

ACT AUDITOR-GENERAL'S REPORT

ACT POLICING ARRANGEMENT

REPORT NO. 3 / 2016

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PA 15/19

The Speaker
ACT Legislative Assembly
Civic Square, London Circuit
CANBERRA ACT 2601

Dear Madam Speaker

I am pleased to forward to you a Performance Audit Report titled 'ACT Policing Arrangement' for tabling in the Legislative Assembly pursuant to Subsection 17(5) of the *Auditor-General Act 1996*.

Yours sincerely



Dr Maxine Cooper
Auditor-General
26 May 2016

CONTENTS

Summary	1
Conclusions.....	1
Key findings	2
Recommendations.....	6
Agency response.....	7
1 Introduction	9
Policing in the ACT	9
Audit objective and scope	12
2 Governance.....	15
Summary.....	15
Governance framework.....	17
ACT Government governance and oversight	25
3 Managing the arrangements for the delivery of policing services in the ACT.....	29
Summary.....	29
Justice and Community Safety Directorate management arrangements	31
Specifying the policing services purchased from ACT Policing.....	43
Administering payments for policing services.....	48
4 Justice and Community Safety Directorate oversight and performance monitoring	57
Summary.....	57
Justice and Community Safety Directorate oversight of the Policing Arrangement.....	58
Monitoring Performance	68

SUMMARY

Policing services in the ACT are provided by ACT Policing, a business unit of the Australian Federal Police (AFP), a Commonwealth Government agency. This arrangement is unique in Australia; all other jurisdictions have their own police service.

The policing services are provided through a five year Policing Arrangement, which is in the nature of an intergovernmental agreement, and an annual, associated Purchase Agreement, which is in the nature of a services agreement.

The cost of ACT Policing is met through a Territorial Appropriation administered by the Justice and Community Safety Directorate. In 2015-16 the cost of ACT Policing is expected to be \$154.4 million.

The audit considered the administration of the Policing Arrangement and Purchase Agreement by the Justice and Community Safety Directorate on the ACT Government's behalf.

Conclusions

GOVERNANCE

There are effective governance arrangements in place for the management and oversight of ACT Policing services by the Justice and Community Safety Directorate. The Policing Arrangement and supporting annual Purchase Agreements provide a sound framework for the establishment and maintenance of the ongoing relationship between ACT Policing and the Territory. As ACT Policing is subject to the Australian Government's governance arrangements for the Australian Federal Police, including being audited by the Australian National Audit Office, this provides additional accountability.

Governance arrangements could be strengthened by the Justice and Community Safety Directorate finalising the Legislation, Policy and Programs Branch (Justice and Community Safety Directorate) action plan; and having an increased awareness of Memorandums of Understanding between ACT Policing and ACT Government and non-government agencies. While addressing this lack of awareness it is important to maintain the operational independence of ACT Policing.

MANAGING THE ARRANGEMENTS FOR THE DELIVERY OF POLICING SERVICES IN THE ACT

The services and deliverables to be provided by ACT Policing are well described in annual Purchase Agreements, which identify the outcomes, outputs, strategies and associated performance measures and indicators of effectiveness associated with the delivery of policing services in the ACT. These are effectively supplemented by annual Ministerial Directions, which are incorporated into ACT Policing annual Business Plans.

Payments for services are negotiated and determined on an annual basis, and rely in large part on Commonwealth cost-recovery principles and practices. Since 2014-15 there has been a well-developed and agreed methodology for the calculation of payments for enabling costs, i.e. organisational and corporate overhead costs on the part of AFP that are attributed to ACT Policing.

The Justice and Community Safety Directorate's management of the Policing Arrangement and annual Purchase Agreements could be improved by identifying, with greater clarity, its role in managing the Policing Arrangement and supporting Purchase Agreements, and implementing more rigorous risk management practices.

JUSTICE AND COMMUNITY SAFETY DIRECTORATE OVERSIGHT AND PERFORMANCE MONITORING

The Justice and Community Safety Directorate's oversight of the Policing Arrangement and Purchase Agreement is primarily achieved through a comprehensive performance management framework. The framework includes ACT Policing quarterly and annual reporting against relevant performance measures and indicators of effectiveness.

The Justice and Community Safety Directorate's activities to negotiate the Policing Arrangement and associated Purchase Agreement provide further oversight. At present, the term of the Policing Arrangement and Purchase Agreement is five years and one year respectively and significant time and resources are involved in their negotiation. There is merit in assessing if extending the terms of the Policing Arrangement and Purchase Agreement offers efficiencies in administration and, potentially, better policing outcomes by allowing a greater focus on service delivery.

Key findings

GOVERNANCE

Paragraph

The Policing Arrangement provides a sound, overarching enabling framework for the provision of policing services in the ACT by the AFP. Core elements of a governance framework for the management of policing in the ACT, and the relationship between the ACT Government and ACT Policing, are addressed in the Policing Arrangement.

2.22

The annual Purchase Agreement provides a sound mechanism for ACT Policing to provide policing services to the ACT. The annual Purchase Agreement establishes the services to be provided by ACT Policing, the amount to be paid by the Territory and specific reporting obligations on the AFP.

2.31

The variation to the 2014-15 Purchase Agreement was prepared and approved in accordance with clause 8 of the Agreement. To date there have been no variations to the 2015-16 Purchase Agreement. 2.36

The requirements identified through the 2011-2016 Policing Arrangement and the 2015-16 Purchase Agreement cover quality and level of policing, appointment of the Chief Police Officer, the Directions of the Minister for Police, reports to be provided, involvement in policy development and implementation and performance measures. Annual reporting and Ministerial Directions are also covered in both documents. The Policing Arrangement and associated Purchase Agreement together provide the necessary framework for the delivery of, and payment for, police services by ACT Policing to the ACT Government. 2.37

Ministerial Directions provide a mechanism for the ACT Minister for Police to provide general directions for policing services in the ACT. 2.40

ACT Government policy priorities are addressed in ACT Policing planning through the incorporation of 'special areas of focus' in annual business plans. These are reported on in ACT Policing quarterly reports through performance measures. Incorporating the direction provided by the ACT Minister for Police into the ACT Policing annual Business Plan shows an alignment between the Ministerial Directions and ACT Policing's planning. Reporting on these 'special areas of focus' through quarterly reporting provides a measure of transparency and accountability for delivering on the strategic priorities of the ACT Minister for Police. 2.43

The Legislation, Policy and Programs Branch in the Justice and Community Safety Directorate does not have a finalised action plan in place to guide its management of the Policing Arrangement and Purchase Agreement. However, the Branch is acting in accordance with Action 4 of its *Draft Action Plan – 2014-2015* through: negotiating the five yearly Policing Arrangement, annual Purchase Agreements and Ministerial Directions; and reporting to the Minister for Police on the quarterly Purchase Agreement reports. 2.52

A number of Memorandums of Understanding exist between ACT Policing and a range of ACT entities; government and non-government. The Justice and Community Safety Directorate has limited awareness of, and does not maintain, a register of Memorandums of Understanding that ACT Policing has developed with other entities. The Justice and Community Safety Directorate's limited awareness of ACT Policing Memorandums of Understanding may impair its ability to oversee or otherwise manage the Policing Arrangement. 2.58

MANAGING THE ARRANGEMENTS FOR THE DELIVERY OF POLICING SERVICES IN THE ACT

Paragraph

The Policing Arrangement, Purchase Agreement and Ministerial Directions provide appropriate guidance to ACT Policing for the provision of police services to the ACT Government. While some of the Justice and Community Safety Directorate's responsibilities are identified, specifically with respect to its responsibilities and 3.10

obligations for infrastructure management and maintenance and payment arrangements, the full scope of its role is not clearly articulated in the Policing Arrangement and Purchase Agreement. The Justice and Community Safety Directorate's role in administering and managing the Policing Arrangement for the ACT Government is not defined in the Policing Arrangement or annual Purchase Agreements.

Under the Policing Arrangement, operational policy and its implementation are the responsibility of ACT Policing. The Justice and Community Safety Directorate contributes through strategic police policy advice and in addressing associated legislative reforms. 3.22

The Justice and Community Safety Directorate does not have a robust risk management framework in place for the management of the Policing Arrangement and associated Purchase Agreement. The Justice and Community Safety Directorate has not systematically assessed, managed or monitored the risks associated with the management, service delivery or negotiation of the Policing Arrangement or Purchase Agreement. 3.35

There are a range of communication forums and mechanisms in place between the Justice and Community Safety Directorate and ACT Policing. These communication forums provide for regular and ongoing communication between senior representatives of the organisations. 3.46

Outcomes and outputs expected from ACT Policing in consideration for the ACT Government funding provided to the AFP are clearly identified through the annual Purchase Agreement. These are supported by clearly identified strategies, with supporting performance measures and indicators of effectiveness. 3.52

Ministerial Directions have been issued annually since 2007-08 and there have been nine Ministerial Directions issued in total since then. The focus of Ministerial Directions has ranged across a number of areas since 2007-08, reflecting the changing focus and priority of the ACT Government with respect to policing in the ACT. The Ministerial Directions provide a useful mechanism to provide general directions to ACT Policing. 3.57

The 2015-16 Purchase Agreement includes specific clauses that provide for ACT Policing to support relevant ACT Government strategies. ACT Policing's activities and initiatives in support of these strategies have been specifically reported against in its quarterly reporting to the Territory. 3.59

Analysis of funding provided to ACT Policing for the provision of policing services in the ACT shows that: 3.63

- with the exception of 2012-2013, since 2010-2011 the increase in annual funding has been less than in previous years; and
- annual funding decreased from five to one percent between 2010-2011 and 2011-2012.

The Justice and Community Safety Directorate and ACT Policing have an agreed model for calculating the cost of enabling services, for AFP corporate and administrative activities, to be charged to the Territory as part of the cost of delivering policing services in the ACT. The agreed model was reviewed and found to be reasonable in a 2014 review by a consulting firm. The agreed model is to be incorporated into the next Policing Arrangement. 3.81

Analysis of ACT Policing FTE numbers in Purchase Agreements shows that: 3.86

- since 2006-2007 total FTE numbers have increased by 103 (12.4 percent);
- total FTE numbers have remained the same (931 to 932) since 2011-2012.

Since 2013-14, a General Savings Measure of one percent has been applied to the Territorial appropriation for ACT Policing. Between 2013-14 and 2016-17 this is expected to result in a cumulative budget reduction to ACT Policing of approximately \$15.4 million. ACT Policing has achieved these savings measures through a reduction in the budgeted FTE and corporate services. To date there is no evidence that this has impacted the quality and effectiveness of service delivery, as ACT Policing has continued to deliver on its outcomes and outputs and meet its performance measures. 3.93

JUSTICE AND COMMUNITY SAFETY DIRECTORATE OVERSIGHT AND PERFORMANCE MONITORING

Paragraph

The Justice and Community Safety Directorate advised that the Executive Director, Finance and Budget Division, Chief Minister, Treasury and Economic Development Directorate, was a member of the Negotiations Steering Committee; however, they were not included in the Terms of Reference. These should be amended to accurately reflect the membership of the Committee. 4.8

As part of negotiations for the 2016-2021 Policing Arrangement, the Negotiation Steering Committee was required to 'assess the current Policing Arrangement (2011-2016) to determine whether it is meeting and delivering on its objectives'. There is evidence of a cursory assessment, which concluded 'that the current arrangement document works well', but there is no evidence of a formal documented evaluation, including the scope and specific findings of the evaluation or the evidence relied upon to make an assessment. 4.14

The Justice and Community Safety Directorate's consultation on the Policing Arrangement, part of its oversight role, could have been more extensive. Although attempts were made to gather information from stakeholders through letter and email, when a low response was received further strategies were not explored to increase information as to stakeholders' views. This limited the response that the Justice and Community Safety Directorate received. 4.19

The Justice and Community Safety Directorate and ACT Policing invest significant resources in the negotiation of the Policing Arrangement and Purchase Agreements. The Arrangements and Agreements change little from one negotiation to the next, yet significant time and resources are tied up in these processes with the Justice and Community Safety Directorate and ACT Policing reporting that they are engaged in negotiation processes for much of each year. More efficient use of resources could be achieved through increasing the duration of both the Policing Arrangement and Purchase Agreement. 4.34

The format and content of ACT Policing's quarterly reports were altered for the 2015-16 Purchase Agreement. This followed a request from the (former) Minister for Police in December 2015 to the Chief Police Officer. These changes are resulting in improvements in the usefulness of ACT Policing's quarterly reporting and JACS' analysis and briefings to the Minister on these reports. 4.72

Recommendations

RECOMMENDATION 1 MEMORANDUMS OF UNDERSTANDING

The Justice and Community Safety Directorate should initiate action to develop, with ACT Policing, a system that provides the Justice and Community Safety Directorate with an increased awareness of all Memorandums of Understanding that ACT Policing has entered into with other organisations.

RECOMMENDATION 2 ARTICULATION OF JUSTICE AND COMMUNITY SAFETY DIRECTORATE ROLE

The Justice and Community Safety Directorate should, with ACT Policing, define the directorate's role and responsibilities, including in relation to strategic police policy development, in future Policing Arrangements and Purchase Agreements. This should be commensurate with the details currently included regarding ACT Policing's role and responsibilities.

RECOMMENDATION 3 JUSTICE AND COMMUNITY SAFETY DIRECTORATE RISK MANAGEMENT

The Justice and Community Safety Directorate should develop a risk management plan for its management of the Policing Arrangement and associated Policing Agreement. The risk management plan should include risks associated with negotiating each Policing Arrangement and Purchase Agreement and the risks to the Justice and Community Safety Directorate and ACT Government in their implementation.

RECOMMENDATION 4 ASSESSMENT OF THE POLICING ARRANGEMENT

The Justice and Community Safety Directorate should undertake a formal evaluation of the Policing Arrangement and the Purchase Agreement, against their objectives, when negotiating new Arrangements and Agreements.

RECOMMENDATION 5 TERMS OF POLICING ARRANGEMENT AND PURCHASE AGREEMENTS

The Justice and Community Safety Directorate should, in consultation with ACT Policing, assess the merits of increasing the length of the Policing Arrangement and the Purchase Agreements.

Agency response

In accordance with subsection 18(2) of the *Auditor-General Act 1996*, the Justice and Community Safety Directorate was provided with:

- a draft proposed report for comment. All comments were considered and required changes were reflected in the final proposed report; and
- a final proposed report for further comment. As part of this process, the Justice and Community Safety Directorate was also asked to provide comments for inclusion in the final report in the Summary chapter.

The Justice and Community Safety Directorate did not provide comments for inclusion in the Summary chapter of this report. However, no matters regarding the factual accuracy of material in this report were brought to the attention of the Auditor-General.

In accordance with subsection 18(3) of the *Auditor-General Act 1996*, the draft proposed report and final proposed report were provided to ACT Policing. Comments provided by ACT Policing were considered in developing the final proposed report and final report.

1 INTRODUCTION

- 1.1 This chapter provides an overview of policing services in the ACT and presents the audit objective, scope, criteria, approach and method.

Policing in the ACT

- 1.2 Policing services in the ACT are provided by ACT Policing, a business unit of the Australian Federal Police (AFP).¹ This is enabled through an agreement between the ACT and Commonwealth Governments, the ACT Policing Arrangement (Policing Arrangement). In 2015-16 the total ACT Government funding to be provided to the AFP for these services is \$154,438,000. This includes costs for enabling services² and direct funding of \$232,000 for crime prevention initiatives.
- 1.3 This arrangement derives from the AFP's provision of policing services in the ACT prior to the ACT's attainment of self-government in 1988. While a unique arrangement in Australia, with policing services being provided by a police force of a different jurisdiction and under legislation of that jurisdiction, the arrangement provides benefits to both jurisdictions:
- the AFP is able to provide its workforce with community policing training and experience; and
 - the ACT receives a police service which would be challenging to provide independently and which, if necessary, can provide a depth of resources that would not be available to an independent ACT police service.
- 1.4 Under this model, the head of ACT Policing, the Chief Police Officer, is an Assistant Commissioner in the AFP and so reports to the AFP Commissioner on his performance and to the ACT Minister for Police (and Emergency Services) on outcome delivery.³
- 1.5 The Policing Arrangement is in the nature of an intergovernmental agreement (an agreement between two jurisdictions to pursue a mutually agreed outcome).⁴ Policing Arrangements have existed between the ACT Government and the AFP for the provision of policing services in the ACT since 1990 with Policing Arrangements signed in 1990, 2000, 2006 and 2011. Currently a new Policing Arrangement is negotiated every five years; the 2016-2021 Policing Arrangement was under negotiation during audit fieldwork.

¹ This is described as Outcome 2 for the AFP: contributing 'to a safe and secure environment through policing activities on behalf of the [ACT]' and Outcome 2.1 as ACT (community) policing. *AFP Annual Report 2014-15*, p 12.

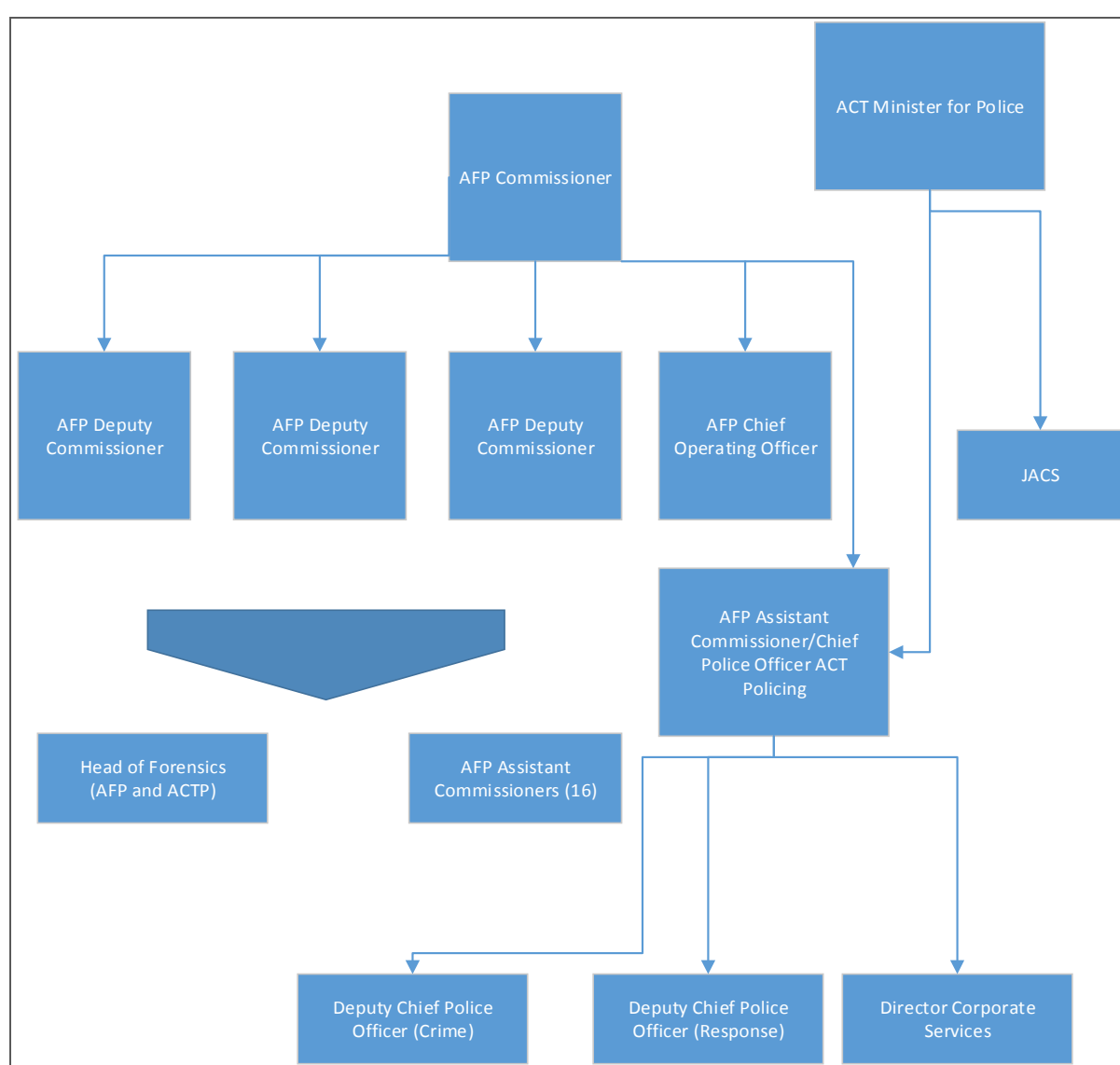
² In addition to the direct cost of policing services, the funding provided to the AFP by the ACT Government includes an amount for the support costs for providing these services. These are referred to as 'enabling services/costs' and they include corporate services, information technology, forensic services and technical operations.

