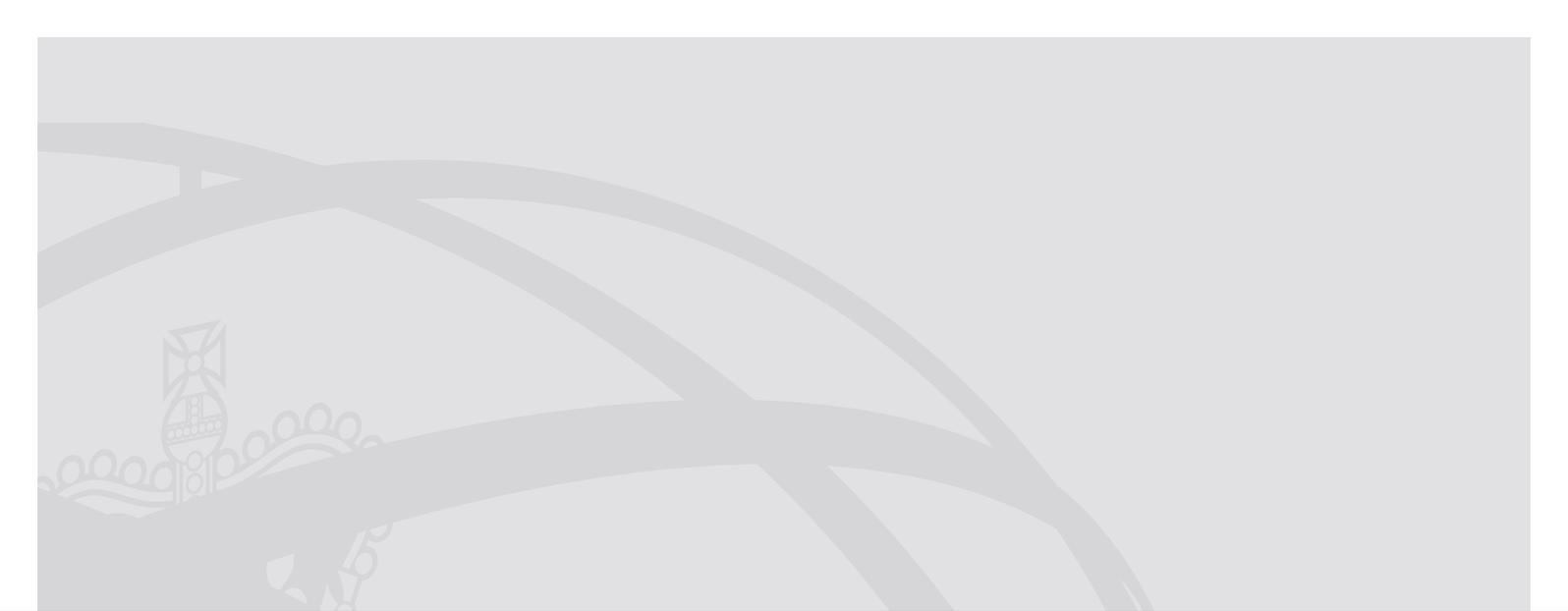
Table AA1 National Witness Protection Program expenditure, 2019–20

AFP expenditure on NWPP	\$1,213,085.19
Less amounts recovered	–\$300,000.00
Total AFP expenditure on NWPP	\$913,085.19

