

22 years
of reducing
crime

Annual Report 2021



National Motor Vehicle
Theft Reduction
Council

An initiative of Australian
governments and the
insurance industry





National Motor Vehicle
Theft Reduction
Council

30 September 2021

Ministers Responsible for NMVTRC business

The Hon. Natalie Hutchins MP

The Hon. David Elliott MP

The Hon. Nicole Manison MLA

The Hon. Shane Rattenbury MLA

The Hon. Paul Papalia CSC MLA

The Hon. Mark Ryan MP

The Hon. Mark Shelton MP

The Hon. Vincent Tarzia MP

Insurance Council of Australia President

Ms Sue Houghton

In accordance with the Rules of Association of the National Motor Vehicle Theft Reduction Council Inc., I have pleasure in submitting the NMVTRC's Annual Report for the year ended 30 June 2021.

Yours sincerely,

David M Morgan (AO)
Chairman

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Vision

To contribute to Australia's economic and social well-being by achieving the lowest rate of motor vehicle theft in the developed world.

Mission

To deliver a culture of continuous and sustainable vehicle theft reduction in Australia by advancing reform and cooperation between industry, government and community stakeholders.

Operating philosophy

The NMVTRC is committed to developing common goals with stakeholders through the promotion of the economic and social benefits of reduced vehicle theft. Its credibility will be judged by the quality of its proposals for change.

Communication, consultation and negotiation are the hallmarks of the NMVTRC's operating philosophy, which underpins all its activities.

Chairman and Chief Executive's Report



David M Morgan (AO)
Chairman



Geoff Hughes
Chief Executive

This Report represents the NMVTRC's final Annual Report bringing to a close more than two decades of the most significant program of reform of the nation's vehicle crime related infrastructure and practices. For the reasons outlined below, this final Report covers program operations for the period 1 July 2020 to September 2021¹.

It coincides with the lowest vehicle theft volumes on record. A total of 47,803 vehicles were stolen in the 12 months to the end of June. Passenger/light commercial (PLC) and motorcycles thefts were each down 15 per cent while the heavy/other vehicle group fell by 16 per cent.

Preliminary data for July and August 2021 indicates that theft volumes are continuing to track downwards by up to 10 per cent.

In March the Insurance Council of Australia (ICA) advised that it would not be renewing its collaboration with the NMVTRC. The ICA emphasised that its decision was in no way a reflection of the work or achievements of the NMVTRC, but that challenging business conditions and new threats meant that expenditure was being closely monitored at all levels.

The ICA's withdrawal fundamentally impacts the public-private partnership model on which the NMVTRC was founded and has rendered the NMVTRC's future operations unviable.

While we have in the past been able to successfully navigate periods of one or more state governments' non-participation, the withdrawal of the major private sector partner (and its 50 per cent share of funding) presented a very different challenge. The NMVTRC's assessment was that it was not sustainable to continue operations beyond 30 September 2021.

In April, we reviewed the 2021 Work Program to focus on completing those high-priority projects that could reasonably be expected to deliver a tangible outcome or recommendations for reform in the time available. Pleasingly that high-priority program has been completed in full and includes:

- the first ever detailed analysis of the use of stolen vehicles in second and third high-impact, high-risk crimes;
- working with police and relevant federal agencies (Australian Taxation Office, Austrac, Australian Border Force, and Home Affairs) to conduct joint agency intelligence operations to quantify stolen vehicle export risks and potential remedial actions;
- maintaining the Australasian Vehicle Crime Managers' network to exchange experiences on the prevailing profit-motivated theft risks at a state and national level;
- completed business cases for reform of scrap metal and second-hand dealing markets in Queensland and South Australia; and
- a raft of collaborative projects with IAG Research Centre in respect of e-theft, cyber-security risks and connected vehicles.

It was a strong year for communicating the impacts of vehicle crime with an estimated 232 million consumers exposed to media coverage relating to the NMVTRC including coverage of the Pop. Lock. Stop campaign, youth offending and direct quotes from NMVTRC spokespersons on a range of vehicle crime issues. The NMVTRC also featured prominently in online platforms with an estimated online reach of 159 million consumers.

Unfortunately, the year also saw the closure of our successful Synergy Auto Repairs (SAR) collaboration with

1. The financial reports maintain the usual financial year timeframe for accounting standards and statutory reporting purposes.



Mission Australia (MA) and the Suncorp Group to deliver world-leading technical training and work experience for offenders aged 16-20 with a view to them securing full-time employment in the repair sector.

While SAR continued to perform at a high level in respect of its therapeutic outcomes (i.e., the development of trade skills, personal development and the mitigation of negative external influences or habits), the program was severely impacted by reduced income due to the general downturn in repair volumes associated with COVID-19 travel restrictions, and student participation. A call for urgent government assistance in December 2020 was unsuccessful, and MA reluctantly confirmed the cessation of SAR operations in January 2021.

We remain hopeful that a collective of the NMVTRC's stakeholders will pursue a like program in Queensland with the support of the Palaszczuk Government. It is vitally important that young people continue to get the chance to turn their lives around via a proven, effective diversionary model that provides tangible employment opportunities.

The NMVTRC's highly regarded expert data services continued to evolve with the use of our restricted law enforcement only services increasing by 20 per cent and the continued development of more intuitive, interactive applications for users.