³ 2011-16 Policing Arrangement, clause 5.

⁴ Saunders, Cheryl, Intergovernmental agreements and the executive power, *Public Law Review*, 2005, p 297.

- 1.6 An associated Purchase Agreement, which is negotiated annually, sets out ‘the details of the goods and services to be purchased by the ACT Government from the AFP, the agreed price for those services and associated performance reporting’.⁵ The Purchase Agreement is in the nature of a services agreement.
- 1.7 Figure 1-1 shows the organisational structure of policing in the ACT including the ACT Minister for Police and the Justice and Community Services Directorate, the ACT Government entity with responsibility for the management of the five year Policing Arrangement and associated annual Purchase Agreements.

Figure 1-1 Organisational structure – ACT Policing within the AFP, Minister and Justice and Community Safety Directorate



Source: ACT Policing Annual Report 2014-15

⁵ 2015-16 Purchase Agreement, clause 2.

Previous Reviews

ACT Audit Office

- 1.8 The ACT Audit Office tabled a performance audit report *Administration of Policing Services* in May 2004 which provided the following audit opinion:

The management of the Policing Arrangement covering the provision of policing services to the Territory **is not effective**. In particular:

- the 2000-2005 Policing Arrangement and the annual Policing Purchase Agreements **have not** provided a robust basis for the Government to exercise effective strategic oversight and financial control of policing;
- outcomes and measures, agreed in the Policing Purchase Agreement **are relevant, but not complete**, for the purpose of evaluating the effectiveness and efficiency of ACT Policing; and
- arrangements for the reporting on the provision of policing services to the Territory against the agreed performance measures are **partially satisfactory**. Reporting is complete and reliable, but not timely.⁶

- 1.9 The Audit Office's 2004 report made twelve recommendations, of which the Justice and Community Safety Directorate agreed to ten and agreed in principle to two.

Joint Study into ACT Policing

- 1.10 In 2005, ACT Policing and the Justice and Community Safety Directorate jointly commissioned a review by KPMG and John Valentin and Associates of the (then) Policing Arrangement and Purchase Agreement. The June 2005 *Joint Study into ACT Policing* report of this review made 34 recommendations covering governance arrangements; adequacy of resources; resources reporting and financial control; infrastructure and facilities management; Commonwealth work; ACT Policing organisational structure; enabling services; and the PROMIS data system.

- 1.11 The report noted that the findings and recommendations of the report would assist discussions of issues raised 'on which there is varying agreement and on which further discussion may be required between the ACT Government and ACT Policing'.

⁶ ACT Audit Office, 2004, *Administration of Policing Services*, p 4.

Australian National Audit Office

1.12 The Australian National Audit Office conducted a performance audit 'to assess the effectiveness of the AFP's management of the delivery of policing services to the ACT' in 2012. *The Provision of Policing Services to the Australian Capital Territory* audit report concluded that the AFP is:

- 'effectively managing the delivery of policing services to the ACT';
- 'delivering the level and type of community policing services agreed with the ACT Government'; and
- 'consistently meeting the majority of its performance targets'.⁷

Audit objective and scope

1.13 The objective of this audit is to provide an independent opinion to the Legislative Assembly on the effectiveness of the Justice and Community Safety Directorate's management of the Policing Arrangement and associated annual Purchase Agreements, for the provision of community police services to the ACT by the AFP.

1.14 The audit was focused on the Justice and Community Safety Directorate's responsibilities with respect to the ACT Policing Arrangement and Purchase Agreements including governance, roles and responsibilities, and oversight including monitoring, reporting and assurance.

1.15 This audit did not consider:

- aspects of the Policing Arrangement and Purchase Agreement determined by Commonwealth legislation (*Australian Federal Police Act 1979*) such as the provision of services to the Commonwealth⁸; or
- aspects of the Policing Arrangement relating to terms and conditions of employment of AFP members (clause 13).

⁷ ANAO Audit Report No. 13 2012-13, *The Provision of Policing Services to the Australian Capital Territory*, p 13.

⁸ These services include protection for visiting foreign dignitaries, enforcing Commonwealth laws, foreign missions and Commonwealth Places of Interest.

Audit criteria, approach and method

Audit criteria

1.16 The effectiveness of the Justice and Community Safety Directorate's management of the ACT Policing Arrangement, and associated annual Purchase Agreements, for the provision of community policing services to the ACT by the AFP was considered using the following questions as criteria:

- Are there adequate governance arrangements for the management of the five year ACT Policing Arrangement and annual Purchase Agreements?
- Does the Justice and Community Safety Directorate effectively undertake its management responsibilities in relation to the Arrangement and Purchase Agreements?
- Are the outcomes to be delivered by the Arrangement and Purchase Agreement clearly identified and is performance against them appropriately measured and reported?

Audit approach and method

1.17 The audit adopted the Audit Office's Performance Audit Methods and Practices and related Policies, Practice Statements and Guidance Papers. These policies and practices have been designed to comply with the requirements of the *Auditor-General Act 1996* and relevant professional standards (including *ASAE 3500 – Performance Engagements*).

1.18 The audit process included:

- interviews and discussions with key staff in:
 - the Justice and Community Safety Directorate;
 - stakeholders involved with the provision of policing services in the ACT; and
 - other ACT Government agencies and stakeholders, as required;
- a review of relevant documentation associated with the delivery of policing services in the ACT. This included:
 - documentation related to the Policing Arrangement and Purchase Agreements, including quarterly reports;
 - documentation related to the development of the 2016-2021 Policing Arrangement;
 - previous studies and reports on aspects of the delivery of policing services in the ACT; and
 - documentation from related committees including the Strategic Accommodation Committee; and
- provision of a draft proposed report and a final proposed report to the auditee (Justice and Community Safety Directorate) and ACT Policing for consideration and comment.

- 1.19 The Standard on Assurance Engagements ASAE 3500 *Performance Engagements* requires that an audit considers events up to the date of the report. To achieve this, when seeking comments on the draft report, the Audit Office asked the Justice and Community Safety Directorate to inform it of any significant events affecting audit findings since fieldwork ceased.

Auditee and stakeholder assistance

- 1.20 The Audit Office acknowledges the assistance of the Justice and Community Safety Directorate and ACT Policing in the conduct of the audit. This assistance included providing information and participating in interviews and discussions.

Consultant

- 1.21 The Audit Office acknowledges the assistance of Mr Paul Allen, Callida Consulting, who provided valuable input during field work and in drafting the report.

Compliance with applicable Australian Auditing Standards and professional ethical pronouncements

- 1.22 Applicable requirements of Australian Auditing Standards and professional ethical pronouncements, including those relating to independence, were followed in the conduct of this audit.

2 GOVERNANCE

- 2.1 This chapter examines the governance arrangements for the Justice and Community Safety Directorate's management of the ACT Policing Arrangement.

Summary

Conclusions

There are effective governance arrangements in place for the management and oversight of ACT Policing services by the Justice and Community Safety Directorate. The Policing Arrangement and supporting annual Purchase Agreements provide a sound framework for the establishment and maintenance of the ongoing relationship between ACT Policing and the Territory. As ACT Policing is subject to the Australian Government's governance arrangements for the Australian Federal Police, including being audited by the Australian National Audit Office, this provides additional accountability.

Governance arrangements could be strengthened by the Justice and Community Safety Directorate finalising the Legislation, Policy and Programs Branch (Justice and Community Safety Directorate) action plan; and having an increased awareness of Memorandums of Understanding between ACT Policing and ACT Government and non-government agencies. While addressing this lack of awareness it is important to maintain the operational independence of ACT Policing.

Key findings

	Paragraph
The Policing Arrangement provides a sound, overarching enabling framework for the provision of policing services in the ACT by the AFP. Core elements of a governance framework for the management of policing in the ACT, and the relationship between the ACT Government and ACT Policing, are addressed in the Policing Arrangement.	2.22
The annual Purchase Agreement provides a sound mechanism for ACT Policing to provide policing services to the ACT. The annual Purchase Agreement establishes the services to be provided by ACT Policing, the amount to be paid by the Territory and specific reporting obligations on the AFP.	2.31
The variation to the 2014-15 Purchase Agreement was prepared and approved in accordance with clause 8 of the Agreement. To date there have been no variations to the 2015-16 Purchase Agreement.	2.36

The requirements identified through the 2011-2016 Policing Arrangement and the 2015-16 Purchase Agreement cover quality and level of policing, appointment of the Chief Police Officer, the Directions of the Minister for Police, reports to be provided, involvement in policy development and implementation and performance measures. Annual reporting and Ministerial Directions are also covered in both documents. The Policing Arrangement and associated Purchase Agreement together provide the necessary framework for the delivery of, and payment for, police services by ACT Policing to the ACT Government.

2.37

Ministerial Directions provide a mechanism for the ACT Minister for Police to provide general directions for policing services in the ACT.

2.40

ACT Government policy priorities are addressed in ACT Policing planning through the incorporation of 'special areas of focus' in annual business plans. These are reported on in ACT Policing quarterly reports through performance measures. Incorporating the direction provided by the ACT Minister for Police into the ACT Policing annual Business Plan shows an alignment between the Ministerial Directions and ACT Policing's planning. Reporting on these 'special areas of focus' through quarterly reporting provides a measure of transparency and accountability for delivering on the strategic priorities of the ACT Minister for Police.

2.43

The Legislation, Policy and Programs Branch in the Justice and Community Safety Directorate does not have a finalised action plan in place to guide its management of the Policing Arrangement and Purchase Agreement. However, the Branch is acting in accordance with Action 4 of its *Draft Action Plan – 2014-2015* through: negotiating the five yearly Policing Arrangement, annual Purchase Agreements and Ministerial Directions; and reporting to the Minister for Police on the quarterly Purchase Agreement reports.

2.52

A number of Memorandums of Understanding exist between ACT Policing and a range of ACT entities; government and non-government. The Justice and Community Safety Directorate has limited awareness of, and does not maintain, a register of Memorandums of Understanding that ACT Policing has developed with other entities. The Justice and Community Safety Directorate's limited awareness of ACT Policing Memorandums of Understanding may impair its ability to oversee or otherwise manage the Policing Arrangement.

2.58

Governance framework

- 2.3 Governance for the management of policing in the ACT is implemented through a number of mechanisms:
- legislation;
 - the Policing Arrangement; and
 - the Purchase Agreements.
- 2.4 Although, for completeness, relevant governance mechanisms relating to the AFP's ACT Policing business unit are also described in the following sections, the scope of this audit is restricted to the Justice and Community Safety Directorate's management of the Policing Arrangement and Purchase Agreement on behalf of the ACT Government.

Legislation

- 2.5 Two pieces of legislation, the *Australian Federal Police Act 1979* (Cth) and the *Australian Capital Territory (Self-Government) Act 1988* (Cth) provide for policing services for the ACT. The *Public Governance, Performance and Accountability Act 2013* (Cth) and the *Financial Management Act 1996* (ACT) provide governance, performance and accountability frameworks for each jurisdiction.
- 2.6 The *Australian Federal Police Act 1979* (Cth) (the AFP Act) gives 'effect to the Government's policy to create a single Australian Federal Police and incorporate into it the existing Commonwealth and Australian Capital Territory Police Forces'.⁹ Section 8 of the Act sets out the 'functions of the Australian Federal Police' which include: '(a) ... the provision of police services in relation to the Australian Capital Territory'. Section 8(1A) states that:
- The Minister and the Australian Capital Territory may enter into arrangements for the provision of the police services in relation to the Australian Capital Territory that are in respect of Territory functions as defined by section 3 of the *ACT Self-Government (Consequential Provisions) Act 1988*, and, where the arrangements have been entered into, the provision of those services shall be in accordance with the arrangements.¹⁰
- 2.7 Section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth) (the Self-Government Act) established the ACT as a 'body politic' under the Crown. Prior to self-government the AFP provided policing services to the ACT. In 1988 the Self-Government Act and the AFP Act were amended to provide that, subject to an arrangement being made between the ACT and Commonwealth Governments, the AFP could continue to provide police services in the ACT, including community policing.¹¹

⁹ *Australian Federal Police Bill 1979*, Explanatory Memorandum, p1.

¹⁰ *Australian Federal Police Act 1979*, s(8)(1A).

¹¹ ANAO, Audit Report No. 13 2012-13, *The Provision of Policing Services to the Australian Capital Territory*.

- 2.8 The AFP (including ACT Policing), like other Australian Government agencies, is bound by the *Public Governance, Performance and Accountability Act 2013* (Cth)¹² which:
- establishes ‘a coherent system of governance and accountability across Commonwealth entities’;
 - establishes ‘a performance framework across Commonwealth entities’; and
 - requires ‘the Commonwealth and Commonwealth entities:
 - to meet high standards of governance, performance and accountability;
 - provide meaningful information to the Parliament and the public;
 - use and manage public resources properly; and
 - work cooperatively with others to achieve common objectives, where practicable...’¹³
- 2.9 The *Financial Management Act 1996* (ACT), which applies to the Justice and Community Safety Directorate, ‘promotes the highest standards of financial accountability to the Legislative Assembly and to the [ACT] community ... [and] establishes a financial management framework for the ACT which promotes improved, and better informed, management decision making and public sector management and more effective accountability mechanisms’.¹⁴
- 2.10 The *Financial Management Act 1996* (ACT) and the *Public Governance, Performance and Accountability Act 2013* (Cth) provide frameworks for the ACT and Australian public services which ensure good financial governance and accountability. The *Public Governance, Performance and Accountability Act 2013* (Cth) requires auditing of performance and financial statements of Commonwealth entities by the Australian National Audit Office. The Australian National Audit Office audits the Financial Statement and the Statement of Performance provided by ACT Policing. The Statement of Performance includes an assessment of performance measures and indicators of performance.¹⁵
- 2.11 The funding for the ACT Policing Arrangement and Purchase Agreement are delivered through a Territorial Appropriation, which the Justice and Community Safety Directorate administers on behalf of the ACT Government.¹⁶ This means that the appropriation is initially subject to the *Financial Management Act 1996* (ACT) and then, when the relevant funds are transferred to ACT Policing, to the *Public Governance, Performance and Accountability Act 2013* (Cth).
- 2.12 The Self-Government Act grants the ACT Executive power to make laws with respect to law and order. The Legislative Assembly is not expressly constrained from legislating in relation to police services, however, section 23(1)(c) prevents it from making laws with

¹² This Act replaced the *Financial Management and Accountability Act 1997* (Cth).

¹³ *Public Governance, Performance and Accountability Act 2013* (Cth), s 5, Objects of this Act.

¹⁴ Explanatory Memorandum, *Financial Management Bill 1996*, p 1.

¹⁵ *ACT Policing Annual Report 2014-15*, p 91.

¹⁶ Justice and Community Safety Directorate Audited Financial Statements, 2015, p 19.

respect to 'the provision by the Australian Federal Police of police services in relation to the Territory'. Additionally, any ACT law which is inconsistent with the AFP Act (expressly making the policing of the ACT an AFP responsibility) has no effect to the extent of the inconsistency.¹⁷

- 2.13 This legislative framework for the provision of police services in the ACT is unique in Australia. In all other jurisdictions there is local jurisdictional legislation which provides for an independent police service in which the Police Commissioner (of that jurisdiction) reports to the responsible minister (of that jurisdiction). In all Australian jurisdictions, while the Police Commissioner has responsibility for operational matters, the responsible minister sets policy direction. In the ACT, this responsibility is acknowledged through the Policing Arrangement, in that it provides for the responsible ACT Minister to give 'general directions ... as to policy, priorities and goals in relation to the provision of Police Services by the AFP'¹⁸ and that the 'Chief Police Officer shall comply ... unless a contrary written direction has been received from the Commonwealth Minister pursuant to the AFP Act'.¹⁹

The ACT Policing Arrangement

- 2.14 The ACT Policing Arrangement is an arrangement, in the nature of an intergovernmental agreement, between the relevant Commonwealth Minister and the ACT for the provision of police services to the ACT. The current Policing Arrangement, which is in force until June 2016, was signed in June 2011 by the (Commonwealth) Minister for Home Affairs, Justice, Privacy and Freedom of Information and the (ACT) Minister for Police and Emergency Services. The next Policing Arrangement is due to be signed in June 2016.
- 2.15 The Policing Arrangement establishes the enabling framework for the provision, by the AFP, of 'a high quality policing service to the ACT'.²⁰ The focus of the Policing Arrangement is, understandably, the role of ACT Policing in delivering services. The Policing Arrangement includes provisions relating to:
- the objectives of the Policing Arrangement – appropriate policing, services quality, workforce, value for money and capacity to deliver;
 - the provision of services – in accordance with the Purchase Agreement and those that are the responsibility of the Commonwealth;
 - the allocation of resources for the Commonwealth not related to services to the ACT;²¹
 - the treatment of revenue received by ACT Policing;
 - the role of the Chief Police Officer;

¹⁷ Standing Committee on Legal Affairs, *Future of Policing in the ACT*, 1995.

¹⁸ 2011-2016 Policing Arrangement, 6.1.

¹⁹ 2011-2016 Policing Arrangement, 6.1.

²⁰ 2011-2016 Policing Arrangement, clause 2.

²¹ 2011-2016 Policing Arrangement, clause 6.

- requirements of the Commonwealth Minister for the AFP in issuing a direction to the AFP Commissioner that ‘affects the provision by the AFP of Police Services to the ACT’;
 - ACT Policing’s ability to form agreements separate to the Policing Arrangement;
 - provision of: annual reports; financial statements; and legal and policy advice;
 - dispute resolution and duration of the Policing Arrangement;
 - convening of, and participation in, a review panel if a key performance indicator (KPI) is not consistently met; and
 - the terms and conditions of employment for ACT Policing staff.²²
- 2.16 The Chief Police Officer represents ACT Policing, and the ACT, at national forums on policing matters. This is detailed in clause 12.2 of the 2011-2016 Policing Arrangement which states that:
- (w)here the Chief Police Officer holds membership of a national body or forum as the head of a law enforcement jurisdiction, the Chief Police Officer will represent the interests of ACT Policing in its capacity as a service provider for the ACT.²³
- 2.17 The Arrangement describes the role of the ACT Minister for Police with respect to activities associated with: the Chief Police Officer; the ACT Policing Annual Report; conducting specific financial and performance audits; and requiring the provision of ACT Policing information to a nominated agency.²⁴

ACT Government roles

- 2.18 The Arrangement sets out the following ACT Government roles in relation to:
- payment of the territorial appropriation –Strategic Finance, Justice and Community Safety Directorate;
 - provision of infrastructure for policing services - Capital Works and Infrastructure, Justice and Community Safety Directorate;
 - legal advice - ACT Government Solicitor and ACT Director of Public Prosecutions;
 - duration and negotiation of a new Policing Arrangement and dispute resolution - Legislation, Policy and Planning, Justice and Community Safety Directorate and Justice and Community Safety Director-General; and
 - participation on a review panel if a KPI is not consistently met - Justice and Community Safety Director-General.²⁵
- 2.19 Capital Works and Infrastructure, Justice and Community Safety Directorate, provides support for ACT Policing buildings and plant owned by ACT Government. The maintenance of ACT Policing buildings (16 properties) is managed by the AFP.