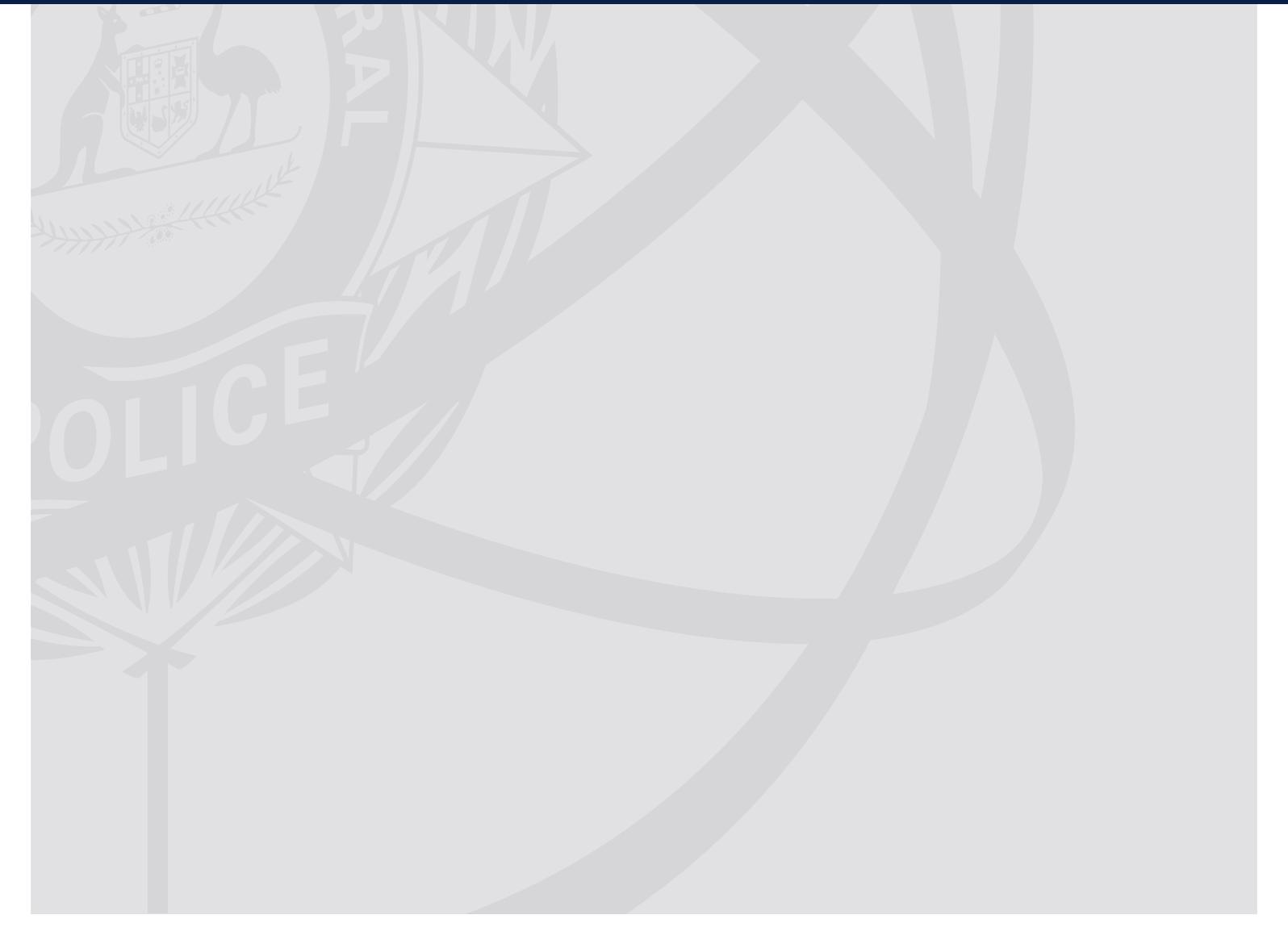
Table AA2 Total expenditure (before costs were recovered) in previous years

1 July 2018 – 30 June 2019	\$1,093,071.32
1 July 2017 – 30 June 2018	\$911,186.92
1 July 2016 – 30 June 2017	\$1,000,069.17
1 July 2015 – 30 June 2016	\$883,025.10
1 July 2014 – 30 June 2015	\$712,565.61
1 July 2013 – 30 June 2014	\$688,515.13
1 July 2012 – 30 June 2013	\$1,179,698.65
1 July 2011 – 30 June 2012	\$899,942.79
1 July 2010 – 30 June 2011	\$974,316.78
1 July 2009 – 30 June 2010	\$1,245,358.72

¹¹ New South Wales—*Witness Protection Act 1995*; Queensland—*Witness Protection Act 2000*; South Australia—*Witness Protection Act 1996*; Tasmania—*Witness Protection Act 2000*; Victoria—*Witness Protection Act 1991*; WA—*Witness Protection (Western Australia) Act 1996*; Australian Capital Territory—*Witness Protection Act 1996*; and Northern Territory—*Witness Protection (Northern Territory) Act 2002*.