During FY2021, there were more than 150,000 unique visits to the CARSAFE website. There were 5,300 queries to the law enforcement only service. On 30 June, the system held more than 748 million records of vehicle data sourced from police, registration, insurance, and automotive intelligence data providers.

Despite the disruption of the pandemic and the impact of the ICA's withdrawal, it was a stable year in respect of the

Board's operations, and we thank all members for helping to ensure a smooth, orderly path to the voluntary winding up of the organisation.

Special thanks to the dedicated staff of the Executive, all of whom demonstrated exemplary levels of commitment and energy in the most challenging of circumstances, which saw them working from home for all but a few weeks in the year.

The NMVTRC is proud of its contribution to reducing the economic and social impacts of vehicle crime on the nation and that FY2021 saw the lowest vehicle crime volumes in more than 20 years.

We couldn't have achieved the many significant milestones of the past 22 years without the valued contribution of our many stakeholders. We sincerely thank them for helping to drive down vehicle crime.

Finally, we have published a companion Chronology celebrating the NMVTRC's reform journey and many achievements. We commend it to readers as an enduring testament to the true value of collaboration.

David M Morgan (AO)
Chairman

Geoff Hughes
Chief Executive

Our Council Members

As at 30 June 2021



David Morgan (AO)
Independent Chair



Ashley Sanders
Federal Chamber of
Automotive Industries



Mark Borlace
Royal Automobile
Association SA
(Australian Automobile
Association)



Andrew Mahon
Department of
Transport and Main
Roads, Queensland
(Austroads)



Robert Hill APM
Victoria Police
(Lead Ministers for
NMVTRC Business)



Richard Dudley
Motor Trade Association
of Australia



Richard Gibson
National Transport
Insurance (Insurance
Council of Australia)



Matthew Wilson
Zurich Insurance
(Insurance Council
of Australia)

Our People



Geoff Hughes
Chief Executive



Christine Pejic
Program Manager



Caitlin Hrambanis
Projects and Communications
Coordinator



Danielle Meagher
Accounts and Office
Administrator

Reform Activity

Reducing short-term theft and the ancillary use of stolen vehicles



Reducing profit-motivated theft



Better data



Building stakeholder capacity and promoting innovation

Motor Vehicle Theft in Australia 2020/21

A total of 47,803 motor vehicles were stolen nationally in 2020/21. This represents a 15 per cent decrease from the previous year. Passenger/light commercial (PLC) vehicle thefts were down 15 per cent to a total of 38,187, motorcycle thefts also fell by 15 per cent and heavy/other vehicle thefts fell by 16 per cent.

Short-term theft

Total short-term theft, adjusted for late recoveries, decreased by 6,263 to 35,337 vehicles. The vehicle mix was comprised of 86 per cent PLCs, 11 per cent motorcycles and 3 per cent heavy/other vehicle types.

PLC theft analysis

Short-term PLC thefts decreased by 14 per cent. Of the 38,187 PLC thefts an estimated 30,480 are likely to be recovered based on historical late recovery trends. Of the 29,903 recovered at the time of this report:

- 25 per cent were less than six years old;
- 23 per cent were between six and 10 years old; and
- 50 per cent were more than 10 years old¹.

The proportion of immobilised vehicles stolen for short-term use continued to rise with 89 per cent of PLCs stolen fitted with an Australian Standards Equivalent (ASE)² immobiliser. Another 1 per cent were fitted with a non-ASE immobiliser.

Small cars now make up the greatest proportion of vehicles on Australian roads and this is also reflected in the theft numbers. Twenty-seven per cent of thefts were small passenger cars followed by SUVs (26 per cent). The most popular theft targets were:

- Holden Commodore VE (MY06-13) with 668 thefts;
- Ford Ranger PX (MY11+) with 421 thefts; and
- Toyota Hilux (MY15+) with 371 thefts.

As a group, light commercial utilities made up 18 per cent of all short-term thefts and five of the top eight short-term theft targets by make/model (Toyota Hilux (various model years), Ford Ranger PX MY11+ and the Nissan Navara D40 MY05-15).

Passenger/light commercial	
	↓ 15%
38,187	thefts
Motorcycles	
	↓ 15%
7,701	thefts
Heavy/other	
	↓ 16%
1,915	thefts

1. In addition the vehicle age was unknown in 1 per cent of short-term thefts.

2. The term ASE was developed by the NMVTRC to cover original equipment immobilisers that comply with the Australian Design Rules and after-market devices that meet Australian Standards.

Motor Vehicle Theft in Australia 2020/21 continued

Motorcycle theft analysis

Adjusted short-term motorcycle thefts decreased by 890 thefts (19 per cent) bringing the 2020/21 total to 3,893. Where the motorcycle body type and year of manufacture were known:

- almost one in four (23 per cent) motorcycles stolen were off-road bikes;
- on-road scooters made up 35 per cent of all motorcycle thefts, followed by on-road sports bikes (22 per cent) and off-road sports bikes (9 per cent);
- 66 per cent of bikes stolen were manufactured from 2010 onwards; and
- consistent with their market share, Honda and Yamaha topped the list of the most stolen short-term thefts with 743 and 564 thefts, respectively.

Five year trends

Short-term PLC theft is down 18 per cent from 2016/17 when 37,201 vehicles were stolen. Motorcycle theft also decreased by 6 per cent over this period and short-term theft of other vehicles was down 27 per cent over the last five years.