²² 2011-2016 Policing Arrangement, clause 13.

²³ 2011-2016 Policing Arrangement, clause 12.2, p 8.

²⁴ 2011-2016 Policing Arrangement, clause 7.

²⁵ 2011-2016 Policing Arrangement, clause 16.

- 2.20 Strategic Finance, Justice and Community Safety Directorate, manages the pro-rata monthly payments in accordance with the annual Appropriation Payment Schedule for ACT Policing. It also provides input to Policing Arrangement and Purchase Agreement negotiations.
- 2.21 The Justice and Community Safety Directorate's role in administering and managing the Policing Arrangement for the ACT Government is not defined in the Arrangement. This is discussed in further detail in paragraphs 3.3 to 3.9.
- 2.22 The Policing Arrangement provides a sound, overarching enabling framework for the provision of policing services in the ACT by the AFP. Core elements of a governance framework for the management of policing in the ACT, and the relationship between the ACT Government and ACT Policing, are addressed in the Policing Arrangement.

Annual Purchase Agreement

- 2.23 The Purchase Agreement, defined in the Policing Arrangement as 'the annual agreement provided for under this Arrangement between the Minister for Police, the Commissioner and the Chief Police Officer'²⁶, sets out the:
- details of goods and services purchased by the Territory from the AFP;
 - agreed price for those services payable by the Territory to the AFP; and
 - performance reporting by the AFP.²⁷
- 2.24 In setting out the services to be provided and the agreed price to be paid the Purchase Agreement is in the nature of a services agreement. The 2015-16 Purchase Agreement includes provisions relating to: its overall purpose and scope, AFP Enterprise Agreements and employment arrangements for ACT Policing staff, arrangements for ACT Policing facilities and structures, Ministerial Directions and obligations for ACT Policing in supporting ACT Government strategies, the total price payable for the services, including a methodology for the costing of enabling services, FTE number of ACT Policing staff to be maintained, performance measures and reporting obligations and dispute resolution mechanisms. There are five schedules to the Purchase Agreement which cover: performance reporting, resource reporting, financial reporting, complaints reporting and the timetable for developing the next Agreement.²⁸

²⁶ 2011-2016 Policing Arrangement, p 3.

²⁷ 2011-2016 Policing Arrangement, p 3.

²⁸ 2015-16 Purchase Agreement.

ACT Policing

- 2.25 The Purchase Agreement sets out key requirements for ACT Policing in providing policing services to the ACT. These requirements provide guidance for ACT Policing as to what services it is expected to provide (discussed in paragraphs 3.47 to 3.52); how it is to report on its performance (discussed in paragraphs 4.57 to 4.60); what support ACT Government will provide; and what the AFP will be paid for the services.
- 2.26 The Purchase Agreement also specifies those services provided by ACT Policing which are not the responsibility of the ACT Government but rather are delivered on behalf of the Commonwealth Government. These services include enforcing Commonwealth law and protecting Commonwealth interests, e.g. foreign dignitaries, foreign missions and Commonwealth places of interest.²⁹
- 2.27 The ACT Government, through a territorial appropriation detailed in the ACT budget, pays the AFP the amount specified according to the Purchase Agreement. The total amount currently paid includes three components: the direct costs of supplying policing services; enabling costs; and a small amount of additional direct funding from the Justice and Community Safety Directorate to ACT Policing for crime prevention initiatives.
- 2.28 In addition to the direct cost of policing services, the funding provided under the Purchase Agreement to the AFP includes an amount for the support costs for providing these services. These are referred to as 'enabling services/costs' and they include corporate services, information technology, forensic services and technical operations. These enabling services are used by the AFP as a whole (including ACT Policing) and it is necessary to estimate how much of these services are attributable to the ACT and are therefore included in the overall cost of policing services charged to the ACT.

ACT Minister for Police

- 2.29 The Purchase Agreement describes the role of the ACT Minister for Police with respect to: being a party to the agreement; determining short-term variations to targets and priorities set in the agreement (in consultation with the Chief Police Officer); public release of the Professional Standards quarterly report; and providing general directions to the Chief Police Officer to give special operational emphasis to particular areas of focus.³⁰

²⁹ 2011-2016 Policing Arrangement, clause 4.

³⁰ 2015-16 Purchase Agreement.

Justice and Community Safety Directorate

- 2.30 The Justice and Community Safety Directorate's responsibilities, defined in the Purchase Agreement, include: being part of the Strategic Accommodation Committee; funding crime prevention initiatives; developing a process to identify events that will not be covered under a cost recovery process;³¹ presenting to the ACT Government, with the AFP, requests for any variation to the funding of enabling services; involvement in dispute resolution; and participating in the development of future agreements.³²
- 2.31 The annual Purchase Agreement provides a sound mechanism for ACT Policing to provide policing services to the ACT. The annual Purchase Agreement establishes the services to be provided by ACT Policing, the amount to be paid by the Territory and specific reporting obligations on the AFP.

Variations to the Purchase Agreement

- 2.32 The 2015-16 Purchase Agreement includes a provision that allows variations to the Purchase Agreement provided they are in writing and agreed between both parties (ACT Government and ACT Policing). Specifically, clause 8 states: 'No variation of this Agreement is binding unless it is agreed in writing between the parties'.³³
- 2.33 Only one variation to a Purchase Agreement has been processed in recent years, which was in relation to the 2014-15 Purchase Agreement. The variation occurred as a result of an Enabling Cost Rebasing Project that was jointly conducted between the Justice and Community Safety Directorate, ACT Treasury and ACT Policing in response to an ANAO recommendation in its 2012 *The Provision of Policing Services to the Australian Capital Territory* audit report.³⁴ As a result of the project, a shortfall in funding of ACT Policing enabling services was identified in 2014-15 (and future years).
- 2.34 The Chief Police Officer raised with the Minister for Police ACT Policing's need to receive the necessary additional funds before the end of 2014-15. The Police Minister subsequently submitted a request for a Treasurer's Advance to the Chief Minister/Treasurer for the \$1,250,000 shortfall in funding associated with ACT Policing enabling services in 2014-15. On 24 June 2015 the acting Treasurer agreed to provide a Treasurer's Advance of \$1,250,000 on behalf of the Territory to meet cash requirements for the shortfall.
- 2.35 The Justice and Community Safety Directorate subsequently prepared a variation to the 2014-15 Purchase Agreement, adding \$1,250,000, which was then signed by the Minister for Police, the Acting Chief Police Officer and the Officer Performing the Duties of the Commissioner, Australian Federal Police.

³¹ Done in consultation with relevant ACT Government agencies.

³² 2015-16 Purchase Agreement.

³³ 2015-16 Purchase Agreement, clause 8.

³⁴ ANAO Audit Report No. 13 2012-13, *The Provision of Policing Services to the Australian Capital Territory*, p42.

- 2.36 The variation to the 2014-15 Purchase Agreement was prepared and approved in accordance with clause 8 of the Agreement. To date there have been no variations to the 2015-16 Purchase Agreement.
- 2.37 The requirements identified through the 2011-2016 Policing Arrangement and the 2015-16 Purchase Agreement cover quality and level of policing, appointment of the Chief Police Officer, the Directions of the Minister for Police, reports to be provided, involvement in policy development and implementation and performance measures. Annual reporting and Ministerial Directions are also covered in both documents. The Policing Arrangement and associated Purchase Agreement together provide the necessary framework for the delivery of, and payment for, police services by ACT Policing to the ACT Government.

ACT Ministerial Directions

- 2.38 Under the Policing Arrangement the ACT 'Police Minister may give to the Chief Police Officer general directions in writing as to policy, priorities and goals in relation to the provision of Police Services by the AFP under this Arrangement and the Purchase Agreement'.³⁵
- 2.39 Ministerial Directions have been issued annually since August 2007 and have identified and focused on issues such as:
- the role of the AFP;
 - special areas of focus for ACT Policing in its delivery of services; and
 - new and revised reporting requirements.
- 2.40 Ministerial Directions provide a mechanism for the ACT Minister for Police to provide general directions for policing services in the ACT.

ACT Policing Business Plan special areas of focus

- 2.41 ACT Policing's 2015-16 Business Plan identifies special areas of ACT Policing focus as ACT Government expectations for 2015-16. These align with the 2015-16 Ministerial Direction and include:
- a continued focus on prevention of domestic and family violence;
 - improving road safety; and
 - providing a leadership role 'in realising the vision and objectives of whole-of government strategies'.
- 2.42 The various elements of the Ministerial Direction, as incorporated in ACT Policing's *2015-16 Business Plan*, are reported on separately in ACT Policing quarterly reports through performance measures and a narrative addressing each area.

³⁵ 2011-2016 Policing Arrangement, p 5.

- 2.43 ACT Government policy priorities are addressed in ACT Policing planning through the incorporation of ‘special areas of focus’ in annual business plans. These are reported on in ACT Policing quarterly reports through performance measures. Incorporating the direction provided by the ACT Minister for Police into the ACT Policing annual Business Plan shows an alignment between the Ministerial Directions and ACT Policing’s planning. Reporting on these ‘special areas of focus’ through quarterly reporting provides a measure of transparency and accountability for delivering on the strategic priorities of the ACT Minister for Police.

ACT Government governance and oversight

- 2.44 The ACT Minister for Police and Emergency Services has portfolio responsibility for policing in the ACT. The Minister is the ACT Government signatory to the Policing Arrangement and the Purchase Agreement. The Justice and Community Safety Directorate (Deputy Director-General (Community Safety)) has administrative responsibility for the Policing Arrangement and Purchase Agreements.
- 2.45 Within the Justice and Community Safety Directorate, the Justice Planning and Safety Programs area of the Legislation, Policy and Program Branch provides:
- policy advice to the Minister for Police and Emergency Services;
 - management of the Policing Arrangement and Purchase Agreement; and
 - secretariat support for negotiation of the annual Purchase Agreement and the five year Policing Arrangement.

Justice and Community Safety Directorate Strategic Plan 2012-2017

- 2.46 The *Justice and Community Safety Directorate Strategic Plan 2012-2017* states that the Justice and Community Safety Directorate will:
- aim to deliver better services;
 - contribute to the Government’s priorities through ... strategic objectives; and
 - adhere to the ACT Public Service values and behaviours.³⁶
- 2.47 Under the statement: ‘A fair, safe and peaceful community where people’s rights and interests are respected and protected’ the plan describes what the Justice and Community Safety Directorate needs to do, what it wants to be confident of and the actions to achieve those objectives.
- 2.48 The management of the Policing Arrangement and Purchase Agreement is not specifically included in the *Justice and Community Safety Directorate Strategic Plan 2012-2017*.

³⁶ *Justice and Community Safety Directorate Strategic Plan 2012-2017*.

Legislation, Policy and Programs Branch *Draft Action Plan 2014-15*

2.49 At the time of audit fieldwork the Legislation, Policy and Programs Branch had a *Draft Action Plan – 2014-2015*. The Audit Office was advised that it was in draft as a decision had been made to develop a more up to date plan that would provide guidance until the end of the current term of the Legislative Assembly. At the time of reporting this plan was still under development.

2.50 The Draft Action Plan recognises the Policing Arrangement as follows:

Action 4 – Effectively managing the provision of police resources:

- negotiation of the 2015-2016 Police Services Purchase Agreement;
- negotiation of the Ministerial Directions to ACT Policing for 2015-16;
- Enabling Rebasing project – joint project with ACT Policing and Treasury;³⁷ and
- reporting on the quarterly Purchase Agreement reports.

2.51 Currently, with respect to the Policing Arrangement and Purchase Agreement, the Justice Planning and Safety Programs area in the Legislation, Policy and Program Branch of the Justice and Community Safety Directorate is involved in:

- negotiating the new, five year Policing Arrangement (2016 – 2021);
- negotiating the new, annual Purchase Agreement (2016-17);
- developing the new Ministerial Direction (2016-17); and
- reporting on the quarterly Purchase Agreement reporting.

2.52 The Legislation, Policy and Programs Branch in the Justice and Community Safety Directorate does not have a finalised action plan in place to guide its management of the Policing Arrangement and Purchase Agreement. However, the Branch is acting in accordance with Action 4 of its *Draft Action Plan – 2014-2015* through: negotiating the five yearly Policing Arrangement, annual Purchase Agreements and Ministerial Directions; and reporting to the Minister for Police on the quarterly Purchase Agreement reports.

³⁷ The Enabling Rebasing project has concluded.

Agreements

- 2.53 Clause 8 of the 2011-2016 Policing Arrangement allows for ACT Policing 'to enter into agreements separate from this Arrangement with ACT Government agencies and non-government entities'. This is qualified by 'as long as any agreement entered into is not inconsistent with this Arrangement, the Purchase Agreement or Ministerial Direction'.³⁸
- 2.54 ACT Policing is party to a number of Memorandums of Understanding with a range of ACT government and non-government agencies.

Memorandums of Understanding

- 2.55 The Memorandums of Understanding provide guidance, agreed by the parties, as to how they will work together in particular situations, e.g. the effective management of situations involving people with mental illness or mental dysfunction.
- 2.56 A list of Memorandums of Understanding was obtained from the AFP which included:
- ACT Health: Forensic and Medical Sexual Assault Care; Cooperation in Drug, Alcohol, Poison and other Substance matters; Alcohol and other drug diversion programs; Working relationships – Child at Risk Health Unit; Mental Health Care (with ACT Ambulance Service and Calvary Health Care ACT);
 - Justice and Community Safety Directorate: working relationships (including one with Restorative Justice); Detention Arrangement; Detention of Individuals (Terrorism Act 2006); Case Management Systems Access (with ACT Law Courts and Tribunals); CCTV Systems;
 - ACT Director of Public Prosecutions: Prosecution Support; Case Management Hearings and Committals; Victim Support; Prosecution Policy and Guidelines;
 - Victims of Crime Commissioner: Collaborative arrangement;
 - ACT Fire Brigade: Rescue Services in the ACT; and ACT Rural Fire Service: Fire Investigation in the ACT;
 - Community Services Directorate: Sexual assault of children and young people; working relationship;
 - Worksafe ACT: Workplace incidents; and
 - ACT Environment Protection Authority: Control of Noise Pollution in the ACT.
- 2.57 There are also a number of Memorandums of Understanding between ACT Policing and ACT non-government organisations including: Lifeline, RSPCA, Canberra Rape Crisis Centre and Service Assisting Male Survivors of Sexual Assault, ACT Crime Stoppers, Canberra Multicultural Forum, Domestic Violence Crisis Service, Catholic Care and Aerial Capital Group.

³⁸ 2011-2016 Policing Arrangement, clause 8.

- 2.58 A number of Memorandums of Understanding exist between ACT Policing and a range of ACT entities; government and non-government. The Justice and Community Safety Directorate has limited awareness of, and does not maintain, a register of Memorandums of Understanding that ACT Policing has developed with other entities. The Justice and Community Safety Directorate's limited awareness of ACT Policing Memorandums of Understanding may impair its ability to oversee or otherwise manage the Policing Arrangement.

RECOMMENDATION 1

MEMORANDUMS OF UNDERSTANDING

The Justice and Community Safety Directorate should initiate action to develop, with ACT Policing, a system that provides the Justice and Community Safety Directorate with an increased awareness of all Memorandums of Understanding that ACT Policing has entered into with other organisations.

3 MANAGING THE ARRANGEMENTS FOR THE DELIVERY OF POLICING SERVICES IN THE ACT

- 3.1 This chapter examines the Justice and Community Safety Directorate's management of the Policing Arrangement and Purchase Agreements. This includes the Justice and Community Safety Directorate's management arrangements; mechanisms for specifying the outcomes and outputs that ACT Policing is to provide; and the administration of payments for policing services.

Summary

Conclusion

The services and deliverables to be provided by ACT Policing are well described in annual Purchase Agreements, which identify the outcomes, outputs, strategies and associated performance measures and indicators of effectiveness associated with the delivery of policing services in the ACT. These are effectively supplemented by annual Ministerial Directions, which are incorporated into ACT Policing annual Business Plans.

Payments for services are negotiated and determined on an annual basis, and rely in large part on Commonwealth cost-recovery principles and practices. Since 2014-15 there has been a well-developed and agreed methodology for the calculation of payments for enabling costs, i.e. organisational and corporate overhead costs on the part of AFP that are attributed to ACT Policing.

The Justice and Community Safety Directorate's management of the Policing Arrangement and annual Purchase Agreements could be improved by identifying, with greater clarity, its role in managing the Policing Arrangement and supporting Purchase Agreements, and implementing more rigorous risk management practices.

Key findings

Paragraph

The Policing Arrangement, Purchase Agreement and Ministerial Directions provide appropriate guidance to ACT Policing for the provision of police services to the ACT Government. While some of the Justice and Community Safety Directorate's responsibilities are identified, specifically with respect to its responsibilities and obligations for infrastructure management and maintenance and payment arrangements, the full scope of its role is not clearly articulated in the Policing Arrangement and Purchase Agreement.

3.10

The Justice and Community Safety Directorate's role in administering and managing

the Policing Arrangement for the ACT Government is not defined in the Policing Arrangement or annual Purchase Agreements.

Under the Policing Arrangement, operational policy and its implementation are the responsibility of ACT Policing. The Justice and Community Safety Directorate contributes through strategic police policy advice and in addressing associated legislative reforms. 3.22

The Justice and Community Safety Directorate does not have a robust risk management framework in place for the management of the Policing Arrangement and associated Purchase Agreement. The Justice and Community Safety Directorate has not systematically assessed, managed or monitored the risks associated with the management, service delivery or negotiation of the Policing Arrangement or Purchase Agreement. 3.35

There are a range of communication forums and mechanisms in place between the Justice and Community Safety Directorate and ACT Policing. These communication forums provide for regular and ongoing communication between senior representatives of the organisations. 3.46

Outcomes and outputs expected from ACT Policing in consideration for the ACT Government funding provided to the AFP are clearly identified through the annual Purchase Agreement. These are supported by clearly identified strategies, with supporting performance measures and indicators of effectiveness. 3.52

Ministerial Directions have been issued annually since 2007-08 and there have been nine Ministerial Directions issued in total since then. The focus of Ministerial Directions has ranged across a number of areas since 2007-08, reflecting the changing focus and priority of the ACT Government with respect to policing in the ACT. The Ministerial Directions provide a useful mechanism to provide general directions to ACT Policing. 3.57

The 2015-16 Purchase Agreement includes specific clauses that provide for ACT Policing to support relevant ACT Government strategies. ACT Policing's activities and initiatives in support of these strategies have been specifically reported against in its quarterly reporting to the Territory. 3.59

Analysis of funding provided to ACT Policing for the provision of policing services in the ACT shows that: 3.63

- with the exception of 2012-2013, since 2010-2011 the increase in annual funding has been less than in previous years; and
- annual funding decreased from five to one percent between 2010-2011 and 2011-2012.

The Justice and Community Safety Directorate and ACT Policing have an agreed model for calculating the cost of enabling services, for AFP corporate and administrative activities, to be charged to the Territory as part of the cost of delivering policing services in the ACT. The agreed model was reviewed and found to be reasonable in a 2014 review by a consulting firm. The agreed model is to be incorporated into the next Policing Arrangement. 3.81

Analysis of ACT Policing FTE numbers in Purchase Agreements shows that: 3.86

- since 2006-2007 total FTE numbers have increased by 103 (12.4 percent);
- total FTE numbers have remained the same (931 to 932) since 2011-2012.

Since 2013-14, a General Savings Measure of one percent has been applied to the Territorial appropriation for ACT Policing. Between 2013-14 and 2016-17 this is expected to result in a cumulative budget reduction to ACT Policing of approximately \$15.4 million. ACT Policing has achieved these savings measures through a reduction in the budgeted FTE and corporate services. To date there is no evidence that this has impacted the quality and effectiveness of service delivery, as ACT Policing has continued to deliver on its outcomes and outputs and meet its performance measures. 3.93

Justice and Community Safety Directorate management arrangements

3.2 In reviewing the Justice and Community Safety Directorate's management arrangements for the ACT Policing Arrangement and associated Purchase Agreement for the AFP's delivery of policing services for the Territory, the Audit Office considered three areas fundamental to effective management of these agreements:

- roles and responsibilities;
- risk management; and
- communication.