ANNEX B



Annex B: Unexplained wealth investigations and proceedings annual report 2019–20

Section 179U of the *Proceeds of Crime Act 2002* (Cth)

Pursuant to section 179U of the *Proceeds of Crime Act 2002* (Cth) (POCA), the AFP provides the following information about unexplained wealth investigations and proceedings for the year ending 30 June 2020:

a) The AFP is not currently investigating any matters of which a likely outcome may, or will, be the initiation of proceedings under Part 2–6 of the POCA.

The final decision regarding under which part of the POCA proceedings are commenced is made after an assessment of the investigation, completion of financial analysis, related legal considerations, and advice in accordance with paragraphs 4.2 and 4.7 of the *Legal Services Directions 2017* (Cth).

b) No new applications were made for:

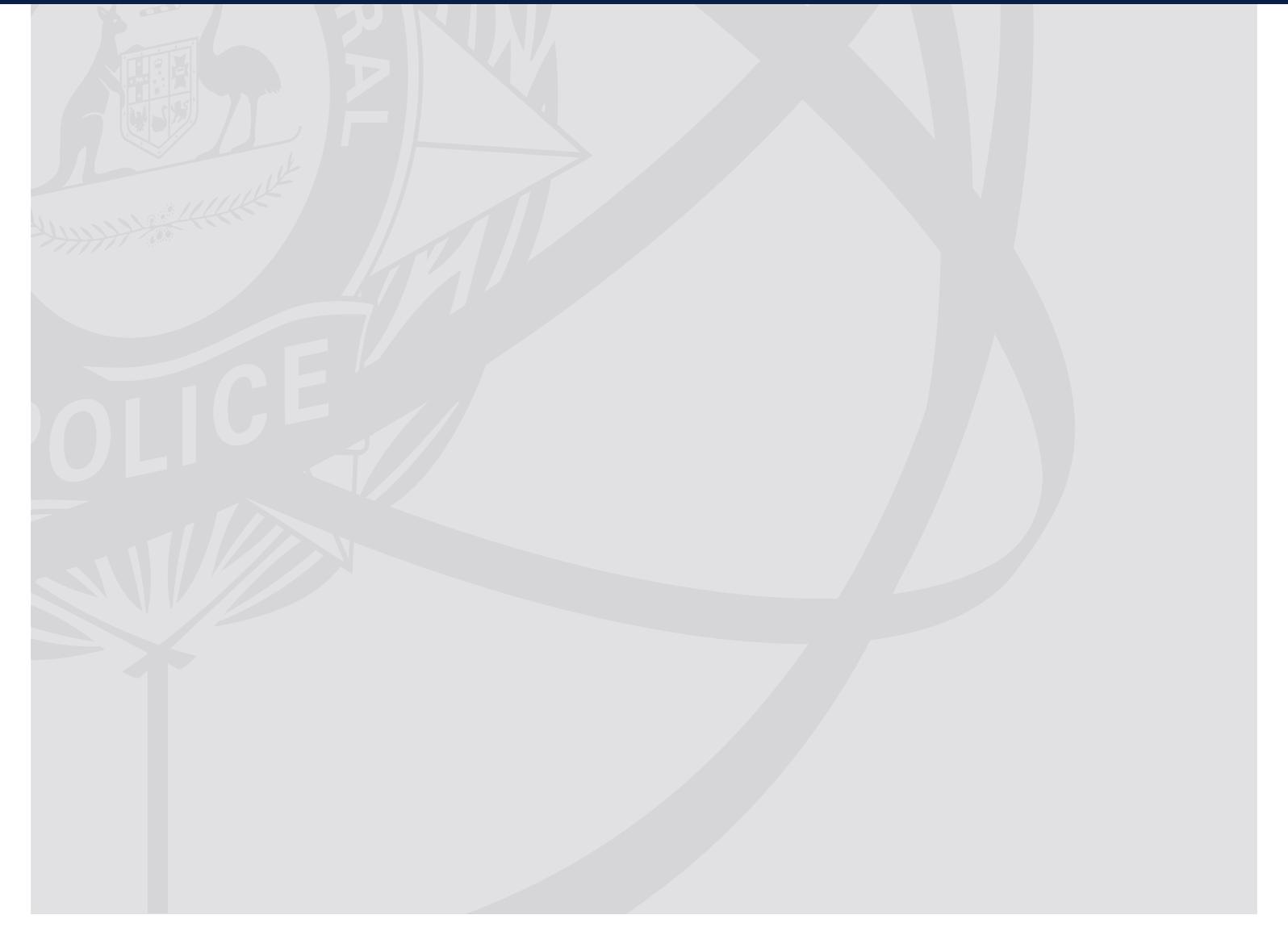
- (i) restraining orders under section 20A of the POCA
- (ii) unexplained wealth orders.