The age distribution of short-term PLC thefts over the past five years has clearly been changing. As Figure 1 below shows, since 2016 the gap between theft of vehicles manufactured before ASE immobilisers became standard equipment (pre-2001) and after (post 2001) has been steadily growing.

In 2016/17, 77 per cent of PLCs stolen and recovered were fitted with an ASE immobiliser. The increase to 89 per cent over the past five years echoes the now very high immobilisation rate of Australia's vehicle fleet and explains why thieves gaining access to the key and transponder via residential burglary is now the most common method of stealing 'secure' vehicles.

Profit-motivated theft

When adjusted for late recoveries total profit-motivated theft decreased by 2,122 thefts, bringing the 2020/21 total to 12,466. The profit-motivated theft of PLCs decreased by 1,604 (or 15 per cent). Profit-motivated motorcycle theft decreased by 10 per cent (423 thefts), which left the profit-motivated vehicle mix consisting of 62 per cent PLCs, 31 per cent motorcycles and 8 per cent 'other.'

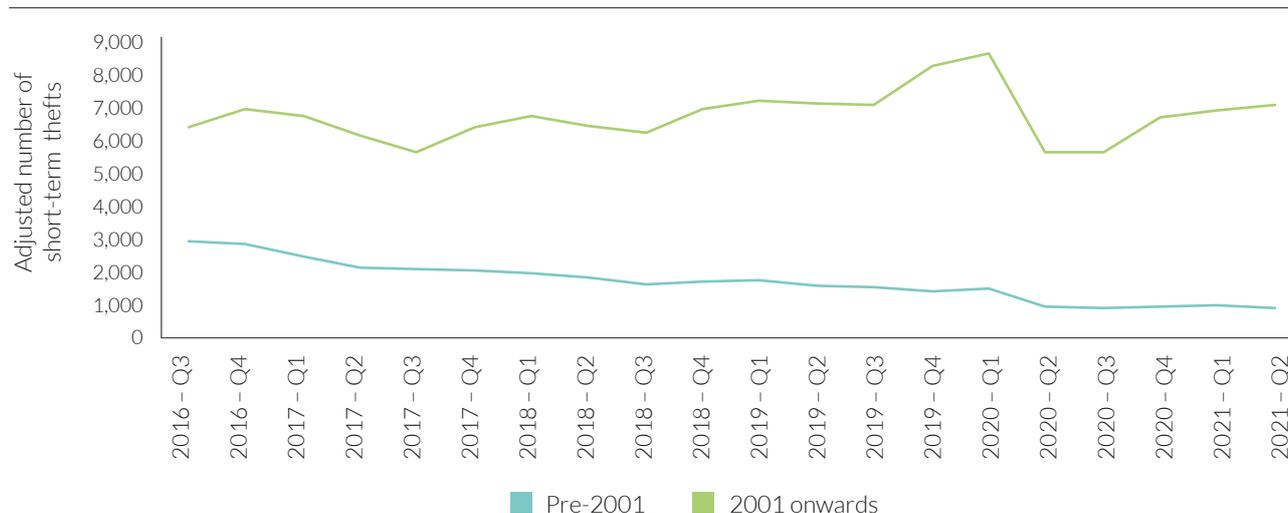
PLC theft analysis

At the time of this Report a total of 8,284 PLC thefts are yet to be recovered. However, allowing for expected late recoveries based on historical trends, the true figure is likely to be 7,707. Of these the age distribution was:

- 14 per cent less than six years old;
- 19 per cent between six and 10 years old; and
- 66 per cent more than 10 years old³.

The 16+ year age group made up the single highest proportion (40 per cent).

Figure 1: Passenger/light commercial vehicles – adjusted short-term thefts by quarter, 2016/17-2020/21



3. In addition the vehicle age was unknown in 2 per cent of profit-motivated thefts.

Eighty-one per cent of PLC vehicles stolen for profit were fitted with an ASE immobiliser; an increase of 3 per cent from the previous year. Seventeen per cent were not fitted with any type of immobiliser.

Light commercial utility vehicles were the most popular target of profit-motivated theft, making up 22 per cent of vehicles stolen. SUVs were the second most commonly targeted group at 21 per cent followed by small passenger vehicles with 20 per cent. The top theft makes and models for the year were the:

- Holden Commodore VE (MY06-13) with 230 thefts;
- Toyota Hilux (MY05-11) with 175 thefts; and
- Nissan Patrol GU (MY97+) with 113 thefts.

Motorcycle theft analysis

When adjusted for late recoveries profit-motivated motorcycle theft decreased by 10 per cent in 2020/21. The 3,808 thefts represent 31 per cent of all vehicles stolen and not recovered. Where the motorcycle body type was known:

- the largest proportion of profit-motivated motorcycle thefts were on-road scooters (24 per cent), on-road sports bikes (17 per cent) and off-road sports (17 per cent);
- like short-term thefts, Honda (802 thefts) and Yamaha (762 thefts) were the most commonly targeted for profit.

Close to three in five motorcycles (57 per cent) stolen for profit were on-road bikes. This is a significant variation from those stolen for short-term use where a much larger proportion (three in four, or 77 per cent) stolen are on-road bikes.

Five year trends

Both profit-motivated PLC theft and motorcycle theft have decreased over the past five years (15 per cent and 8 per cent from 2016/17 respectively). Profit-motivated theft of other vehicles also decreased by almost 19 per cent over the same period.