Roles and responsibilities

- 3.3 It is important to ensure that management roles and responsibilities are clear and well understood with respect to the delivery of policing services in the ACT. This means that the Justice and Community Safety Directorate, as the responsible ACT Government entity, should ensure that:
- its staff understand their responsibilities and the tasks required to effectively manage the relationship with ACT Policing, including the Policing Arrangement and Purchase Agreement;
 - it provides staff with the necessary resources for the required activities to be effectively undertaken; and
 - appropriate governance structures exist to support these activities.
- 3.4 Providing staff involved in managing the Policing Arrangement and Purchase Agreement with specific guidance on their roles and responsibilities mitigates against the risk that essential activities are omitted if staff involved think those activities are being managed by others. Guidance should include defining with whom responsibility resides for:
- managing the day to day relationship with the service provider;
 - deciding on the reporting arrangements to be implemented to allow management an adequate level of assurance that services are being delivered to the required standards;
 - monitoring reporting by the service provider; and
 - assessing if value for money is being achieved.
- 3.5 It is also important that ACT Policing's roles and responsibilities, in relation to facilitating the Justice and Community Safety Directorate's management of the Policing Arrangement and Purchase Agreement, are clear.

Joint Study into ACT Policing

- 3.6 As discussed in paragraphs 1.10 to 1.11, in 2005 the Justice and Community Safety Directorate and ACT Policing jointly commissioned a review by KPMG and John Valentin and Associates of the (then) Policing Arrangement and Purchase Agreement. Recommendation Four of the June 2005 report on this review stated:

The role and functions of the Department of Justice and Community Safety in respect of the management of the Policing Arrangement and Purchase Agreements, the provision of policy advice to the Minister on policing matters and consequential arrangements between the Chief Executive of the Department, the Chief Police Officer and the Minister are formalised, without inhibiting the independent reporting and advisory responsibilities of the Chief Police Officer to the Minister.³⁹

³⁹ KPMG and John Valentin & Associates, *Joint Study into ACT Policing*, 2005.

- 3.7 The Legislation Policy and Programs Branch (Justice and Community Safety Directorate) informed the Audit Office that its current roles and functions in relation to the Policing Arrangement (and the Purchase Agreement) included 'contract management, government business and policy development'. Examples of these activities include:
- coordinating Purchase Agreement and Policing Arrangement negotiation meetings: drafting agendas, agenda papers, chairing briefs, minutes and progressing action items;
 - reviewing quarterly reports and templates;
 - briefing the ACT Government on AFP Enterprise Agreement negotiations,
 - providing input into the AFP Future Directions document and ACT Policing business cases;
 - working on negotiations on the General Savings Measure;
 - reviewing ACT Policing Question Time Briefs; and
 - contributing to the development of policy on police pursuits, mainly through the management of related legislative changes.
- 3.8 Legislation Policy and Programs Branch also advised the Audit Office that policy development and stakeholder engagement for specific issues are quite different to general management of the Policing Arrangement.
- 3.9 Capital Works and Infrastructure, the Deputy Director-General (Community Safety) and the Chief Finance Officer, Justice and Community Safety Directorate, participate in the Strategic Accommodation Committee which has oversight of the accommodation strategy for ACT Policing facilities provided by ACT Government.⁴⁰ Justice and Community Safety Directorate, in consultation with ACT Policing, manages the Territorial Capital Upgrade program funding for ACT Policing facilities.⁴¹
- 3.10 The Policing Arrangement, Purchase Agreement and Ministerial Directions provide appropriate guidance to ACT Policing for the provision of police services to the ACT Government. While some of the Justice and Community Safety Directorate's responsibilities are identified, specifically with respect to its responsibilities and obligations for infrastructure management and maintenance and payment arrangements, the full scope of its role is not clearly articulated in the Policing Arrangement and Purchase Agreement. The Justice and Community Safety Directorate's role in administering and managing the Policing Arrangement for the ACT Government is not defined in the Policing Arrangement or annual Purchase Agreements.

⁴⁰ Officers from ACT Treasury attend as necessary.

⁴¹ 2015-16 Purchase Agreement, p 2.

- 3.11 Inclusion of greater clarity in the Policing Arrangement and Purchase Agreement as to the full scope of Justice and Community Safety Directorate's role in managing these agreements for the ACT would provide the Justice and Community Safety Directorate and ACT Policing with greater guidance as to the responsibilities of each agency in the day to day management of the Policing Arrangement and Purchase Agreement.

Policy development

- 3.12 State and territory governments provide policy advice and service delivery in a range of areas such as health, education, transport and planning; for example, the Justice and Community Safety Directorate provides policy advice and delivers services in corrective services. The Justice and Community Safety Directorate (Legislation Policy and Programs Branch) has administrative responsibility for the Policing Arrangement and Purchase Agreements and is involved in the ACT Government's policy development related to ACT Policing.⁴²
- 3.13 Police services necessarily operate independently of government. While government departments often provide policy advice it is usually non-operational or developed in consultation with the police service, acknowledging the need for operational independence of policing. The Legislation Policy and Programs Branch, Justice and Community Safety Directorate, provides advice on strategic police policy development, including managing related reforms to legislation.
- 3.14 Ministerial Directions provides general directions as to ACT Policing policy, priorities and goals. However, operational policy, including those operational policies that support ACT Government's overall policy direction, is determined by ACT Policing which operates under the AFP policy framework. This was noted in the Revised Explanatory Statement for the *Road Transport Legislation Amendment Bill 2016* which states that: 'ACT Policing will implement this change through an internal guideline, reflecting that this is an operational policy that is the responsibility of ACT Policing'.⁴³
- 3.15 The 2011-2016 Policing Arrangement has a section titled 'Policy matters' in which ACT Policing's role in policy development and the operational independence of the Chief Police Officer are detailed. It does not include any information on the Justice and Community Safety Directorate's role in policy development. There would be benefit in future Policing Arrangements specifying the roles of all relevant parties in the development of policing policy, including the Justice and Community Safety Directorate.
- 3.16 ACT Policing defines policy from three aspects:
- internal ACT Policing governance: policy development for the operations of ACT Policing, the responsibility of the ACT Chief Police Officer and the Commissioner of the AFP;

⁴² Administrative Arrangements 2016, (No 1), Notifiable Instrument 2016-41, p 7.

⁴³ Revised Explanatory Statement, Road Transport Legislation Amendment Bill 2016, p 1.

- Ministerial Directions: general policy directions from the Minister for Police and Emergency Services to the Chief Police Officer; and
- ACT Government policy priorities: policy with respect to law enforcement. ACT Policing is a key stakeholder and is involved in policy development and implementation.

3.17 There is a lack of specification of the Justice and Community Safety Directorate's role in relation to strategic police policy development in the Policing Arrangement. However, recent experience with the development of reforms of police pursuits has demonstrated that the Justice and Community Safety Directorate has been an effective contributor during this process.

Development of a new policy for police pursuits

3.18 Changes to the policy for police pursuits were announced in the ACT during audit fieldwork (March 2016). This policy was developed by the Ministerial, Policy and Performance Team in ACT Policing. The Justice Planning and Safety Programs area of the Legislation, Policy and Program Branch in the Justice and Community Safety Directorate responded to the ACT Policing review, provided input to the working group and oversaw the resulting legislative reforms.

3.19 According to the Revised Explanatory Statement for the *Road Transport Legislation Amendment Bill 2016* the Bill amended ACT road transport legislation:

to complement ACT Government and ACT Policing efforts to reduce the number of police pursuits on ACT roads. The amendments enhance the ability of police to prevent, apprehend and prosecute drivers or riders who flee from police without the need to undertake a police pursuit.⁴⁴

3.20 The development of the revised police pursuits policy:

- was initiated by the Chief Police Officer in April 2014;
- involved a working group which included ACT Policing and the Justice and Community Safety Directorate;
- included research of other jurisdictions' practice; and
- acknowledged that, while the Justice and Community Safety Directorate had significant input, operational policy is the responsibility of ACT Policing.⁴⁵

3.21 Other policies, such as family violence, may require the application of similar approaches in the future because of linkages to new legislation or changes to existing legislation.

⁴⁴ Revised Explanatory Statement, Road Transport Legislation Amendment Bill 2016, p 1.

⁴⁵ Revised Explanatory Statement, Road Transport Legislation Amendment Bill 2016, p 1.

- 3.22 Under the Policing Arrangement, operational policy and its implementation are the responsibility of ACT Policing. The Justice and Community Safety Directorate contributes through strategic police policy advice and in addressing associated legislative reforms.

**RECOMMENDATION 2 ARTICULATION OF JUSTICE AND COMMUNITY SAFETY
DIRECTORATE ROLE**

The Justice and Community Safety Directorate should, with ACT Policing, define the directorate's role and responsibilities, including in relation to strategic police policy development, in future Policing Arrangements and Purchase Agreements. This should be commensurate with the details currently included regarding ACT Policing's role and responsibilities.

Risk Management

- 3.23 Risk management is an important part of governance and should be incorporated at all levels of management. It is an integral part of management and is applicable to both negotiating for the provision of a service and to service provision.

Justice and Community Safety Directorate Risk Management of the ACT Policing Arrangement

- 3.24 While not responsible for operational risks in relation to policing in the ACT (which under the Policing Arrangement rest with ACT Policing), the Justice and Community Safety Directorate is responsible for identifying, managing and monitoring risks related to the development and management of the Policing Arrangement and Purchase Agreement.
- 3.25 The Justice and Community Safety Directorate Strategic Risk Register (May 2013) under Item 7, Operational, 7.5 Grant and Contract Management identifies the risk 'Unable to manage major contracts and grant payments' for ACT Policing. The risk is not rated and there is no other information or analysis shown against this risk.
- 3.26 Risk management plans addressing risks for policing in the ACT, as identified by the Justice Planning and Safety Programs area of the Legislation, Policy and Program Branch, are available for 2007, 2008 and early 2009. While identifying risks and mitigating actions these plans do not rate or prioritise risks. However, they have been updated with respect to 'State of Play' and, in that way, provided some risk management. The updates are not dated.
- 3.27 A Justice and Community Safety Directorate Project Plan, created in January 2015 for the purpose of negotiating the 2016-2021 Policing Arrangement, includes a section on risks. Table 3-1 shows the risks identified for the purpose of negotiating the 2016-2021 Policing Arrangement.

Table 3-1 Risks identified in negotiation the 2016-2021 Policing Arrangement

Project risks – high or extreme	Mitigation
Agreement is not reached between ACT Government, AFP and ACT Policing.	Ongoing close communication and higher-level representation on the steering committee.
Increased costs to the ACT.	Treasury representation on the steering committee.

Source: Project Plan, Legislation, Policy and Programs Branch

- 3.28 There is no explanation as to what contributed to the high or extreme risk rating and nothing to show that the risks have been monitored during the negotiation of the 2016-2021 Policing Arrangement.
- 3.29 As ACT Policing is part of the AFP, ACT Policing operational risks are addressed through the AFP's own risk management arrangements. In its 2012 performance audit report *The Provision of Policing Services to the Australian Capital Territory*, the Australian National Audit Office assessed ACT Policing's operational risk management approach as sound, complementing the agency wide framework.⁴⁶
- 3.30 Ideally, risks would be identified at the commencement of the negotiation process for each new Policing Arrangement or Purchase Agreement and then taken into account in their development. Further risk mitigation strategies would then be built into the governance arrangements established by the Justice and Community Safety Directorate to manage the Policing Arrangement and Purchase Agreements.
- 3.31 Risks for the Policing Arrangement and Purchase Agreement can be divided into two categories:
- risks relating to the delivery of the required services by ACT Policing (service delivery risks – quality, timeliness, cost, facilities etc); and
 - risks relating to the Justice and Community Safety Directorate's ability to effectively manage the agreements to deliver these services (political, management, staff capacity/capability).
- 3.32 There is no evidence that the Justice and Community Safety Directorate has given consideration to potential risks in relation to either service delivery or management capability. It would be prudent for Justice and Community Safety Directorate to consider those risks and implement any required mitigation strategies as part of negotiations for future Policing Arrangements. Table 3-2 provides an example of some of the risks that the Justice and Community Safety Directorate could consider as part of this process.

⁴⁶ ANAO Audit Report No. 13 2012-13, *The Provision of Policing Services to the Australian Capital Territory*, p 47.

Table 3-2 Risks that could be considered in developing a new ACT Policing Arrangement and Purchase Agreement

Category of risk	Risk
ACT Policing performance	<ul style="list-style-type: none"> • Failure to provide deliverables on time, to the agreed quality standards; • Failure to adhere to the agreed budget; • Failure to comply with all provisions, for example, reporting; and • Failure to comply with Ministerial Directions.
JACS management capability	<ul style="list-style-type: none"> • Lack of a Policing Arrangement and Purchase Agreement management framework which clearly allocates roles and responsibilities within JACS; • Failure to have sufficiently skilled and experienced resources to effectively manage the Policing Arrangement and Purchase Agreements; • Lack of recognition of the importance of managing the Policing Arrangement and Purchase Agreements; • Failure to meet its obligations to ACT Policing under the Arrangement and Agreements; and • Failure to act on any ACT Policing underperformance.
Stakeholder relationships	<ul style="list-style-type: none"> • ACT Minister for Police and Emergency Services and/or JACS Director-General not consulted and/or kept informed about ACT Policing performance; • Changes in ACT Minister for Police and Emergency Services and/or JACS Director-General expectations not communicated to Policing Arrangement and Purchase Agreement manager; and • Differing and/or conflicting expectations between ACT Minister for Police and Emergency Services and/or JACS Director-General.
Changes in circumstances and/or requirements	<ul style="list-style-type: none"> • Policing Arrangement and Purchase Agreement changes not dealt with as formal variations of the agreements; • ACT Policing not prepared to agree to Policing Arrangement and/or Purchase Agreement variations to accommodate changes in entity requirements of ACT Minister for Police and Emergency Services and/or JACS Director-General; and • Changes in circumstances not managed in a timely manner.

Source: Audit Office analysis. Note: JACS is used in place of Justice and Community Safety Directorate.

3.33 Ensuring that any identified risks are managed appropriately may also require a specific risk mitigation plan to be developed. Such a plan may consist of a simple checklist or it may be a detailed plan that requires periodic review and updating throughout the life of the relevant agreement. Where an agreement is to be managed by a team over a longer period of time, a plan may assist with coordination among team members and stakeholders. The risks identified in Table 3-2 would be a useful starting point for any plan or checklist developed to guide management of the Policing Arrangement and Purchase Agreement. In addition, consideration should be given to the need to develop appropriate contingency plans to address unplanned or unexpected events. Such plans may be required where the consequence of agreement failure on any particular aspect of service delivery is critical to a range of stakeholders, such as members of the public.

- 3.34 ACT Policing advised the Audit Office that a Justice and Community Safety Directorate risk management plan for the Policing Arrangement and Purchase Agreement would complement the existing Strategic Risk Profile and Risk Assessment Treatment Plans that ACT Policing currently have in place. It would be beneficial to both parties in the identification of risks related to the development and execution of the Arrangement and Agreement.
- 3.35 The Justice and Community Safety Directorate does not have a robust risk management framework in place for the management of the Policing Arrangement and associated Purchase Agreement. The Justice and Community Safety Directorate has not systematically assessed, managed or monitored the risks associated with the management, service delivery or negotiation of the Policing Arrangement or Purchase Agreement.

RECOMMENDATION 3 JUSTICE AND COMMUNITY SAFETY DIRECTORATE RISK MANAGEMENT

The Justice and Community Safety Directorate should develop a risk management plan for its management of the Policing Arrangement and associated Policing Agreement. The risk management plan should include risks associated with negotiating each Policing Arrangement and Purchase Agreement and the risks to the Justice and Community Safety Directorate and ACT Government in their implementation.

Communication

- 3.36 It is important that the Justice and Community Safety Directorate and ACT Policing have effective communication arrangements in place for the management and oversight of policing services in the ACT. The Audit Office considered the communication arrangements in place between the Justice and Community Safety Directorate and ACT Policing, which are primarily facilitated through committees and organised regular meetings.

Senior management meetings

- 3.37 ACT Policing attends a number of meetings with ACT Government including the Minister for Police, Justice and Community Safety Directorate and related areas. These include:
- liaison meetings, such as those between the Minister for Police, the Chief Police Officer and the Director-General, Justice and Community Safety Directorate; and
 - others where ACT Policing provides operational input, such as the Emergency Management Committee of Cabinet.

3.38 Table 3-3 shows meetings between senior management of the Justice and Community Safety Directorate and ACT Policing.

Table 3-3 Senior management meetings between Justice and Community Safety Directorate and ACT Policing

Meeting	Attendees	Agenda and Papers	Frequency
Monthly liaison meeting	Minister for Police and Emergency Services (MPES), Chief Police Officer and Director-General, JACS.	ACT Policing/ MPES	Monthly
Monthly liaison meeting	Director-General, JACS and Chief Police Officer.	None: Agenda decided by participants	Monthly
Liaison meeting	Deputy Director-General, JACS and Deputy Chief Police Officers.	None	Monthly and more regularly if required.
Annual Purchase Agreement Negotiation Meetings	Director-General; Deputy Director-General; Chief Police Officer Other representatives: JACS - Strategic Finance; Legislation, Policy and Programs ACT Policing - Ministerial, Policy and Performance Team; Corporate Services.	Yes	Monthly
Policing Arrangement	Director-General; Deputy Director-General; Chief Police Officer Other representatives: JACS - Strategic Finance; Legislation, Policy and Programs ACT Policing: Ministerial, Policy and Performance Team; and Corporate Services ACT Treasury.	Yes	Monthly for about eight months every five years.
Strategic Accommodation Committee	Director-General or Deputy Director-General (Community Safety), Chief Finance Officer, Executive Director Capital Works and Infrastructure, JACS; Chief Police Officer or Deputy Chief Police Officer, Crime, Director, Corporate Services and Coordinator, Finance and Logistics, ACT Policing.	ACT Policing and Capital Works and Infrastructure, JACS.	Quarterly

Source: JACS and ACT Policing. Note: JACS is used in place of Justice and Community Safety Directorate.

3.39 Table 3-4 shows meetings attended by ACT Policing and other ACT Government agencies.

Table 3-4 Senior ACT Policing meetings with other ACT Government and non-government entities

ACT Policing Officer	Agency
Chief Police Officer	Security & Emergency Management Committee of Cabinet ⁴⁷
	Security & Emergency Management Senior Officials Group
	Aboriginal & Torres Strait Islander Sub-committee to the ACT Strategic Board
	Law Reform Advisory Council
Deputy Chief Police Officer – Response	Liquor Advisory Board
	Road Safety Executive Group
Deputy Chief Police Officer – Crime	Victims Advisory Board
	Domestic Violence Prevention Council
	ACT Crime Stoppers Board ⁴⁸
	ACT Child & Young People Taskforce
	Justice Reform Strategy Advisory Group
	Coordinator General on Domestic & Family Violence

Source: JACS and ACT Policing. Note: JACS is used in place of Justice and Community Safety Directorate.

Policing Arrangement and Purchase Agreement Committees

3.40 No specific committees are directly required under the Policing Arrangement or 2015-16 Purchase Agreement, with the exception of the Strategic Accommodation Committee, which is required by clause 4.7 of the 2011-2016 Policing Arrangement. However, both the Policing Arrangement and Purchase Agreement require negotiation of the next Arrangement and Agreement. This is achieved through respective Negotiation Steering Committees.