However, the AFP continues to actively litigate three unexplained wealth matters.

c) There is no other information relating to the administration of these regulations.



ANNEX C



Annex C: Delayed notification search warrants annual report 2019–20

Part IAAA of the *Crimes Act 1914* (Cth)

Pursuant to section 3ZZFB of the *Crimes Act 1914* (Cth), the AFP provides the following information for the year ending 30 June 2020:

- a) No applications for delayed notification search warrants were made in person by eligible officers of the agency.
- b) No applications for delayed notification search warrants were made under section 3ZZBF by eligible officers of the agency.
- c) No delayed notification search warrants were issued as a result of applications referred to in paragraphs (a) and (b) and the eligible offences to which they related.
- d) No delayed notification search warrants were executed by an eligible officer of the agency.
- e) No delayed notification search warrants were executed by an eligible officer of the agency under which:
 - (iii) one or more things were seized from the warrant premises; or
 - (iv) one or more things were placed in substitution at the warrant premises for a seized thing; or one or more things were returned to, or retrieved from, the warrant premises; or
 - (v) one or more things were copied, photographed, recorded, marked, tagged, operated, printed, tested or sampled at the warrant premises.
- f) There is no other information relating to delayed notification search warrants and the administration of Part IAAA.

Abbreviations and acronyms

ABF	Australian Border Force	JCTT	Joint Counter Terrorism Team
ACCCE	Australian Centre to Counter Child Exploitation	MP	Member of Parliament
ACIC	Australian Criminal Intelligence Commission	n.a.	not applicable
ACLEI	Australian Commission for Law Enforcement Integrity	NCB	INTERPOL National Central Bureau
ACT	Australian Capital Territory	NSW	New South Wales
ADF	Australian Defence Force	NT	Northern Territory
AFP	Australian Federal Police	PAES	Portfolio Additional Estimates Statement
AFSA	Australian Financial Security Authority	PBS	Performance Budget Statements
ANAO	Australian National Audit Office	PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
ATO	Australian Taxation Office	POCA	<i>Proceeds of Crime Act 2002</i>
AUSTRAC	Australian Transaction Reports and Analysis Centre	Qld	Queensland
BPN	Bribery Protection Network	ROI	return on investment
CACT	Criminal Assets Confiscation Taskforce	SA	South Australia
CDPP	Commonwealth Director of Public Prosecutions	SES	Senior Executive Service
Cth	Commonwealth	Tas	Tasmania
DHI	drug harm index	Vic	Victoria
EFR	estimated financial return	WA	Western Australia
FBT	fringe benefits tax	WHS Act	<i>Work Health and Safety Act 2011</i>
FOI Act	<i>Freedom of Information Act 1982</i>		
GST	goods and services tax		
KMP	key management personnel		

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