As shown in Figure 2, the age profile for profit-motivated PLC thefts reveals a slight increase (3 per cent) in vehicles more than 16 years old. In line with this, PLCs valued at less than \$5,000 continue to make up the largest proportion of profit-motivated theft (44 per cent) indicating the targeting of older vehicles for their scrap metal value (Figure 3).

Over the past five years there has been a shift in profit-motivated theft towards SUV passenger vehicles (up from 17 per cent in 2016/17 to 21 per cent in 2020/21), light commercial utilities (from 21 to 22 per cent) and

small passenger vehicles (from 19 to 20 per cent). There has been an overall decline in theft of large passenger vehicles from 22 to 17 per cent.

Figure 2: Passenger/light commercial vehicles – percentage of profit-motivated thefts by vehicle age group, 2016/17-2020/21

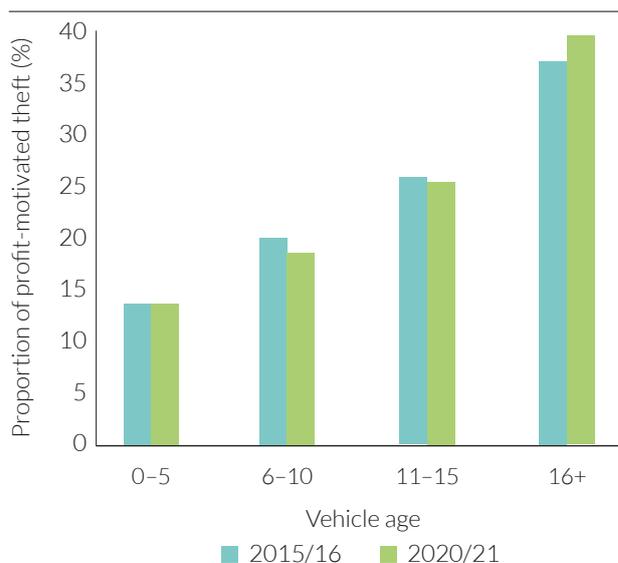
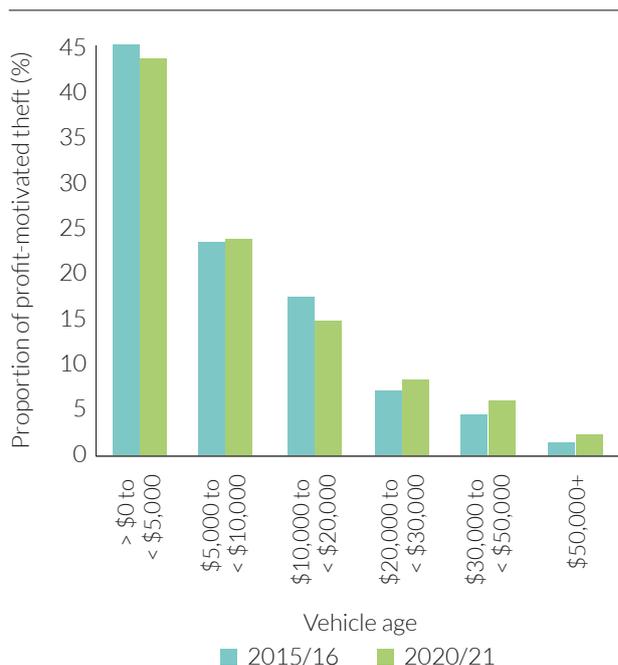


Figure 3: Passenger/light commercial vehicles – percentage of profit-motivated thefts by Glass' Guide value estimate, 2016/17-2020/21



For a more in-depth analysis of thefts in the 2020/21 financial year including breakdowns for all jurisdictions go to www.carsafe.com.au/statistics

An aerial photograph of a large car scrap yard. The yard is filled with hundreds of crushed and dismantled vehicles, arranged in neat rows. The cars are in various colors, including white, black, red, blue, and yellow. The ground is a light-colored, flat surface, possibly concrete or asphalt. The perspective is from directly above, looking down on the rows of scrap metal.

Auto-recycling reform

Together theft for scrap and the export of stolen vehicles as separated parts could account for up to nine in 10 profit-motivated thefts in Australia. This year, the NMVTRC has been working with expert reference groups of industry and government representatives in Queensland and South Australia and experts in regulatory design to put forward options for reform of the scrap metal industry in both states. The preferred approach would see state governments introduce new, crime-prevention focused legislation to curb illicit trading and impose strict sanctions for non-compliance.

And in Victoria, a joint intelligence operation being led by Victoria Police, together with key government agencies nationally, was formed to drive an extensive analysis of the export of stolen vehicles.

The final report provides an overview of the end-to-end export logistics chain, identifies current drivers and methodologies of illicit activity, and makes recommendations for the reform of practices and related laws.

Both countermeasures represent important steps forward in curtailing theft for scrap and export in Australia and fall under the NMVTRC's *Reducing profit-motivated theft* reform theme.

Reform Activity

The NMVTRC's 2020/21 activity is categorised by the two major reform themes – *Reducing short-term theft and the ancillary use of stolen vehicles* and *Reducing profit-motivated theft* – and the sub-themes of *Building community capacity and promoting innovation* and *Better data*.