Committees to negotiate Policing Arrangement and Purchase Agreement

3.41 The timetable in which the negotiation for the next Policing Arrangement and Purchase Agreement is to occur is detailed in each. This includes:

- negotiations about the terms and conditions of a renewal of the Policing Arrangement is to be commenced two years prior to its expiry;⁴⁹ and
- an annual timetable for 'developing the Agreement is detailed at Schedule 5'.⁵⁰

⁴⁷ The Security and Emergency Management Committee meets as required and comprises all ministers, the Directors-General of the CMTED, Justice and Community Safety, Health, Territory and Municipal Services and the Community Services Directorates; the Chief Police Officer, ACT Policing; the Commissioner, Emergency Services Agency; and the Chief Health Officer.

⁴⁸ Crime Stoppers is a community based, not-for-profit organisation; a partnership between the community, media and police. <https://act.crimestoppers.com.au/about-us/crime-stoppers-act> Accessed 13 May 2016.

⁴⁹ 2011-2016 Policing Arrangement, clause 15.2, p 9.

3.42 The meetings held to negotiate the Policing Arrangement and Purchase Agreements include:

- Negotiation Steering Committee – negotiation of new Policing Arrangement;
- Working Groups – appointed as required to support the work of the Negotiation Steering Committee; and
- Steering Committee – negotiation of new Purchase Agreements.⁵¹

KPI Review Panel

3.43 The 2011-2016 Policing Arrangement specifies a committee (review panel) that may be formed in response to a KPI in the Purchase Agreement being ‘not consistently met over the period of a purchase agreement’.⁵² In that situation the Minister for Police may direct a review panel ‘to consider performance against the KPI and make recommendations to the Police Minister for remedial action’.⁵³ The KPI review panel has not met, as it has not been necessary to address non-performance against an identified performance measure.

Strategic Accommodation Committee

3.44 Under ‘Provision of Police Services to the ACT’⁵⁴ the 2011-2016 Policing Arrangement notes that the ‘ACT Government and the AFP will, by way of a joint committee, develop a plan to apportion individual responsibilities for the maintenance of structures and facilities and the provision of fittings during the term of this Arrangement’.⁵⁵

3.45 The 2015-16 Purchase Agreement requires, under the Facilities and Structures section, that ‘(i)n accordance with clause 4.7 of the Arrangement, a committee (the Justice and Community Safety Directorate and ACT Policing Strategic Accommodation Committee) has been established. The committee has agreed a model for appointing responsibilities for the maintenance and fitting of the facilities provided by the ACT Government’.⁵⁶

3.46 There are a range of communication forums and mechanisms in place between the Justice and Community Safety Directorate and ACT Policing. These communication forums provide for regular and ongoing communication between senior representatives of the organisations.

⁵⁰ 2015-16 Purchase Agreement, clause 36, p 5. Schedule 5 sets out: exchange of letters to commence negotiation, commencement of negotiation, endorsement of Purchase Agreement by Chief Police Officer and Justice and Community Safety Director-General, AFP Commissioner and ACT Minister agreement and signing of Purchase Agreement (p 25).

⁵¹ These meetings are discussed in Chapter 3.

⁵² 2011-2016 Policing Arrangement, clause 16.3.

⁵³ 2011-2016 Policing Arrangement, clause 16.3.

⁵⁴ 2011-2016 Policing Arrangement, clause 4.

⁵⁵ 2011-2016 Policing Arrangement, clause 4.7.

⁵⁶ 2015-16 Purchase Agreement, clause 12.

Specifying the policing services purchased from ACT Policing

Policing Arrangement and Purchase agreement

3.47 Police services are defined in the 2011-2016 Policing Arrangement as:

(C)ommunity policing services provided for under this Arrangement, the Purchase Agreement and the AFP Act which include, but are not necessarily limited to, the preservation of peace and good order, the prevention and detection of crime and the protection of persons from injury or death, and the protection of property from damage, whether arising from criminal acts or otherwise.⁵⁷

3.48 The annual Purchase Agreement then sets out the outcomes to be provided by ACT Policing for that year in consideration for the payments to the AFP by the ACT Government. Table 3-5 details the deliverables specified in the 2015-16 Purchase Agreement which include the outcomes sought, the specific outputs to be provided and the strategies for achieving them.

Table 3-5 2015-16 Purchase Agreement deliverables: outcomes, outputs and strategies⁵⁸

Outcome	Output	Strategies
Reduce Crime	Crime prevention and reduction	<p>Prevent or reduce crime and violence.</p> <ul style="list-style-type: none"> Continued support and delivery against the Property Crime Reduction Strategy 2012-2015 Promote innovative and enduring community crime prevention strategies and programs Preventing and reducing opportunities for crime to occur and/or reoccur
	Criminal investigation and prosecutions	<p>Enhance response to and investigation of offences.</p> <ul style="list-style-type: none"> Forge strong partnerships with key stakeholders to facilitate whole-of-government and cross-jurisdictional information sharing and collaboration Apply effective technology and forensic science capabilities Effectively use intelligence from a wide range of sources <p>Effective and efficient support to the judicial process.</p> <ul style="list-style-type: none"> Promote a robust partnership between ACT Director of Public Prosecutions, ACT Law Courts, JACS and the community to enhance criminal justice outcomes Deliver a high standard of briefs of evidence in a timely manner Facilitate a more efficient criminal justice system with emphasis on timely preventative justice measures and judicial process

⁵⁷ 2011-2016 Policing Arrangement, definitions, p 3.

⁵⁸ 2015-16 Purchase Agreement, pp 9-11.

Outcome	Output	Strategies
Public Safety	Police response	Responsiveness to calls and incidents taking into consideration public and police safety. <ul style="list-style-type: none"> Response meets the expectations of community needs Ensure resources meet demands Enhance police responsiveness through mobility solutions
	Public order and emergency management	Effective planning and management of major community events and public demonstrations. <ul style="list-style-type: none"> Work with the community and other agencies to contribute to improved events management Review and improve existing arrangements around scheduled annual major public events Conduct post operational assessments with relevant stakeholders to ensure best practice Respond to emergencies and disasters. <ul style="list-style-type: none"> Work with partners to develop and maintain preparedness Review and improve multi-agency emergency management and plans and responses Conduct post operational assessment processes with relevant stakeholders to ensure best practice
	Road safety and traffic management	Collaborate with partner agencies to improve and promote road safety through education, innovation and targeted enforcement. <ul style="list-style-type: none"> Continue to deliver against the ACT Road Safety Strategy and Action Plan Maintain targeted campaigns to align with the ACT Road Safety Calendar Aspire to reduce the annual number of road crash fatalities and serious injuries by at least 30 percent by 2020
Community and Partner Engagement	Community support and Whole-of-Government collaboration	Increase community confidence in police. <ul style="list-style-type: none"> Develop and deliver innovative communication strategies to share information and foster community participation Maintain the use of social media to provide real time information to support and serve the needs of the community Collaborate with partner agencies, business and community groups to support community events Increase support for early intervention and diversion. <ul style="list-style-type: none"> Collaborate with partner agencies and community groups to prevent and reduce recidivism, prevent repeat victimisation and protect 'at risk'/vulnerable groups Continued support and delivery against the ACT Aboriginal Justice Partnership 2015-18 to prevent and reduce the number of Aboriginal and Torres Strait islander people coming into contact with the criminal justice system Support strategies and initiatives that deter, detect and prevent violence against women and children

Outcome	Output	Strategies
		Enhance and strengthen resilience of communities. <ul style="list-style-type: none"> • Work with community and partners to reduce tolerance for crime • Support community derived safety and security initiatives • Build relationships with vulnerable community groups

Source: Audit Office analysis of 2015-2016 Purchase Agreement. Note: JACS is used in place of Justice and Community Safety Directorate.

3.49 Outcomes and outputs identified in annual Purchase Agreements are supported by a comprehensive set of performance measures and indicators of effectiveness. According to the 2015-16 Purchase Agreement, performance measures 'are an important element of determining the appropriate allocation of resources in ACT Policing'.

3.50 Following a review conducted by the ACT Government and ACT Policing, the 2015-16 Purchase Agreement incorporated a revised approach to the performance measurement framework (see Chapter 4 for further information on this review). Termed an 'outcome-focused framework' the revised approach is expected to enhance accountability for the delivery of services and provide clearer linkages between ACT Policing's outcomes, outputs, strategies and individual measures.⁵⁹

3.51 However, in implementing the revised performance measurement approach the price of the individual outputs contributing to the outcome was omitted from the relevant schedule in the 2015-16 Purchase Agreement (Schedule 1). This is consistent with: the move towards a more outcomes-focused framework; the practice in other jurisdictions; and providing the Chief Police Officer greater discretion in applying resources in order to meet required outcomes.

3.52 Outcomes and outputs expected from ACT Policing in consideration for the ACT Government funding provided to the AFP are clearly identified through the annual Purchase Agreement. These are supported by clearly identified strategies, with supporting performance measures and indicators of effectiveness.

Ministerial Directions

3.53 Ministerial Directions from the ACT Minister for Police to ACT Policing are provided for in the 2006-2011 and 2011-2016 Policing Arrangement. As discussed in paragraphs 2.38 to 2.40, Ministerial Directions provide an additional avenue for ACT Government to provide general directions for ACT Policing. Ministerial Directions have been issued annually since 2007-08; there have been nine Ministerial Directions issued since then.

⁵⁹ 2015-16 Purchase Agreement, p 4.

3.54 The first Purchase Agreement to specifically refer to, and allow for, such Ministerial Directions was the 2014-15 Purchase Agreement. In accordance with Section Six of the 2011-2016 Policing Arrangement, under the 2014-15 and 2015-16 Purchase Agreements provision is made for the ACT Minister for Police and Emergency Services, to 'give the Chief Police Officer general directions to give special operational emphasis to particular areas of focus'.⁶⁰

3.55 The following areas of focus were identified in the 2015-2016 Ministerial Direction:

- Continuing to focus on prevention of domestic and family violence, by:
 - Actively working with partner agencies in developing and implementing a risk assessment tool to identify and manage instances of domestic and family violence;
 - Ensuring appropriate training for officers at all levels to develop effective responses to instances of domestic and family violence: and
 - Realising the vision and objectives of the ACT Prevention of Violence against Women and Children Strategy 2011-2017;
- Improving road safety through particular emphasis on safety around school zones and combating anti-social and dangerous driving behaviours; and
- Providing a leadership role with partner agencies in realising the vision and objectives of the whole-of-government strategies, including, but not limited to, the strategies set out in the 2015-16 Annual Purchase Agreement.⁶¹

3.56 Detailed analysis of Ministerial Directions over time shows that:

- from 2007-2008 to 2015-2016 improving road safety and property crime reduction received continuous attention with the exception of 2013-2014 for improving road safety and 2008-2009 and 2009-2010 for property crime reduction;
- from 2007-2008 to 2010-2011 increasing visibility of police in the community received continuous attention; increasing the capacity of ACT Policing to respond to incidents; better outcomes for victims of crime; and contributing to improvement in, and public perception of, public safety received attention for two years;
- working with other ACT agencies to combat alcohol related violence in public places received attention for four years (2009-2010 and 2012-13 to 2014-2015) as did realising the *ACT 2010-13 ATSI Justice Agreement* (2011-2012 and 2013-2014 – 2015-2016);
- realising the *Blueprint for Youth Justice 2012-22* received attention for three years (2013-2014 – 2015-2016);
- prevention of violence against women and children received attention for two years (2014-2015 – 2015-2016); and

⁶⁰ 2015-16 Purchase Agreement, p 6.

⁶¹ 2015-16 Purchase Agreement Strategies: Property Crime Reduction; Blueprint for Youth Justice in the ACT 2012-22; ACT Prevention of Violence Against Women and Children Strategy 2011-17; Aboriginal and Torres Strait Islander Justice Partnership; Road Safety Strategy 2011-20; Justice Reform Strategy; and Justice Reinvestment Strategy.

- from 2007-2008 to 2015-2016 trafficking of illegal drugs and criminal consequences of drug consumption; the delivery of ACT liquor industry reforms; the *Road Safety Strategy 2011-20*, *Justice Reform Strategy* and *Justice Reinvestment Strategy*; and developing and implementing a mental health intervention strategy received attention for one year.

3.57 Ministerial Directions have been issued annually since 2007-08 and there have been nine Ministerial Directions issued in total since then. The focus of Ministerial Directions has ranged across a number of areas since 2007-08, reflecting the changing focus and priority of the ACT Government with respect to policing in the ACT. The Ministerial Directions provide a useful mechanism to provide general directions to ACT Policing.

Supporting ACT Government Strategies

3.58 Clause 15 of the 2015-16 Purchase Agreement provides for the AFP to support relevant ACT Government strategies as follows:

ACT Policing will promote and support a whole of government approach to addressing crime in the ACT community while remaining responsible to changing commitments and adaptive to the needs of the community and the ACT Government; and (clause 16)

ACT Policing will support ACT government strategies and initiatives. These strategies and initiatives include but are not limited to the:

- Property Crime Reduction Strategy;
- Blueprint for Youth Justice in the ACT 2012-22;
- ACT Prevention of Violence Against Women and Children Strategy 2011-17;
- Aboriginal and Torres Strait Islander Justice Partnership;
- Road Safety Strategy 2011-20;
- Justice Reform Strategy; and
- Justice Reinvestment Strategy.⁶²

3.59 The 2015-16 Purchase Agreement includes specific clauses that provide for ACT Policing to support relevant ACT Government strategies. ACT Policing's activities and initiatives in support of these strategies have been specifically reported against in its quarterly reporting to the Territory.

⁶² 2015-16 Purchase Agreement, p 3.

Administering payments for policing services

3.60 The ACT Government, through a territorial appropriation administered by the Justice and Community Safety Directorate, pays the AFP for the provision of community policing services to the ACT each financial year.

3.61 The 2015-16 Purchase Agreement includes the total price to be paid for 'achieving the outcomes specified in this Agreement' (\$154,438,000) and the average Full Time Equivalent staff (FTE) to be provided by ACT Policing for that year (932 [including FTE involved in enabling services]). The \$154,438,000 includes the AFP's enabling costs and direct funding of \$232,000 from the Justice and Community Safety Directorate to ACT Policing for crime prevention initiatives.

3.62 Table 3-6 shows prices paid for policing services since 2006-2007.

Table 3-6 Prices paid for policing services (2006-2007 to 2015-2016)

Purchase Agreement	Price (\$)	Increase (\$)	Increase (%)
2006-2007	104,411,000	n/a	n/a
2007-2008	117,408,000	12,997,000	12
2008-2009	123,867,000	6,459,000	6
2009-2010	132,030,000	8,163,000	7
2010-2011	138,575,000	6,545,000	5
2011-2012	140,079,000	1,504,000	1
2012-2013	146,194,000	6,115,000	4
2013-2014*	150,192,000	3,998,000	3
2014-2015*	152,562,000	2,370,000	2
2015-2016*	154,438,000	1,876,000	1

Source: Audit Office analysis of Purchase Agreements – 2006-2006 to 2015-2016.

Note: *1% General Savings Measure applied in these years.

3.63 Analysis of funding provided to ACT Policing for the provision of policing services in the ACT shows that:

- with the exception of 2012-2013, since 2010-2011 the increase in annual funding has been less than in previous years; and
- annual funding decreased from five to one percent between 2010-2011 and 2011-2012.

Cost Attribution Methodology

3.64 Included in all Purchase Agreements from 2006-07 to 2015-16, the Cost Attribution Methodology, Schedule 3, Notes, states that:

- services are provided by the AFP to the ACT Government on a cost recovery basis;
- costs are calculated against defined outputs to be met by ACT Policing and some specialised elements from AFP (enabling costs);
- costs are apportioned between the ACT and Commonwealth Governments on the basis of direct and indirect cost attribution;
- enabling costs are determined using the *Commonwealth Government Cost Recovery Guidelines* where appropriate; and
- the underlying principle for determining enabling costs is the allocation of effort and cost that would not have been incurred by the AFP but for ACT Policing (new in 2015-2016 Purchase Agreement).⁶³

3.65 In summary, community policing and enabling (indirect) services are provided on a cost recovery basis, using the *Commonwealth Government Cost Recovery Guidelines* where appropriate. Enabling costs are calculated on the basis of the extra cost to the AFP for providing those services to ACT Policing; this is referred to as the 'but for' approach, i.e. but for ACT Policing the AFP would not have incurred this cost.

3.66 Under Schedule 3 – Notes, Cost Attribution Methodology, the 2015-2016 Purchase Agreement states:

The AFP provides Community Policing services to the ACT Government on a cost recovery basis. Costs are calculated against defined outputs to be met by the AFP's ACT Policing business unit and some specialised elements from the wider AFP (Enabling). ACT Policing business unit costs are apportioned between the ACT and Commonwealth Governments on the basis of direct and indirect cost attribution. Costs associated with AFP operational and corporate support (Enabling) are determined using Commonwealth Government Cost Recovery Guidelines where appropriate. *The underlying principle for determining Enabling costs is the allocation of effort and cost that would not have been incurred by the AFP but for ACT Policing.*⁶⁴

3.67 The Justice and Community Safety Directorate reported to the Audit Office its Strategic Finance area reviews the application of the Cost Recovery Guidelines to ACT Policing service costings as required.

⁶³ 2015-16 Purchase Agreement, Schedule 3 Notes, p 18.

⁶⁴ 2015-2016 Purchase Agreement, p 18. Note: the last sentence (italics) is an addition for the 2015-2016 Purchase Agreement.

Enabling services costs

- 3.68 Enabling costs are those costs associated with AFP operational and corporate support.⁶⁵ The 2015-16 Purchase Agreement describes enabling costs as '(c)osts associated with AFP operational and corporate support' and states that the 'underlying principle for determining [them] is the allocation of effort and cost that would not have been incurred by the AFP but for ACT Policing'.⁶⁶

Enabling costs rebasing exercises

- 3.69 In response to a recommendation in the ANAO's 2012 performance audit report *The Provision of Policing Services to the Australian Capital Territory*⁶⁷ the ACT Government and ACT Policing conducted an exercise to rebase the costs of enabling services.⁶⁸
- 3.70 Two rebasing exercises had been undertaken prior to the 2013-2014 exercise; one in 2000-2001 and one in 2007-2009. These were internal AFP projects and on neither occasion did the ACT Government agree to the recommendations of the exercises. Consequently there was no agreement in place between the AFP and ACT Government on the costing of enabling services prior to the 2014 KPMG assessment commissioned in response to the ANAO's 2012 performance audit report.

KPMG assessment of enabling costs

- 3.71 The Chief Minister, Treasury and Economic Development Directorate and Justice and Community Safety Directorate identified, after initial meetings with the AFP, a number of concerns in relation to the AFP's proposed approach to the enabling rebasing project. As a result the ACT Government, supported by the AFP, engaged KPMG to undertake a review of the proposed AFP enabling services costing model.
- 3.72 In June 2014 KPMG provided a report⁶⁹ on its assessment of:
- the reasonableness of the costing methodology and process applied;
 - the mathematical accuracy of the model and results reported; and
 - the overall effectiveness of the rebasing in giving a valuation of the enabling costs incurred by the AFP in the provision of the services to ACT Policing (ACTP).
- 3.73 KPMG concluded that, in general:
- ... the costing methodology achieves the objective of attributing shared AFP and ACTP costs on a marginal basis. The strengths of the proposed approach and cost model are that services identified as enabling services appear to be consistent with the Purchase Agreement, the tiered framework does provide a framework which, upon

⁶⁵ 2014-15 Purchase Agreement, p 22.

⁶⁶ 2015-16 Purchase Agreement, p 18.

⁶⁷ 'that the AFP take appropriate steps to ... agree the cost base for enabling services with the ACT Government' - ANAO Report No 13, 2012-13, *The Provision of Policing Services to the Australian Capital Territory*, p 21, Recommendation 1.

⁶⁸ Purchase Agreement, 2014-2015, Enabling Services Costs, clause 17, p 3.

