

What the Audit Office* says about ACC...(excerpts)

(*Australian National Audit Office. ANAO)

Administration of Project Wickenby ANAO Audit Report No.25

For 2011–12, the most recent financial year - ed.

5. The Project Wickenby cross-agency taskforce was established in 2006 to protect the integrity of Australia's financial and regulatory systems by preventing people from promoting, facilitating or participating in illegal offshore schemes, particularly those involving the abusive use of secrecy havens.

ANAO note: The name 'Wickenby' does not refer to any individuals involved in, or related to, the project. Rather, it refers to an airfield in the north of England, and was simply the next on the list of airfields, which was the family of entities being used at the time by the Governance of Operations Committee of the Australian Crime Commission (ACC) to generate names for investigations.

ACC investigations were completed in an average 49 months (compared to the planned 18 months), and AFP investigations 36 months (compared to the planned 12 months).

25. Operationally, both agencies, but particularly the ACC, could improve elements of their investigation planning and case management, including recording the approval of, and rationale for, critical decisions. Major investigation plans generally lacked specific risk assessment and mitigation, and significantly underestimated the resource requirements. The incomplete recording on both agencies' electronic case management system of key investigation management documents, such as investigation and tactical plans, poses a risk to the effectiveness of investigations, given the complexity and extent of challenge experienced. The ACC's document management system had substantial functionality limitations for supporting major criminal investigations,

ANAO Note 10: As discussed in paragraph 57, only 12 critical decisions were recorded on the electronic case management system across the ACC's nine investigations, compared to 197 recorded across the AFP's 12 investigations.

36. An underspend of 9.3 per cent of the overall Phase 1 budget allocation of \$308.8 million stemmed mainly from a large shortfall in spending by the Commonwealth Director of Public Prosecutions while awaiting delayed prosecution cases. This underspend offset the considerable overspend by the ACC, arising from the resources required to respond to legal challenges. The extent of these challenges had been underestimated.

55. Of the nine ACC investigation plans assessed: only one specifically addressed risks and identified mitigation strategies; none considered costs; three had been updated; and none were signed and dated or had a record of formal approval.

57. Critical investigation decisions are required to be approved by the investigation team leader, and recorded in the case management system by the case officer. Those critical decisions for Project Wickenby investigations that were recorded on the electronic case management systems were appropriately approved, but not always clearly explained. However, the ACC did not record all critical decisions on the case management system. Only 12 critical decisions were so recorded across the nine ACC investigations, compared to 197 recorded across the AFP's 12 investigations. The ACC recorded critical investigation decisions in other locations (ANAO Note 22), although this reporting was disparate and inconsistent.

22 The ACC also recorded critical investigation decisions in locations such as email systems, case officer personal logbooks or simply as case note entries in the case management system.

58. ... The ACC's document management system was prone to user errors and search limitations, which necessitated the implementation of additional measures to assist in the location of relevant documents when required.

59. The ACC funding allocation has not covered the costs of conducting Project Wickenby investigations. The ACC had spent \$47.8 million on these investigations by the end of the sixth year (2010–11), which was 80 per cent more than the total funding allocation of \$26.5 million.

Source:

<http://www.anao.gov.au/~media/Uploads/Audit%20Reports/2011%2012/201112%20Audit%20Report%20No%2025.pdf>

CLA comments:

Given a choice, Civil Liberties Australia would not employ the Australian Crime Commission, based on what the auditors say above in terms of ACC's practices, management, following of the rules, sticking to budget and delivering on time. Would you?