1. Reducing short-term theft and the ancillary use of stolen vehicles

Sustainable best practice interventions for recidivist offenders

Synergy Auto Repairs (Social Enterprise) for young recidivist offenders

On any day there are around 1,500 young people held in juvenile detention nationally and a very high proportion of them are there as a result of motor vehicle offences. Detention is costly – keeping a young person in secure care costs more than \$550,000 a year – and its impact on post-release re-offending is open to debate. Recidivist offenders are often returned to the community without the skills or support required to leave their former lifestyle behind.

High rate vehicle theft has also been shown to be a strong indicator of a young person's likely involvement in other forms of crime. Car crime also kills; with almost 100 theft-related fatalities across Australia since 2012. Over two-thirds of those deaths were young people under the age of 30. Most resulted from a combination of excess speed, drugs, and alcohol. Seven were associated with an active police pursuit.

For these reasons, the NMVTRC remains an advocate for the expert design and delivery of diversionary programs for young offenders.

Since 2014, young people have had a chance to turn their lives around through the commercially based social enterprise, Synergy Auto Repairs (SAR). Synergy is a unique partnership between Mission Australia (MA), the Suncorp Group (SG) and the NMVTRC to deliver technical training and work experience for offenders aged 16-20 with a view to them securing full-time employment in the repair sector. All work is supervised by an experienced, trade-qualified workshop manager and two full-time spray painters and panel-beaters and must meet the same quality standards of other Suncorp repairers.

While SAR continued to function at a high level in respect of its therapeutic outcomes (i.e. the development of technical skills, personal development and the mitigation of negative external influences or habits), the program was severely impacted by reduced income due to the general downturn in repair volumes associated with COVID-19 travel restrictions,

and student participation. A call for urgent government assistance in December 2020 was unsuccessful, and Mission Australia reluctantly confirmed the cessation of SAR operations in January 2021.

Since its inception, the enterprise completed more than 3,000 customer repairs and placed more than 50 graduates in trade apprenticeships. Only one in 10 students are known to have re-offended post-completion and more than 70 (64 per cent) have secured apprenticeships or other employment.

An independent evaluation by Latrobe University academic Michael Atkinson, commissioned by MA to quantify the program's effectiveness, was completed this year. The evaluation model contrasts the hundreds of thousands of dollars (per head) most offenders exiting detention cost federal and state agencies in enduring support (or custody) services with the positive contribution SAR graduates are making within the community.

Pleasingly, discussions have recommenced with Queensland stakeholders about forming a collective to explore options for replication of the model. It is vitally important that young people continue to get the chance to turn their lives around via a proven, effective diversionary model.

Helping the community safeguard their homes and keys

Stop Sneak Theft

Stop Sneak Theft (SST) (formerly Operation Bounce Back) is the NMVTRC's public education-based program which aims to harness the efforts of local government and police to raise community awareness of vehicle theft and effective prevention measures in theft 'hot spots' nationally.

The FY2021 program was boosted to 31 grants to the value of \$15,000 and offered to local councils in theft hot spots across the nation. Nineteen local councils accepted the offer to implement a crime prevention campaign with a focus on preventing car theft via residential burglary and raising awareness of thieves entering homes undetected to steal keys ('sneak theft'), consistent with the NMVTRC's *Tackling Vehicle Theft: A guide for Local Communities*.