⁶⁹ KPMG, Assessment of the Model for Rebasing the Cost of ACT Policing's Enabling Services, June 2014.

agreement, decisions about which costs are marginal can be based, cost pools have excluded costs where they have no relationship with ACTP, the majority of cost drivers applied appear relevant to the costs being allocated,... the underlying cost information agrees to Cost Centre reports provided to KPMG and generally the calculations in the model are accurate.⁷⁰

- 3.74 KPMG explored alternative approaches for the ACT Government to pay for enabling costs, such as paying an agreed rate per ACT Policing FTE or directly funding ACT policing enabling services business areas. KPMG concluded that the alternative approaches 'do not appear to be practical alternatives which could provide greater value for money for the ACT Government'.⁷¹
- 3.75 KPMG suggested initiatives to 'improve the repeatability and reliability of the cost model calculations and more clearly share AFP efficiencies with ACTP, and should these suggestions be implemented, the overall cost methodology and cost models appear to reasonably estimate ACTP's share of enabling expenses on a marginal basis'.⁷²

Enabling Costs Rebasing Project Steering Committee

- 3.76 The Enabling Costs Rebasing Project Steering Committee (the Steering Committee), including the AFP, Justice and Community Safety Directorate and Chief Minister, Treasury and Economic Development Directorate, agreed in early 2015 that forensic services provided to ACT Policing by the AFP should remain as enabling services for the purposes of the costing model. In doing this the Steering Committee noted clause 5.1 of the 2011-2015 Policing Arrangement which provides that the Chief Police Officer is 'responsible to the Police Minister for the achievement of the outcomes set out in the Purchase Agreement and the general management and control of the AFP personnel and resources deployed for the purposes of that Agreement'.⁷³
- 3.77 The Steering Committee also took steps to ensure that the Chief Police Officer has the greatest possible strategic and operational control of the delivery of forensic services to ACT Policing by the AFP.
- 3.78 In writing to AFP Commissioner Colvin in April 2015, the Minister for Police and Emergency Services noted that the Steering Committee had advised that it considered the enabling services costing model to be a reasonable representation of the costs incurred by the AFP in providing enabling services to ACT Policing. The Steering Committee had also made recommendations, KPMG's suggested initiatives, relating to the costing model.

⁷⁰ KPMG, *Assessment of the Model for Rebasing the Cost of ACT Policing's Enabling Services*, June 2014, p 9.

⁷¹ KPMG, *Assessment of the Model for Rebasing the Cost of ACT Policing's Enabling Services*, June 2014, p 9.

⁷² KPMG, *Assessment of the Model for Rebasing the Cost of ACT Policing's Enabling Services*, June 2014, p 9.

⁷³ 2011-2016 Policing Arrangement, clause 5.1, p 5.

3.79 Recommendations from the Steering Committee included that:

- costing models be accepted for the life of the Policing Arrangements. Consideration of the model be referred to the Arrangement steering group for acceptance as a reasonable estimate of costs ... noting that the cost estimate does not determine the fee, but rather informs fee negotiations (Recommendation 2); and
- (t)hat as part of negotiations on a new Policing Arrangement, ACTP and the ACT Government assess the feasibility of a range of other cost models to determine whether the [current] model ... should continue to be used when the new Policing Arrangement is put in place (Recommendation 10).

Enabling costs in the 2016-2021 Policing Arrangement

3.80 The Negotiation Steering Committee for the 2016-2021 Policing Arrangement has discussed the enabling services cost model. The Committee has decided to continue using the current model for enabling services for the 2016-2021 Policing Arrangement as it has agreed that the model represents a recent and comprehensive analysis of enabling costs.

3.81 The Justice and Community Safety Directorate and ACT Policing have an agreed model for calculating the cost of enabling services, for AFP corporate and administrative activities, to be charged to the Territory as part of the cost of delivering policing services in the ACT. The agreed model was reviewed and found to be reasonable in a 2014 review by a consulting firm. The agreed model is to be incorporated into the next Policing Arrangement.

ACT Policing staffing resources

3.82 An explicit requirement of the annual Purchase Agreement is the number of FTE to be provided by ACT Policing for the provision of policing services. The number of FTE in ACT Policing is considered as part of the negotiation of the annual Purchase Agreements. The FTE 'number acknowledges that actual staffing levels will vary throughout the year as staff cycle in and out of ACT Policing'.⁷⁴

3.83 Until the 2014-15 Purchase Agreement the number of FTE was identified for both direct ACT Policing FTE and enabling FTE. The enabling FTE number was described by ACT Policing as a 'notional FTE which represents services provided by the broader AFP in the delivery of community policing services to the ACT'.⁷⁵

⁷⁴ 2015-16 Purchase Agreement, p 3.

⁷⁵ *ACT Policing Annual Report 2014-15*, p 32. Enabling services include Human Resources, Information Technology, Professional Standards, Legal, Learning and Development and Forensics and include sworn and unsworn members.

3.84 The enabling FTE figure was omitted from the 2015-2016 Purchase Agreement as there was a number of factors taken into account during its negotiation in relation to the best way to represent the FTE figure, including the impact of the enabling rebasing exercise. Work is continuing as to how it will be presented in the 2016-2017 Purchase Agreement. It should be noted that ACT Policing has consistently reported, through quarterly reporting, a higher number of FTE.

3.85 Table 3-7 shows the number of FTE (plus FTE enabling where available) identified in Purchase Agreements since 2006-2007.

Table 3-7 Number of FTEs (plus FTE enabling) (2006-2007 to 2015-2016)

Year	Direct FTE	FTE enabling ⁷⁶	Total FTE	Difference*	Difference (%)
2006-2007	734	95	829	n/a	n/a
2007-2008	771	95	866	37	4
2008-2009	783	95	878	12	1
2009-2010	807	98	905	27	3
2010-2011	826	100	926	21	2
2011-2012	831	100	931	5	1
2012-2013	831	101	932	1	0
2013-2014	831	101	932	0	0
2014-2015	831	101	932	0	0
2015-2016 ⁷⁷	Not identified		932	0	0

Source: Purchase Agreements 2006-2007 through to 2015-2016

Note: * Difference from previous year.

3.86 Analysis of ACT Policing FTE numbers in Purchase Agreements shows that:

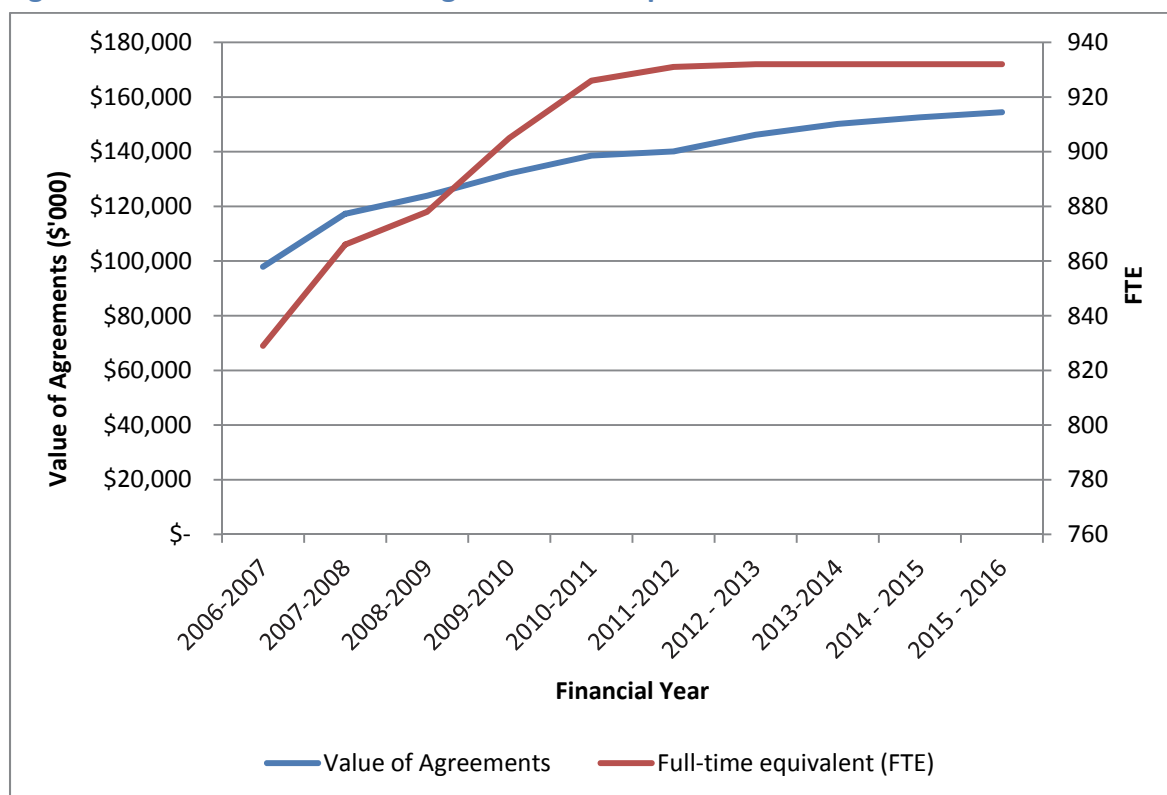
- since 2006-2007 total FTE numbers have increased by 103 (12.4 percent);
- total FTE numbers have remained the same (931 to 932) since 2011-2012.

⁷⁶ Enabling FTEs includes activities such as forensics, IT, personnel, p 11, 2007-2008 and 2008-2009 Purchase Agreement

⁷⁷ No longer schedule 2 but clause 18, FTE number

3.87 Figure 3-1 shows the growth in the number of FTEs compared to the increase in value of the Purchase Agreements since 2006-2007.

Figure 3-1 Value of Purchase Agreements compared to FTE



Source: Audit Office analysis of Purchase Agreements

General Savings Measure

3.88 As part of the 2013-2014 ACT Budget a range of savings initiatives was introduced across ACT Government. As part of these savings a General Savings Measure of one percent was applied to the Territorial appropriation for ACT Policing. This equates to around \$1.5 million of new savings each year from 2013-2014 to 2016-2017; a cumulative total of approximately \$15.4 million over the four years.

3.89 In relation to ACT Policing resources, the Policing Arrangement explicitly provides for the Chief Police Officer to be:

responsible to the Minister for Police for the:

- achievement of the outcomes set out in the Purchase Agreement and the general management and control of the AFP Personnel and resources deployed for the purposes of that agreement.⁷⁸

3.90 This means that the identification and implementation of savings is a matter for ACT Policing, primarily the Chief Police Officer.

⁷⁸ 2011-2016 Policing Arrangement, p 5.

3.91 Table 3-8 shows the budget reduction impact on ACT policing of the application of the General Savings Measure since 2013-14.

Table 3-8 General Savings Measure impact on ACT Policing budget 2012-2013 to 2016-2017

Year	Budget reduction (\$'m)	Cumulative budget reduction (\$'m)
2013-2014	1.499	1.499
2014-2015	1.542	3.041
2015-2016	1.567	4.608
2016-2017	1.606	6.214
Total	6.214	15.362

Source: Audit Office analysis of JACS information

3.92 In 2013-14, for the purpose of accommodating the General Savings Measure, ACT Policing identified savings from non-operational (corporate) functions including supplier and fixed expenses with no impact on full-time equivalent positions (FTE). In 2014-15 and 2015-16 ACT Policing reduced its budgeted FTE to accommodate the General Savings Measure. The AFP anticipates a further reduction in budgeted FTE equivalents in 2016-17. Table 3-9 shows the impact of the General Savings Measure on ACT Policing staffing and corporate resources.

Table 3-9 Source of Savings – 2013-2014 to 2016-2017

Year	Source of savings
Actual	
2013-2014	Absorbed in ongoing, non-staff savings eg decreased car costs, decreased FBT exposure and external rental costs
2014-2015	12 FTE equivalents (5 actual FTE from corporate services and the equivalent of 7 FTE from Special Response Group. This was the cessation of some general policing that Special Response Group had been providing. Special Response Group is still available to ACT Policing if required.
2015-2016	14 FTE - 14 ACT Policing positions were disestablished. This did not include officers in front line areas and was a decrease in close support areas such as crime targeting and crime reduction. Corporate savings have also been made such as changing from in house switch board operators to those providing services to the whole of AFP Canberra.
Forecast	
2016-2017	Up to 4 FTE: due to savings measures in other areas there is no reduction in front-line operations.

Source: ACT Policing

- 3.93 Since 2013-14, a General Savings Measure of one percent has been applied to the Territorial appropriation for ACT Policing. Between 2013-14 and 2016-17 this is expected to result in a cumulative budget reduction to ACT Policing of approximately \$15.4 million. ACT Policing has achieved these savings measures through a reduction in the budgeted FTE and corporate services. To date there is no evidence that this has impacted the quality and effectiveness of service delivery, as ACT Policing has continued to deliver on its outcomes and outputs and meet its performance measures.

4 JUSTICE AND COMMUNITY SAFETY

DIRECTORATE OVERSIGHT AND PERFORMANCE MONITORING

- 4.1 This chapter examines the Justice and Community Safety Directorate's oversight of the Policing Arrangement, including the Purchase Agreements and Ministerial Directions, and the Justice and Community Safety Directorate's performance monitoring of ACT Policing against the identified outcomes.

Summary

Conclusion

The Justice and Community Safety Directorate's oversight of the Policing Arrangement and Purchase Agreement is primarily achieved through a comprehensive performance management framework. The framework includes ACT Policing quarterly and annual reporting against relevant performance measures and indicators of effectiveness.

The Justice and Community Safety Directorate's activities to negotiate the Policing Arrangement and associated Purchase Agreement provide further oversight. At present, the term of the Policing Arrangement and Purchase Agreement is five years and one year respectively and significant time and resources are involved in their negotiation. There is merit in assessing if extending the terms of the Policing Arrangement and Purchase Agreement offers efficiencies in administration and, potentially, better policing outcomes by allowing a greater focus on service delivery.

Key findings

The Justice and Community Safety Directorate advised that the Executive Director, Finance and Budget Division, Chief Minister, Treasury and Economic Development Directorate, was a member of the Negotiations Steering Committee; however, they were not included in the Terms of Reference. These should be amended to accurately reflect the membership of the Committee.

Paragraph

4.8

As part of negotiations for the 2016-2021 Policing Arrangement, the Negotiation Steering Committee was required to 'assess the current Policing Arrangement (2011-2016) to determine whether it is meeting and delivering on its objectives'. There is evidence of a cursory assessment, which concluded 'that the current arrangement document works well', but there is no evidence of a formal

4.14

documented evaluation, including the scope and specific findings of the evaluation or the evidence relied upon to make an assessment.

The Justice and Community Safety Directorate's consultation on the Policing Arrangement, part of its oversight role, could have been more extensive. Although attempts were made to gather information from stakeholders through letter and email, when a low response was received further strategies were not explored to increase information as to stakeholders' views. This limited the response that the Justice and Community Safety Directorate received. 4.19

The Justice and Community Safety Directorate and ACT Policing invest significant resources in the negotiation of the Policing Arrangement and Purchase Agreements. The Arrangements and Agreements change little from one negotiation to the next, yet significant time and resources are tied up in these processes with the Justice and Community Safety Directorate and ACT Policing reporting that they are engaged in negotiation processes for much of each year. More efficient use of resources could be achieved through increasing the duration of both the Policing Arrangement and Purchase Agreement. 4.34

The format and content of ACT Policing's quarterly reports were altered for the 2015-16 Purchase Agreement. This followed a request from the (former) Minister for Police in December 2015 to the Chief Police Officer. These changes are resulting in improvements in the usefulness of ACT Policing's quarterly reporting and JACS' analysis and briefings to the Minister on these reports. 4.72

Justice and Community Safety Directorate oversight of the Policing Arrangement

- 4.2 Oversight by the Justice and Community Safety Directorate of the Policing Arrangement and the Purchase Agreement includes identifying the policing services required, negotiating the cost of those services and monitoring and analysing reporting from ACT Policing on its performance against the requirements set out in these agreements. On the basis of this information the Justice and Community Safety Directorate advises the Minister for Police on related matters.
- 4.3 The Justice and Community Safety Directorate describes its role in overseeing the Policing Arrangement as management of the administration of the Policing Arrangement and Purchase Agreement, according to the direction of the Minister for Police and Emergency Services.

4.4 The Justice and Community Safety Directorate relies on a number of oversight mechanisms for the Policing Arrangement. These include:

- its activities to negotiate the five yearly Policing Arrangement and annual Purchase Agreements;
- provision of quarterly performance reports and annual reports by ACT Policing, which are subsequently analysed by the Justice and Community Safety Directorate;
- auditing of ACT Policing's financial statements and statement of performance by the Australian National Audit Office; and
- its participation in committees detailed in the Policing Arrangement and Purchase Agreement.

Negotiating a new Policing Arrangement

4.5 Clause 15.2 of the Policing Arrangement (2011-2016) states that '(t)wo years prior to its expiry, the parties shall commence negotiations about the terms and conditions of a renewal of the Arrangement'.⁷⁹ This would have been June 2014.

4.6 A Negotiations Steering Committee has been formed to negotiate the next Arrangement between the Commonwealth of Australia and the ACT Government. Terms of Reference for the Negotiations Steering Committee, signed on 24 April 2015, include its governance, scope and timeframes. The Steering Committee commenced meeting in March 2015, nine months after the 2011-2016 Policing Arrangement specified.

Terms of Reference - Governance

4.7 The Negotiations Steering Committee⁸⁰ includes the following representatives:

ACT Government

Director-General, JACS

Deputy Director-General – Community Safety, JACS

Chief Finance Officer, JACS

AFP/ACT Policing (ACTP)

Chief Police Officer, ACTP

Chief Financial Officer, AFP

Director, Corporate Services, ACTP

Advisors:

Deputy Chief Finance Officer, JACS

Coordinator, Ministerial Policy and Performance, ACTP

Executive Director, Legislation, Policy and Programs (LPP), JACS

Executive Director, Finance and Budget Division, Chief Minister, Treasury and Economic Development

Director, Justice Planning and Safety Programs, LPP, JACS (Secretariat support provided by LPP)

⁷⁹ 2011-2016 Policing Arrangement, Clause 15.2.

⁸⁰ JACS stands for Justice and Community Safety Directorate.

- 4.8 The Justice and Community Safety Directorate advised that the Executive Director, Finance and Budget Division, Chief Minister, Treasury and Economic Development Directorate, was a member of the Negotiations Steering Committee; however, they were not included in the Terms of Reference. These should be amended to accurately reflect the membership of the Committee.
- 4.9 The responsibilities of the Negotiations Steering Committee include:
- providing direction for the negotiations;
 - allocating and managing resources;
 - managing stakeholder relationships;
 - meeting timelines and milestones;
 - developing recommendations; and
 - delivering a 2016 Policing Arrangement to the ACT Minister for Police and Emergency Services, and the Commonwealth Minister for Justice for endorsement.

Terms of Reference - Scope

- 4.10 The scope of activities of the Negotiations Steering Committee provides for the Committee to:
- assess the current Policing Arrangement (2011-2016) to determine whether it is meeting and delivering on its objectives. In particular:
 - policing services – the Arrangement provides an appropriate level of policing services for the ACT community;
 - service quality – the Arrangement promotes and sustains the high quality service provision;
 - value for money – the Arrangement encourages efficient and effective service provision at an optimum cost with an emphasis on continuous improvement;
 - capacity to deliver – the Arrangement provides for sufficient resources to deliver the services to agreed priorities and levels; and
 - governance and reporting – the Arrangement provides appropriate governance and reporting arrangements.
 - consider the longer term strategic plan for ACT Policing and the impact future environmental and operational changes may have on the delivery of policing services to the ACT community;
 - consider the relevant stakeholder views on the current operation of the Policing Arrangement;
 - address any issues, relevant to the Policing Arrangement, that are identified through the ongoing joint ACT Government and ACTP projects on rebasing enabling services costs and the performance measure review; and

- develop recommendations on amendments to the Policing Arrangement to be provided to the ACT Minister for Police and Emergency Services, and the Commonwealth Minister for Justice.

4.11 Analysis of Negotiations Steering Committee minutes (Meetings 1 to 6, 3 March 2015 to 15 March 2016) shows that:

- with respect to the Terms of Reference requirement to ‘assess the current Policing Arrangement to determine whether it is meeting and delivering on its objectives’, the minutes do not include reference to evidence relied on by the committee to support its assessment that ‘the current document works well’;
- consideration of the longer term strategic plan for ACT Policing rested on examination of a current AFP project on future directions. A preamble has been drafted and approved by the Steering Committee to be inserted before the background section of the Arrangement referencing this work;
- security issues and organised crime were raised as possible issues in the future and the decision was made to acknowledge the changing operational environment and the challenges they pose. It was suggested this also include technology, geographical and population changes in the ACT, community expectations, the fiscal environment and any changes in the ACT Government legal and policy frameworks;
- consultation was limited and did not result in feedback from a cross-section of stakeholders due to the low response rate;
- concerns about a lack of ACT Government input into negotiations of employment terms and conditions for ACT Policing staff were addressed;
- recommendations from the KPMG report on enabling services costs were incorporated into the new Arrangement and it was agreed that the enabling cost model would be used;
- the performance measure review was raised in the first Negotiations Steering Committee meeting when it was referred to the 2015-16 Purchase Agreement negotiation meeting. It was not clear from the Minutes that the performance measure review would be addressed through the Purchase Agreement negotiations and would not be discussed further in relation to the Policing Arrangement; and

- amendments to the Policing Arrangement addressed:
 - future direction through a preamble;
 - the changing ACT Policing operating environment;
 - enabling services cost model;
 - staffing numbers;
 - AFP industrial matters;
 - uncollected goods and unexplained wealth;
 - annual report;
 - infrastructure and facilities;
 - agreement making;
 - legal advice; and
 - events cost recovery.

Policing Arrangement objectives

- 4.12 One of the requirements of the Negotiations Steering Committee was to assess the current Policing Arrangement (2011-2016) to determine whether it is meeting and delivering on its objectives.
- 4.13 While some topics discussed at the Negotiations Steering Committee meetings relate to some of the Policing Arrangement objectives, the objectives were not identified and discussed individually. The Meeting 1 agenda for the Steering Committee followed the Terms of Reference, including an agenda item addressing the Terms of Reference requirement to assess the current Policing Arrangement to determine whether it is meeting and delivering on its objectives. The minutes of this meeting state that 'the meeting agreed that the current arrangement document works well' but they do not indicate the evidence relied on to support this assessment. The agendas for Meetings 2 – 6 were determined by actions arising out of previous meetings with no further specific reference to the Terms of Reference. The scope and specific findings of the evaluation by the Negotiations Steering Committee of the 2011-2016 Policing Arrangement with respect to performance against its objectives are not recorded nor is the evidence relied on by the Committee to make this assessment.
- 4.14 As part of negotiations for the 2016-2021 Policing Arrangement, the Negotiation Steering Committee was required to 'assess the current Policing Arrangement (2011-2016) to determine whether it is meeting and delivering on its objectives'. There is evidence of a cursory assessment, which concluded 'that the current arrangement document works well', but there is no evidence of a formal documented evaluation, including the scope and specific findings of the evaluation or the evidence relied upon to make an assessment.

RECOMMENDATION 4 ASSESSMENT OF THE POLICING ARRANGEMENT

The Justice and Community Safety Directorate should undertake a formal evaluation of the Policing Arrangement and the Purchase Agreement, against their objectives, when negotiating new Arrangements and Agreements.

Consultation

- 4.15 Consideration of stakeholder views on the current operation of the Policing Arrangement was one of the Terms of Reference for the Steering Committee.
- 4.16 The Justice and Community Safety Directorate sought stakeholder input into the new Policing Arrangement to inform the Steering Committee negotiations. This included attaching the Terms of Reference for the Steering Committee and outlining the objectives of the 2011-2016 Policing Arrangement although the workforce objective was omitted. Table 4-1 describes the consultations.

Table 4-1 Consultation by Justice and Community Safety Directorate on the 2011-2016 Policing Arrangement

	Internal stakeholders	External stakeholders
Agencies	JACS internal stakeholders including those involved in the courts, government solicitor and corrections. (9 total)	Directors-General, ACT Government; Statutory Office Holders, ACT Government; Attorney-General's Department (Cth); Aboriginal and Torres Strait Islander Elected Body; ACT Law Society; ACT Bar Association; Aboriginal Legal Service for ACT and NSW. (17 total)
Email or letter	Email with Steering Committee Terms of Reference attached and links to 2011-2016 Policing Arrangement and Purchase Agreements included.	Letter with 2011-2016 Policing Arrangement and Steering Committee Terms of Reference attached.
Date sent	16 June 2015, response requested by 26 June 2015.	31 March 2015, requested response by 15 May 2015. Further correspondence on 29 April and followed up on 11 June.
Date received	All followed up on 30 June 2015.	19 April, 15 May, 25 May, 1 July and 16 September 2015.
Response received	No comment (three); no response (four); two responses.	Four responses – one was referred to the Chief Police Officer as operational and another to the Purchase Agreement Steering Committee. Six responded with no comment and seven did not respond.

Source: Audit Office analysis of Justice and Community Safety Directorate information. Note: JACS is used in place of Justice and Community Safety Directorate.

- 4.17 In total seven responses were received from 26 requests (27 percent), three of which were applicable to the Policing Arrangement; of the other four one was referred to the Security and Emergency Management Senior Officials' Group, one did not require an response or amendments and two were referred to the Chief Police Officer.

4.18 A number of the same stakeholders provided comments during audit fieldwork interviews as to what they would like to see in the new Policing Arrangement.⁸¹ These included that the Policing Arrangement could provide:⁸²

- strategic direction (12 stakeholders): how ACT Policing will work with ACT agencies, government and non-government, to achieve goals for ACT community, which would contribute to ‘creating a safer and more secure ACT community’;
- clarity of roles (four stakeholders): ACT Policing’s role in providing community policing services and strategic law enforcement; and ACT Government’s (e.g. in providing facilities), Justice and Community Safety Directorate’s, and other agencies directly involved with ACT Policing;
- communication (five stakeholders): how ACT Policing and ACT agencies communicate in order to support a ‘safer and more secure ACT community’ and withstand any effects of staff turnover; and
- a commitment to work together (five stakeholders) on projects such as the alignment and development of electronic systems used by ACT Policing and ACT agencies such as the ACT Courts.

4.19 The Justice and Community Safety Directorate’s consultation on the Policing Arrangement, part of its oversight role, could have been more extensive. Although attempts were made to gather information from stakeholders through letter and email, when a low response was received further strategies were not explored to increase information as to stakeholders’ views. This limited the response that the Justice and Community Safety Directorate received.

Negotiating the annual Purchase Agreement

4.20 The negotiation of the Purchase Agreement provides an opportunity for the Justice and Community Safety Directorate to ensure that:

- the Purchase Agreement is achieving its purpose; and
- the details of the goods and services to be purchased by the ACT Government from the AFP, the agreed price for those services and associated performance reporting meet current requirements.⁸³

4.21 Clause 16 of the 2011-2016 Policing Arrangement sets out the requirements for Purchase Agreements, including when they are to be renegotiated: ‘annually prior to the commencement of the next financial year, which begins on 1 July’.⁸⁴

⁸¹ Some ACT Government employees in agencies working with ACT Policing were not aware of the availability of the arrangement and agreements on the website. A number stated that they had not seen the arrangement before seeing it during audit fieldwork.

⁸² Some feedback received was that the ‘nuts and bolts’ of the Policing Arrangement could be articulated in an addendum.

⁸³ 2015-16 Purchase Agreement, p 1.

⁸⁴ 2011-2016 Policing Arrangement, clause 16.

- 4.22 The first three meetings for the negotiation of the 2016-17 Purchase Agreement were held on 15 December 2015 (five months after the commencement of the 2015-16 Purchase Agreement), 2 February and 15 March 2016. Meetings four, five and six were scheduled for 12 April, 5 May and 7 June 2016. The new Purchase Agreement is expected to be signed with the new Policing Arrangement in the second half of June 2016.
- 4.23 There are no Terms of Reference for the negotiation of the 2016-17 Purchase Agreement. Nevertheless, the main objective of the first meeting was 'to agree on the scope of the 2016-17 negotiations'. According to the minutes of the meeting the scope was:
- purchase price;
 - clauses with out of date content;
 - performance framework and targets;
 - a new communication section; and
 - issues raised during the Policing Arrangement consultation.
- 4.24 While the scope of negotiations identified for the 2016-17 Purchase Agreement covers the relevant clauses in the current Purchase Agreement it does not assess the 'fitness for purpose' of the Purchase Agreement or evaluate its success in achieving its objectives.
- 4.25 Analysis of the minutes of the three meetings available at the conclusion of field work shows that those areas identified as the scope of the negotiations had been discussed, action items identified and a number completed. A draft Purchase Agreement was to be circulated to attendees following the third meeting (15 March 2016).
- 4.26 As part of the Purchase Agreement negotiations the 2016-17 Ministerial Direction was also discussed with the Justice and Community Safety Directorate Director-General to seek advice from the Minister for Police on issues to be included.

Timetable for the development of the Agreement

- 4.27 The ANAO performance audit *The Provision of Policing Services to the Australian Capital Territory*⁸⁵ noted that the 2009-10, 2010-11 and 2011-12 Purchase Agreements were all signed late. This affected the signing of the Appropriation Payment Schedules and, consequently, the initial payment to ACT Policing for the new Purchase Agreement. Since the 2013-14 Purchase Agreement Schedule 5 sets the timetable for the development of the subsequent Agreement. This is shown in Table 4-2, with respect to the development of the 2015-16 and 2016-17 Purchase Agreements.

⁸⁵ ANAO Performance Audit Report No. 13 2012-13, p36.

Table 4-2 Annual timetable for developing the 2015-16 and 2016-17 Purchase Agreements

Action		Indicative Date /Date held	Indicative Date /Date held
		2015-16 Agreement	2016-17 Agreement
1	Exchange of letters to commence the negotiation process.	November 2014 22 January 2016	November 2015 November 2015
2	Commencement of negotiation.	December 2014 February 2015	December 2015 15 December 2015
3	Endorsement of proposed Purchase Agreement by Chief Police Officer and Justice and Community Safety Directorate – Director General.	End of May 2015 19 May 2015 JACS DG Chief Police Officer prior to this date as part of negotiations.	End of May 2016 Planned for May 2016
4	AFP Commissioner and relevant ACT Ministerial agreement to the proposed Purchase Agreement.	June 2015 Minister for Police - 25 May 2015 AFP Commissioner – prior to 25 May 2015	June 2016 Planned for end of May/early June 2016
5	Signing of Purchase Agreement.	End of June 2015 3 June 2015	End of June 2016 Scheduled: 29 June 2016

Source: 2014-15 and 2015-16 Purchase Agreements, p 25.

4.28 The exchange of letters to commence the negotiation process and the first negotiation meeting for the 2015-16 Purchase Arrangement were late. However, subsequent milestones were met or were achieved early. At the end of fieldwork, negotiations for the 2016-17 Purchase Agreement were on schedule.

Timing and resources associated with negotiation of the Policing Arrangement and annual Purchase Agreements

4.29 Considerable resources are devoted by both the Justice and Community Safety Directorate and ACT Policing to the development and renegotiation of the five-yearly Policing Arrangement and annual Purchase Agreements.

4.30 The Audit Office notes that, with the exception of some technical details associated with outputs and performance measures and the cost of the services, there is little variation to most of the provisions in the Purchase Arrangement. As noted in paragraphs 3.53 to 3.57, since 2007-08 annual Ministerial Directions have been issued and have necessarily influenced aspects of ACT Policing's activities but there has also been a high degree of continuity in aspects of Ministerial Directions over time.

4.31 There is merit in reviewing the timeframes associated with the Policing Arrangement and Purchase Agreements. The Policing Arrangement has, at present, a five-year time frame. It is noted that the negotiation of the next Policing Arrangement is expected to occur over the last two years of the current Policing Arrangement. Similarly, the Purchase Agreement

currently has a one-year timeframe, and negotiation of the next Purchase Agreement is expected to take place over the last eight months of the current Purchase Agreement. These negotiation activities are expected to occur as the parties are expected to continue delivering on, and managing, the current Policing Arrangement and Purchase Agreements.

2005 Joint Study into ACT Policing

4.32 The 2005 *Joint Study into ACT Policing* report by John Valentin and Associates and KPMG also considered the issue of the length of the Policing Arrangement and made a recommendation that 'The duration of the Policing Arrangement is extended from the present five years to eight years, while continuing to utilise annual Purchase Agreements'.⁸⁶

4.33 The report stated:

Some of the perceived benefits to be gained from extending the duration of the Policing Arrangement between the Commonwealth and ACT Governments include increased organisational certainty over the arrangements, enhanced opportunities for resource planning and acquisition, increased confidence within police staff as to their tenure in the ACT, enhanced professional knowledge of the ACT policing environment and reduced administrative costs resulting from less frequent re-negotiations of Arrangements.

A corollary to extending the Policing Arrangement is the suggested inclusion of a review clause on a time frame to be agreed between the parties. The purpose of the review clause is to address the appropriateness of the arrangements at the time of the review and would be in addition to the existing notice to cease clause within the present Arrangement. The frequency of each review should be determined by the length of the Policing Arrangement; for example if the Arrangement was extended to nine years, a review might be held at three yearly intervals. It was suggested that the focus should not be on the length of the Arrangements but on the processes by which both parties can be assured that the Arrangement was working effectively.⁸⁷

4.34 The Justice and Community Safety Directorate and ACT Policing invest significant resources in the negotiation of the Policing Arrangement and Purchase Agreements. The Arrangements and Agreements change little from one negotiation to the next, yet significant time and resources are tied up in these processes with the Justice and Community Safety Directorate and ACT Policing reporting that they are engaged in negotiation processes for much of each year. More efficient use of resources could be achieved through increasing the duration of both the Policing Arrangement and Purchase Agreement.

⁸⁶ KPMG and John Valentin & Associates, *Joint Study into ACT Policing*, 2005.

⁸⁷ KPMG and John Valentin & Associates, *Joint Study into ACT Policing*, 2005.

RECOMMENDATION 5

TERMS OF POLICING ARRANGEMENT AND PURCHASE AGREEMENTS

The Justice and Community Safety Directorate should, in consultation with ACT Policing, assess the merits of increasing the length of the Policing Arrangement and the Purchase Agreements.

Monitoring Performance

- 4.35 Accurate and reliable performance information assists officials, ministers, the Legislative Assembly and the public form judgements on whether a service provider is delivering its intended results. Focused performance monitoring and reporting can be used to continuously improve performance.
- 4.36 As part of the audit the Audit Office considered:
- Purchase Agreement performance measures;
 - reporting on these measures by ACT Policing;
 - the Justice and Community Safety Directorate’s review of ACT Policing reporting; and
 - the Justice and Community Safety Directorate’s assurance mechanisms over the quality and reliability of reporting from ACT Policing.

Performance Measures

- 4.37 The annual Purchase Agreement includes performance measures and indicators of effectiveness. According to the 2015-16 Purchase Agreement, performance measures:
- ‘are an important element of determining the appropriate allocation of resources in ACT Policing. Actual performance is rigorously measured and reported upon and, over time, informs decisions about adjustments to performance targets’. Indicators of effectiveness are included in ACT Policing reporting as measures that, while reflecting performance, are not ‘fully within ACT Policing control. There are a number of public and private institutions and individuals who contribute to the overall results and standings of these indicators’.⁸⁸
- 4.38 The 2015-16 Purchase Agreement includes (clauses 26 – 30):
- an outcome focused performance framework including performance indicators, based on mutually agreed targets;
 - recognition that not all performance outcomes are fully within ACT Policing control, and so are identified as indicators of effectiveness; and
 - definitions of outcomes, outputs, strategies and performance measures.⁸⁹

⁸⁸ 2015-16 Purchase Agreement, p 8.

⁸⁹ 2015-16 Purchase Agreement, pp 4,5.

4.39 The 2015-16 Purchase Agreement, Schedule 1, states:

The framework for measuring the performance of policing services in the ACT has changed to a contemporary model which incorporates an outcome-focused framework.⁹⁰

4.40 The outcomes include: reduce crime; public safety; and community and partner engagements. There are 21 performance measures and 14 indicators of effectiveness, all of which have targets,⁹¹ focused on the following outputs:

- crime prevention and reduction;
- criminal investigations and prosecutions;
- police response;
- public order and emergency management;
- road safety and traffic management; and
- community support and Whole-of-Government collaboration.⁹²

4.41 Performance measures are typically identified with reference to a quantitative target. Two performance measures (out of the total of 21) are given by way of example:

Number of offences against the person reported or becoming known per 100,000 population - 800 or less; and

Percentage of offences against the person cleared - 72% or more.

4.42 Indicators of effectiveness are based on, and referenced to, a national average derived from the *National Survey of Community Satisfaction with Policing*. Two indicators of effectiveness (out of the total of 14) are given by way of example:

Percentage of persons satisfied with most recent contact with police services - national average or more; and

Percentage of persons who agree that police perform their job professionally - national average or more.

⁹⁰ 2015-16 Purchase Agreement.

⁹¹ Data come from PROMIS (Police Real-time On-line Management Information System), the National Survey of Community Satisfaction with Policing, ACT Policing Computer Aided Dispatch System, ACT Policing Judicial Operations, ACT Court Outcomes – corporate reporting, ACT Government Restorative Justice Unit and ACT Policing Crime Prevention Unit.

⁹² Under Outcome: Community and Partner Engagement.

- 4.43 The 2011-2016 Policing Arrangement, under clause 16, Purchase Agreement, states that the:

annual Purchase Agreement will set outcomes to be achieved, key performance indicators (KPI) and costs for providing the service⁹³ ... (i)f a KPI in a Purchase Agreement is not consistently met over the period of a purchase agreement, the Police Minister may direct that a review panel be convened as soon as possible to consider performance against the KPI and make recommendations to the Police Minister for remedial action.⁹⁴

Performance Measure Review

- 4.44 In January 2013 the Minister for Police and Emergency Services approved a proposed joint review of the ACT Policing performance measures to be undertaken by the Justice and Community Safety Directorate and ACT Policing. The review was to assess the appropriateness of the performance measures in the annual Purchase Agreements.
- 4.45 Initially expected to be completed by December 2013, the review timeline was extended due to the Enabling Services project and work on ACT Policing's general savings measures and the implications they may have for the review. This meant that the results of the review could be considered for the 2015-2016 Purchase Agreement and not the 2014-2015 Agreement.
- 4.46 A new Performance Framework was developed which incorporates outcomes, outputs, strategies and performance measures. 'Outputs' are detailed in the 2014-15 Purchase Agreement and the 2015-16 Agreement. However, they are described in more detail in the 2015-16 Purchase Agreement which includes new categories: Community Support and Whole-of-Government Collaboration and, added to Crime Prevention, (Crime) Reduction.
- 4.47 There were minimal changes to the performance measures as a result of the review:
- two were revised;
 - two were introduced; and
 - one was removed.
- 4.48 A performance measure relating to quality and timeliness of advice to the Minister was considered. However, the Performance Framework Review Committee decided that it is more appropriate for oversight of these issues to be incorporated into the Ministerial Direction. While less detailed than the 2014-15 Ministerial Direction, the 2015-16 Ministerial Direction includes a statement on the Minister's expectations of ACT Policing with respect to requests for information, including that advice is 'clear, comprehensive and timely'.⁹⁵

⁹³ 2011-2015 Policing Arrangement, p 9.

⁹⁴ 2011-2015 Policing Arrangement, p 10.

⁹⁵ 2015 Ministerial Direction, last sentence.

4.49 The report on the Performance Measure Review states that the:

Proposed new performance reporting framework for [ACT Policing] is a contemporary model incorporating an outcome-focused framework. The proposed new framework provides enhanced accountability for the delivery of services and clearer linkages between [ACT Policing's] outcomes, outputs, strategies and individual measures.