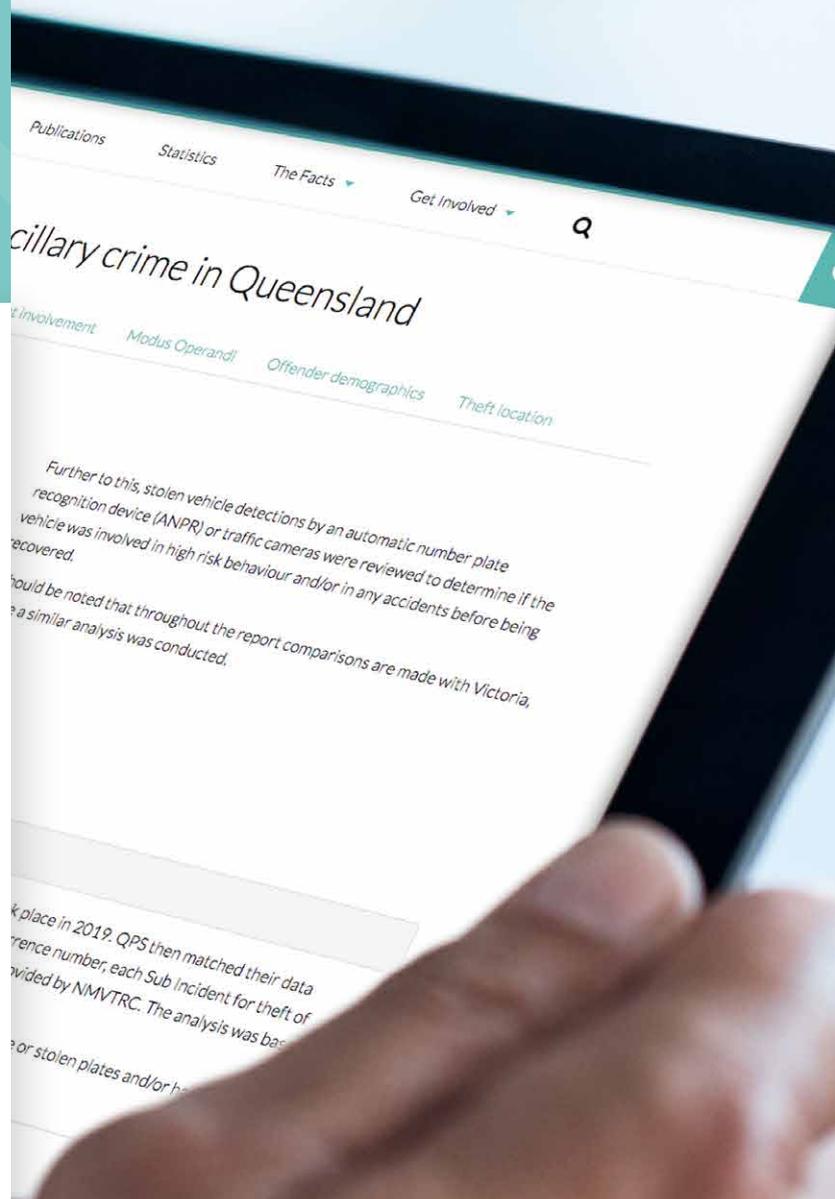
Ancillary use of stolen vehicles

It's clear that vehicle theft is no longer a single crime; it is now often at the centre of a more complex mix of offending with stolen cars being used in the commission of a range of other crimes and often posing significant road safety risks.

To help us to quantify the harm caused by motor vehicle crime, the NMVTRC has worked with Victoria Police and the Queensland Police Service to conduct an analysis of crimes associated with a sample of motor vehicle thefts taken from both states in 2019.

The report's findings provide sound evidence of the compounding nature of vehicle crime and the potential harm caused from a single vehicle theft incident. It is expected to assist police services to evaluate the true impact of motor vehicle crime in Australia and develop targeted reforms and countermeasures.

This research falls under the NMVTRC's *Better data* reform theme.



Reform Activity continued

Despite the major interruptions of COVID-19 social and travel restrictions which resulted in some elements of programs being postponed, participating councils adapted and remained committed to delivering effective, resident-focused programs.

This was the first year municipalities utilised the NMVTRC's newly developed public education material based on the 'Pop. Lock. Stop' messaging. The response was overwhelmingly positive and the direct call to action (i.e. to keep keys out of sight in the home) and the promotion of clear and simple steps motorists can take to reduce their risk was reported to be well received by motorists and caused them to consider their behaviour around car key safeguarding and home security.

COVID-19 related restrictions meant that there was a heavy reliance on social media and cinema screenings to promote the campaign's key messages. Similarly, shopping centre and petrol station digital screens were utilised to generate interest in high traffic areas.

The best performing LGAs recorded theft reductions greater than their respective states. The theft performance of the top 13 LGAs compared with their state average is presented below.

Pop. Lock. Stop Sneak Theft

The increasing penetration of electronic immobilisers across the Australian fleet has made a major contribution to improving the country's theft performance with volumes falling by more than 60 per cent since they were made compulsory in new cars in 2001. Nationally, nine in 10 vehicles are now protected by an Australian Standards Equivalent engine immobiliser.

Whilst this should be welcomed, it has in part led to a shift in offenders' methods towards:

- residential burglaries to access the keys of 'secure vehicles' – with vehicle keys being the only property stolen in up to one in four reported burglaries in which a vehicle was taken; and
- 'sneak' thefts, where offenders enter occupied homes undetected and steal car keys left in easily accessible places such as near an open door or window.

Last year the NMVTRC launched the *Pop. Lock. Stop* campaign to highlight the high percentage of vehicle thefts via offenders sneaking into homes to steal keys and the three simple steps motorists can take to reduce their risk.

In FY2021, the focus was on enhancing promotion of the campaign and broadening the audience via social media and stakeholder collaboration. This included:

- a joint social media campaign with Victoria Police which saw multiple assets disseminated via the corporate Victoria Police Facebook and Instagram accounts and through the 54 police service area Eyewatch pages;
- a month-long campaign with Neighbourhood Watch Victoria which included social media promotion and dissemination of *Pop. Lock. Stop* postcards at NHW events across multiple LGAs; and
- working with NT road authorities to have *Pop. Lock. Stop* messaging promoted on certificate of registration letters to motorists.

Resources will continue to be available for stakeholder use from the NMVTRC's website.

Local government area	2020	2021	% change	% change for the state
Central Coast (NSW)	362	320	-12%	-10%
Canterbury-Bankstown (NSW)	436	389	-11%	-10%
Fairfield (NSW)	291	163	-44%	-10%
Lake Macquarie (NSW)	294	254	-14%	-10%
Logan (QLD)	1,158	806	-30%	-8%
Port Adelaide Enfield (SA)	263	200	-24%	-21%
Clarence (TAS)	86	61	-29%	-21%
Glenorchy (TAS)	103	89	-14%	-9%
Ballarat (VIC)	434	241	-44%	-29%
Hume (VIC)	758	241	-35%	-29%
Armadale (WA)	154	103	-33%	-19%
Belmont (WA)	158	107	-32%	-19%
Swan (WA)	279	166	-14%	-19%



Collaboration with IAG Research Centre

Since 2018 the NMVTRC has been working with IAG's Research Centre (IAGRC) on a collaborative research program to ensure that we keep ahead of technological advances in vehicle architecture and e-theft methods.