4.50 Table 4-3 shows the changes in ACT Policing's performance framework from the 2013-14 Purchase Agreement, prior to the review, to the 2015-2016 Purchase Agreement following the review and the implementation of changes.

Table 4-3 Performance reporting in Purchase Agreements 2013-14 to 2015-16

Characteristic	2013-14	2014-15	2015-16
Clause in Purchase Agreement – report on matters prescribed in Schedule 1	✓	✓	✓
Outcome (introduction in Schedule 1), relating to the AFP and Mission Statement (ACT Policing Business Plan 2015-16)	✓	✓	✓
Describes outputs	✓	✓	✓
Outputs: Crime and Safety Management Traffic Law Enforcement and Road Safety Prosecution and Judicial Support Crime Prevention	✓	✓	
Outputs: Crime Prevention and Reduction; Criminal Investigations and Prosecutions; Police Response; Public Order and Emergency Management; Road Safety and Traffic Management; Community Support and Whole-of-Government Collaboration.			✓
Performance Measures	✓	✓	✓
<i>Number</i>	33	21	21
Indicators of Effectiveness		✓	✓
<i>Number</i>	0	14	14

Source: Audit Office analysis of Purchase Agreements.

4.51 There is a comprehensive suite of performance measures and indicators of effectiveness identified in the annual Purchase Agreement. The performance measures and indicators of effectiveness support the outcomes, outputs and strategies identified in the Purchase Agreement.

Reporting on Performance

4.52 ACT Policing reports on its performance to the ACT Minister for Police through quarterly reports (required through the 2015-16 Purchase Agreement) and its annual report (required through the 2015-16 Purchase Agreement and the 2011-2016 Policing Arrangement).

ACT Policing Quarterly Reports

4.53 Quarterly Reports are provided by ACT Policing under clauses 37 to 42 of the 2015-2016 Purchase Agreement and by virtue of most Ministerial Directions. This requires the Chief Police Officer 'to report to the ACT Minister for Police and Emergency Services within one calendar month at the end of each quarter ... on those matters prescribed in Schedules 1, 2, 3, 4 and 5 in this Agreement and in the Ministerial Direction'.

Table 4-4 Purchase Agreement Schedules 1, 2, 3, 4 and 5

Schedule	Topic
1	Performance Reporting
2	Resource Reporting
3	Financial Reporting
4	Complaints Reporting
5	Annual Timetable for Developing 2016-17 Purchase Agreement

Source: 2015-16 Purchase Agreement

4.54 The Quarterly Reports include:

- an executive summary for the quarter;
 - outcomes;
 - performance measures and indicators of effectiveness;
 - complaints management; and
 - ministerial direction.
- performance measures and indicators of effectiveness results;
- the latest quarter performance on Outcomes;
 - reduce crime;
 - public safety;
 - community and partner engagement; and
- Ministerial Direction.⁹⁶

⁹⁶ The quarterly report 'will contain a narrative, including relevant available data where appropriate, on the activities conducted by ACT Policing during the reporting period in support of the Ministerial Direction'. 2015-16 Purchase Agreement, clause 45.

- 4.55 Attachments cover staffing numbers, financial reporting, complaints and performance measures, including information on long term trends. Reporting on complaints and staffing movements is also required through clause 7 of the 2011-2016 Policing Arrangement.⁹⁷ Additionally, the first Quarterly Reports for each financial year will include:
- the intended allocation of the direct funding from the Justice and Community Safety Directorate of \$232,000 for crime prevention initiatives; and
 - a breakdown of legal services requested by ACT Policing during the previous financial year.⁹⁸
- 4.56 Analysis of quarterly reports for September and December 2015 shows that ACT Policing is reporting as required by the 2015-16 Purchase Agreement with respect to:
- an executive summary;
 - performance measures and indicators of effectiveness results;
 - the latest quarter performance on Outcomes;
 - Ministerial Direction;
 - a number of long term trends were included (not all); and
 - complaints and staffing movements.

Annual Report

- 4.57 The 2011-2016 Policing Arrangement requires the Chief Police Officer to 'report annually to the Police Minister at a time nominated by the Police Minister on the provision of Police Services ... for the preceding year'.⁹⁹
- 4.58 The ACT Policing *Annual Report 2014-15* includes:
- the Chief Police Officer's Foreword;
 - ACT Policing at a Glance;
 - ACT Policing Performance – key performance indicators and Indicators of Effectiveness for Outputs 1 – 4;
 - Professional Standards with sections on the ACT Policing Complaint Management Team and Use of Force;
 - Staffing Profile; and
 - Financial Management Analysis.
- 4.59 The ACT Policing *Annual Report 2014-15* provides narrative and data on 21 performance measures and 14 indicators of effectiveness.

⁹⁷ 2011-2016 Policing Arrangement, Clause 7, p 6.

⁹⁸ 2015-16 Purchase Agreement, pp 5, 6.

⁹⁹ 2011-2016 Policing Arrangement, p 7, clause 9.

- 4.60 In the ACT Policing *Annual Report 2014-15* ACT Policing reported that it achieved or exceeded 20 out of the 21 performance measures and 12 of the 14 indicators of effectiveness.¹⁰⁰
- 4.61 ACT Policing reports to the ACT Government through Quarterly Reports and the Annual Report. This reporting generally aligns with the requirements set out in the Policing Arrangement and Purchase Agreements and most Ministerial Directions. Historically, ACT Policing's performance has met or bettered the majority of performance measures contained in the annual Purchase Agreements.

Justice and Community Safety Directorate review of ACT Policing reports

Quarterly reporting

- 4.62 The Justice and Community Safety Directorate receives copies of the ACT Policing Quarterly Reports provided to the Minister for Police and Emergency Services under the Purchase Agreements (clause 37, 2015-16 Purchase Agreement). The Justice Planning and Safety Programs area conducts its own analysis of this material in order to provide additional information to the Minister for Police and Emergency services.
- 4.63 This analysis has usually included discussion of:
- performance measures;
 - staffing; and
 - the separate complaints report.
- 4.64 Table 4-5 shows aspects of the Justice and Community Safety Directorate's analysis of the final 2014-15 Quarterly Report from ACT Policing on performance measures that had been achieved.

Table 4-5 Justice and Community Safety Directorate analysis of performance measures achieved

Performance Measure / Indicator of Effectiveness	% above target in 2014-15	Action recommended by Justice and Community Safety Directorate
Measure 1 – offences against the person	23.4	None – noted target met since 2011-12; a decreasing trend for this measure with a declining rate over the past five years.
Measure 2 – offences against property	39.5	None – noted an increase in this measure (11.3%) for 2014-15 compared to 2013-14 ; ACT Policing reported the improvement in this measure may be slowing; declining rate overall for past five years.
Measure 5 – response time – priority one	6.0	Updated in 2015-16 Purchase Agreement – target increased to 80%. Noted that met by very wide margins from 2007-08 to 2011-12 so increased to 75%; performance has since slowed; 2014-15 improvement on 2013-14 result (exceeded target by 0.1%).

¹⁰⁰ ACT Policing *Annual Report 2014-15*, p 7.

Performance Measure / Indicator of Effectiveness	% above target in 2014-15	Action recommended by Justice and Community Safety Directorate
Measure 6 (a) – response time – priority two	23.0	Updated in 2015-16 Purchase Agreement – target has been consistently exceeded since 2007-08.
Measure 7 – response time – priority three	9.5	None – noted target exceeded by over 9% since 2010-11 when highest result achieved of 9.9% above target.
Measure 9 – road crashes deaths	31.0	None – noted target met consistently since 2010-11; best result (66.7% above target) achieved in 2011-12.
Measure 10 – road crash injuries	7.1	None – noted target met or nearly met since 2009-10 with 2014-15 the best result to date.
Measure 13 – briefs to DPP on time	18.4	None – noted that target exceeded by 15 – 21% since 2010-11 with exception of 2012-13 – 1.1% above target.
Measure 14 – cases – offence proved in court	8.2	None – noted target consistently achieved – 2014-15 highest result.
Measure 15 – cases – not guilty or otherwise withdrawn	6.4	Removed from 2015-16 Purchase Agreement – noted target continuously met since 2007-08.
Measure 17 (a) – young people referred to restorative justice	6.4	Target was raised in 2013-14 as result was consistently well above target.
Measure 18 – referrals to community support agencies	19.3	None – noted that best result was achieved in 2009-10 when result was 24.9% above current target.
Measure 20 – referrals to drug diversion programs	131.3	None – noted that this was the best result since measure introduced in 2008-09.
Indicator A – concern re physical assault	9.5	None – noted that 2014-15 result is the highest annual result against this target.
Indicator E – feel safe walking alone at night	5.7	None – noted indicator introduced in 2013-14 when target was exceeded by 3.5%.
Indicator N (iii) – perceive louts to be a problem	6.1	None – noted that ACT Policing has demonstrated consistency in achieve this indicator since 2007-08.
Indicator N (iv) – perceive drunken/disorderly behaviour to be a problem	8.4	None – noted that ACT Policing has demonstrated consistency in achieve this indicator since 2007-08.

Source: Justice and Community Safety Directorate

4.65 Table 4-6 shows aspects of the Justice and Community Safety Directorate's analysis of the final 2014-15 Quarterly Report from ACT Policing on performance measures that had not been achieved.

Table 4-6 Justice and Community Safety Directorate analysis of performance measures not achieved

Performance Measure / Indicator of Effectiveness	% below target in 2014-15	Action recommended by JACS
Measure 3 - % of offences against the person cleared	0.5	None – noted that result has declined since 2010-11 (best result of 9.4% above target); some factors affecting outcome may be beyond the influence of ACT Policing.
Measure 4 - % of offences against property cleared	0.7	None – noted that result has varied considerably since introduced in 2007-08; some factors affecting outcome may be beyond the influence of ACT Policing; a possible explanation is suggested by JACS but there is no evidence that JACS checked this with ACTP.
Measure 17 (b) - % of eligible Aboriginal and Torres Strait Islander young people referred to restorative justice	2.5	Noted that the result is worth further scrutiny. This performance measure has been amended for the 2016-17 Purchase Agreement. Noted that ACT Policing suggest in report that result is based on small numbers and the difference between meeting and not meeting target may be a difference of one referral.
Indicator I - % of people who agree that police treat people fairly and equally	1.6	None – noted that until 2014-15 target had been met continuously since 2007-08; some factors affecting outcome may be beyond the influence of ACT Policing; ACT Policing met the two other indicators under 'Public Confidence in Police'; the number of conduct breaches received by ACTP is stable over this time.
Indicator J - % of people who self-report to driving 10km per hour or more over the speed limit	7.6	None – noted that this target has not been met continuously since 2007-08; current result is worse to date; some factors affecting outcome may be beyond the influence of ACT Policing; discussion of decrease in associated ACT Policing activities and vacancies at police stations which resulted in reduced patrols.

Source: Justice and Community Safety Directorate

- 4.66 In October 2015, when briefing the (former) Minister for Police on the end of financial year quarterly report, the Justice and Community Safety Directorate noted that it had initiated discussions with ACT Policing to review the reporting templates and covering briefs. This was to better reflect the new outcome focused framework of the 2015-16 Purchase Agreement. The Justice and Community Safety Directorate reported to the Minister for Police that ACT Policing anticipated that the September quarterly report would be provided in the new format.
- 4.67 This Ministerial Brief (October 2015) contained analysis by the Justice and Community Safety Directorate that was briefer and more targeted than in previous reports. Importantly, it included a conclusion regarding performance reporting; the Justice and Community Safety Directorate's briefs from 2014-15 do not include conclusions or identify actions that may result in more effective reporting and/or policing. However, there was no conclusion on staffing or complaints reporting in the October 2015 brief.
- 4.68 The format and content of both ACT Policing's Quarterly Reports and the Justice and Community Safety Directorate's covering brief were altered for the 2015-16 Purchase Agreement following a request from the (former) Minister for Police and Emergency

Services in December 2015 to the Chief Police Officer. The (former) Minister for Police requested that ACT Policing work closely with the Justice and Community Safety Directorate and the Minister's office so that quarterly reports would include:

- a 12 month outlook for implementation of the 2015-16 Ministerial direction as part of the first quarterly report of the financial year;
- a breakdown of intended direct funding allocation for crime prevention activities;
- a breakdown of legal services for the previous year in the first quarterly report of the financial year, as required by clause 39 of the Agreement;
- a detailed explanation of the corrective action being taken to address targets not being met by a margin of five percent or more; and
- advice on whether the target should be amended where a target is consistently being exceeded by a margin of five percent or more.

4.69 The Justice and Community Safety Directorate, when briefing the Minister for Police on these changes, noted that:

- it expected that improving the quality of the Quarterly Reports would result in efficiencies and service delivery improvement; and
- that continuing to improve the presentation of data in support of ACT Policing activities would assist in assessing ACT Policing's performance.

4.70 The Justice and Community Safety Directorate's analysis of the September 2015 Quarterly Report, the first to implement the changes above, identified that:

- ACT Policing had attempted to address the (former) Minister's requests. Examples included:
 - providing information on the 2015-16 Ministerial Directions;
 - a listing of activities to be undertaken with the direct funding allocation for crime prevention activities; and
 - some information on the breakdown of legal services for the previous year.
- there remained some areas of the report which would benefit from enhanced information including:
 - identification of major risks or strategic issues;
 - reformatting of performance measures and indicators of effectiveness to enable identification of and commentary on results and strategic issues for ACT Policing;
 - measurable outcomes and appropriate timelines for Ministerial Directions;
 - budget lines for each identified crime prevention activity;
 - a breakdown of legal services provided by source; and
 - discussion of performance measure results that fail or exceed their targets continuously by more than five percent.

- 4.71 The Justice and Community Safety Directorate, with ACT Policing, continues to work on improving the format and content of the Quarterly Reports. In April 2016 the Legislation Policy and Programs Branch recommended further improvements to the Quarterly Reports to the Minister for Police.
- 4.72 The format and content of ACT Policing's quarterly reports were altered for the 2015-16 Purchase Agreement. This followed a request from the (former) Minister for Police in December 2015 to the Chief Police Officer. These changes are resulting in improvements in the usefulness of ACT Policing's quarterly reporting and JACS' analysis and briefings to the Minister on these reports.

Data used by ACT Policing in reports

- 4.73 Quantitative data in ACT Policing's quarterly and annual reporting come from:
- Police Realtime Online Management Information System (PROMIS), the AFP's information/case management system;
 - other agencies (e.g. ACT Courts);
 - ACT Policing Computer Aided Dispatch System;
 - National Survey of Community Satisfaction with Policing; and
 - Telstra.
- 4.74 The December 2015 Quarterly Report includes reporting, as for previous reports, on performance measures and indicators of effectiveness. Of the 21 performance measures seven are reported on the basis of data from PROMIS, seven on the basis of data from other agencies, three on the basis of data from ACT Policing Computer Aided Dispatch System, three on the basis of data from the National Survey of Community Satisfaction with Policing, and one on the basis of data from Telstra. The 14 indicators of effectiveness all report on data from the National Survey of Community Satisfaction with Policing.

Table 4-7 Data source for quarterly reporting on performance measures and indicators of effectiveness

Data source	Performance measure	Indicator of effectiveness
PROMIS	7	0
Other agencies	7	0
ACT Policing Computer Aided Dispatch System	3	0
NSCSP	3	14
Telstra	1	0

Source: ACT Policing quarterly reports and ANAO Performance Audit Report No 13 2012-13.

- 4.75 One third of ACT Policing performance measures are based on PROMIS data. The ACT Government does not have access as it is the AFP's system.

- 4.76 The 2011-2016 Policing Arrangement, clause 10, Audit, details the reporting required by the Minister for Police from the Chief Police Officer. This includes, annually, a report stating 'the correctness of the report made of performance under the Purchase Agreement'.¹⁰¹
- 4.77 ACT Policing includes a Statement of Performance in its Annual Report. The Statement of Performance is audited by the ANAO. The ANAO letter accompanying the 2014-15 Statement of Performance states that the audit was planned and performed 'to obtain reasonable assurance as to whether the Statement of Performance is free of material misstatement'. Audit Procedures include examination, on a test basis, of evidence supporting figures and other disclosures in the Statement of Performance'.¹⁰² The ANAO provided the opinion that the Statement of Performance 'fairly represents the indicated performance of ACT Community Policing for the year ended 30 June 2015'.¹⁰³
- 4.78 In the Australian National Audit Office Report, No 13 2012-13, the *Provision of Policing Services to the Australian Capital Territory*, the Australian National Audit Office stated that:
- a number of factors provide assurance that data is input correctly and is unlikely to be subject to systematic deliberate manipulation or inadvertent error;
 - data from PROMIS can be used as evidence in court proceedings and can be subject to legal challenge, providing an incentive for the data to be accurate;
 - all data to be entered into PROMIS is required to be checked by a Team Leader or an Operational Support Sergeant before being entered into the system;
 - officers are required to follow 'rules' for data entry into PROMIS contained in a National Crime Recording Standard Manual for the ACT; and
 - all officers are required to undergo data integrity training to reinforce the importance of data accuracy.¹⁰⁴
- 4.79 While the Justice and Community Safety Directorate is not able to access PROMIS, the AFP's information system, the ANAO, a Commonwealth Government entity, provides assurance as to the reliability of the Statement of Performance included in ACT Policing's Annual Report. The same performance measures included in this document are also reported against by ACT Policing in quarterly and annual reports to ACT Government. Periodic ANAO performance audits also provide assurance about ACT Policing's processes around ensuring the accuracy of data entered into the PROMIS system. This provides an adequate level of assurance to the Justice and Community Safety Directorate and the Minister for Police on the validity of the reported results against these measures.

¹⁰¹ 2011-16 Policing Arrangement, clause 10.

¹⁰² ACT Policing Annual Report 2014-15, p 90.

¹⁰³ ACT Policing Annual Report 2014-15, p 91.

¹⁰⁴ ANAO Audit Report No 13, 2012-13, *The Provision of Policing Services to the Australian Capital Territory*, p 68.

Audit reports

Reports Published in 2015-16	
Report No. 02 – 2016	Maintenance of Public Housing
Report No. 01 – 2016	Calvary Public Hospital and Performance Reporting and Management
Report No. 10 – 2015	2014-15 Financial Audits
Report No. 09 – 2015	Public Transport: The Frequent Network
Report No. 08 – 2015	Annual Report 2014-15
Reports Published in 2014-15	
Report No. 07 – 2015	Sale of ACTTAB
Report No. 06 – 2015	Bulk Water Alliance
Report No. 05 – 2015	Integrity of Data in the Health Directorate
Report No. 04 – 2015	ACT Government support to the University of Canberra for affordable student accommodation
Report No. 03 – 2015	Restoration of the Lower Cotter Catchment
Report No. 02 – 2015	The rehabilitation of male detainees at the Alexander Maconochie Centre
Report No. 01 – 2015	Debt Management
Report No. 07 – 2014	2013-14 Financial Audits
Report No. 06 – 2014	Annual Report 2013-14
Reports Published in 2013-14	
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Report No. 04 – 2014	Gastroenterology & Hepatology Unit, Canberra Hospital
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Report No. 06 – 2013	ACT Auditor-General's Office Annual Report 2012-13
Report No. 05 – 2013	Bushfire Preparedness
Reports Published in 2012-13	
Report No. 04 – 2013	National Partnership Agreement on Homelessness
Report No. 03 – 2013	ACT Government Parking Operations
Report No. 02 – 2013	Executive Remuneration Disclosed in ACTEW Corporation Limited's (ACTEW) 2010-11 Financial Statements and Annual Report 2011
Report No. 01 – 2013	Care and Protection System
Report No. 10 – 2012	2011-12 Financial Audits
Report No. 09 – 2012	Grants of Legal Assistance
Report No. 08 – 2012	Australian Capital Territory Public Service Recruitment Practices
Report No. 07 – 2012	Annual Report 2011-12

These and earlier reports can be obtained from the ACT Audit Office's website at <http://www.audit.act.gov.au>.