The program for FY2021 included a number of important research projects to provide stakeholders with evidence-based advice on future challenges through early identification of potential cyber-security risks; optimisation of emerging technologies associated with the growth of connected and automated vehicles; and international secure vehicle identification and testing requirements.

The IAGRC collaborative partnership falls under the NMVTRC's *Building stakeholder capacity and promoting innovation* reform theme.

Reform Activity continued

Better consumer engagement and incorporating victim stories

Understanding consumer perceptions of vehicle crime in order to develop messaging that will resonate with a broad range of motorists is central to the NMVTRC's community engagement strategy. Following the release of the NMVTRC's 'Pop. Lock. Stop' campaign, the NMVTRC was advised of comments on Neighbourhood Watch Victoria's (NHWVIC) social media that indicated reluctance amongst a proportion of motorists to follow the advice of the campaign and keep keys out of sight and lock doors.

To better understand the hesitation of some motorists to heed the campaign's advice, the NMVTRC and NHW developed a targeted survey with a view to creating supplementary messaging that may better resonate with this specific group of motorists. Of particular interest was the question of whether people were hesitant to keep keys out of sight due to fear of confrontation with a thief. The survey generated a total of 561 responses.

Pleasingly, the results confirmed strong security practices amongst the majority of motorists including locking doors and keeping keys away from the front door. Only a few respondents indicated they did not lock their doors/keep keys out of sight 'to reduce the risk of aggravated burglary' or to reduce perceived danger associated with an offender breaking in and trying to find the car keys.

Overall, the findings suggested that rather than fear, select motorists are choosing to keep keys visible and/or doors unlocked for convenience or out of habit. Amongst this group, there was also a general perception of car theft being unlikely to happen to them, meaning that the risk is not perceived to be great enough to warrant a change in habitual behaviours. Despite this, when asked most respondents felt that the campaign's advice was valuable and would reduce their risk of car theft.

The survey results were subsequently used by the NMVTRC and NHW in collaboration with Crimestoppers to create a series of social media vignettes with a focus on the inconveniences associated with having a vehicle stolen as told by victims of motor vehicle theft. It is hoped that this personalised messaging will assist motorists to see that the inconvenience of having a car stolen far outweighs that of employing simple home security practices. The campaign will run throughout August and September across the Crimestoppers corporate social media pages.

2. Reducing profit-motivated theft

Auto-recycling reform

Reform of the scrap metal market

The prevailing vehicle age profile of profit-motivated thefts indicates that theft for scrap (including dismantling for parts) could account for half of all profit-motivated thefts in Australia. Gaps and anomalies in the way the separated parts and scrap metal markets have been traditionally regulated across Australia including exemptions from Licensed Motor Car Trader and second-hand dealer licensing and registration requirements have allowed 'theft for scrap' rackets to flourish with little risk of detection.

Industry sources maintain that demand for vehicles for metal recycling and the export of whole and partial vehicles continue to grow and that legitimate industry participants are finding it increasingly difficult to compete against rogue operators who have no outward appearance of compliance with regulatory requirements and established industry standards.

New South Wales (NSW), Victoria and Western Australia (WA) have each introduced varying legislative reform of scrap metal-related laws, ranging from minor amendments to consumer laws to the introduction of special, crime-prevention focused legislation. However, in other jurisdictions the industry remains largely unregulated. This year, the NMVTRC established expert reference groups in South Australia (SA) and Queensland (QLD) to explore options for industry reform in both states.

An NMVTRC commissioned analysis by experts in regulatory design posed two options for reform: augmenting existing consumer protection laws with provisions directed to reducing criminal activity (the consumer model), or introducing a new, stand-alone Act based on the NSW *Scrap Metal Industry Act 2016* (the crime prevention model).

Based on this advice, the NMVTRC engaged economic and public policy consultants to develop a full cost benefit analysis of the options for SA and QLD. A similar analysis conducted by the NMVTRC for WA in FY2020 estimated that the introduction of new, stand-alone legislation would deliver a larger benefit under all possible scenarios at a lower total cost for both government and industry with the potential to reduce illicit trading by up to 75 per cent.

The two RIS' have been completed and submitted to the respective State governments.

Stop Sneak Theft

This year the NMVTRC's public education-based program, Stop Sneak Theft (formerly Operation Bounce Back), reached its milestone 15th year. Over this time the initiative has successfully harnessed the assistance of local government and police to raise community awareness of vehicle theft and effective prevention measures in 'hot spots' nationally.

2021 saw municipalities utilise the NMVTRC's newly developed *Pop. Lock. Stop* public education material for the first time, raising awareness of the simple steps that can be taken to reduce the risk of key theft from the home. Pleasingly, 13 of the participating municipalities achieved a reduction in passenger/light commercial vehicle thefts greater than that of their respective states.

Helping the community safeguard their homes and keys falls under the NMVTRC's *Reducing short-term theft and the ancillary use of stolen vehicles* reform theme.



Reform Activity continued

Prohibiting the export of stolen vehicles and parts

The NMVTRC estimates that the export of stolen vehicles as separated parts or scrap could account for four in 10 profit-motivated thefts with a proliferation of new entrants in 'cash for cars' sector focused on scrap metal exports. The NMVTRC's assessment is supported by both Victorian and NSW police.

In December 2020, Operation Neptune was established – a joint intelligence exercise led by Victoria Police, together with the Commonwealth Department of Home Affairs, Australian Border Force, the Australian Federal Police, Australian Criminal Intelligence Commission, Austrac, and the Australian Taxation Office.

The project involved undertaking an extensive analysis of export data, person and business names and VP/ABF/AFP intelligence holdings to identify persons and businesses of interest for investigative targeting with the aim to better understand criminality of profit-motivated vehicle theft and export, and to identify entities that are most likely engaging in the facilitation of exporting stolen vehicles and/or vehicle parts. The model is like that applied to other organised high-impact, high-harm crimes.

The final Operation Neptune report provides an overview of the end-to-end export logistics chain, identifies current drivers and methodologies of illicit activity, and makes recommendations for the reform of practices and related laws. It is expected to be of significant value to police services nationally in the fight against profit-motivated theft in Australia.

Refining management of written-off vehicles (WOV)

While the frequency of heavy vehicle (HV) theft is relatively low at less than 5 per cent of all thefts, the cost of an incident can be extremely high with a single prime mover worth hundreds-of-thousands of dollars. Costs to individuals and businesses impacted by this type of theft will be generally much higher than for other vehicles in terms of temporary replacement costs, lost productivity, and increased insurance premiums.

Following the Transport and Infrastructure Council (TIC) agreeing to implement a Heavy Vehicle Written-off Vehicle Register to improve vehicle safety and mitigate theft risks, Austroads and the NMVTRC jointly published a technical guide, *Damage Assessment Criteria for the Classification of Heavy Statutory Write-Offs* in 2018, which is the central element of the scheme. The guide is designed to assist insurance personnel and other notifiers who are required to classify heavy vehicle write-offs for regulatory purposes with the classification task.

The new criteria require a local law change to adopt them and there are several pre-implementation tasks that each jurisdiction will need to undertake to achieve a seamless, national system. An implementation reference group (IRG) was established in FY2019 to confirm required tasks and develop a coordinated approach.

This year the Austroads Registration and Licensing Taskforce accepted the pre-implementation outputs. At time of writing most states are yet to confirm 'go live' dates but full implementation is not expected until 2023.

Personal Properties Securities Register (PPSR)

The NMVTRC has long been a leading advocate for improving consumer and motor trades' access to non-personal vehicle status information and establishing a means for insurers to validate data direct from the vehicle registration system.

The PPSR is the national one-stop-shop for vehicle encumbrance, stolen and written-off status for consumers and the motor trades. It is operated by the Australian Government and provides prospective buyers of used vehicles with a one-off certificate confirming a vehicle's recorded status.

In FY2021 the NMVTRC refreshed its website and information on the importance of obtaining a PPSR check when buying a used car privately. The NMVTRC would also like to see all Australian motoring clubs do more to promote the basic PPSR check to their members. A basic enquiry costs just \$2.

In FY2021, the PPSR processed over 5 million motor vehicle checks.

Synergy Auto Repairs

Since 2014, young people have had a chance to turn their lives around through the commercially based social enterprise, Synergy Auto Repairs (SAR) – a unique partnership between Mission Australia (MA), the Suncorp Group (SG) and the NMVTRC to deliver technical training and work experience for young offenders with a view to them securing full-time employment in the repair sector.

The therapeutic outcomes of the program are clear. Since its inception, the enterprise completed more than 3,000 customer repairs and placed more than 50 graduates in trade apprenticeships. Only one in 10 students are known to have re-offended post-completion and more than 60 per cent have secured apprenticeships or other employment.

The program reluctantly ceased operations this year. However, pleasingly, discussions are continuing about options for replication of the model. SAR's positive outcomes reinforce how vitally important proven, effective diversionary programs are in changing the direction of young people's lives.

Sustainable best practices for recidivist offenders falls under the NMVTRC's theme of *Reducing short-term theft and the ancillary use of stolen vehicles*.



Reform Activity continued

Secure Compliance (Vehicle Identity) Labels

The conversion of stolen vehicles into cash has historically relied upon the manipulation of vehicle identities and state and territory registration systems to on-sell stolen vehicles into the domestic second-hand market.

The year saw close to 745,000 new vehicles sold in Australia bearing a compliance label that complies with the NMVTRC's performance-based technical specification. The label's unique features ensure that it cannot be transferred between vehicles without easy detection, cannot be copied, and is easy to authenticate. The year's result brings the total volume of vehicles protected since the label's first introduction in 2007 to more than 6.3 million.

A new Australian Design Rule (ADR 61-3) for Secure Vehicle Identification came into effect in July 2021 which removes the requirement to fit vehicles with a compliance plate and replaces it with a requirement for vehicles to be fitted with a 'secure vehicle identification marking.'

While the NMVTRC welcomes the retention of a requirement for a system of secure ID – including a secure label – we equally remain concerned with the lack of guidance for a candidate product's performance in regard to appropriate tamper evident, fraud resistance and self-destructive qualities. In our assessment this could have been easily remedied without detriment to an open, internationally harmonised market, by four simple performance-based requirements, i.e. that a complying product:

- leaves a discernible footprint or residue if removed;
- is not able to be removed intact by heating or freezing;
- is not able to be easily duplicated by known copying or scanning methods; and
- is able to be confirmed as genuine by a simple, in-situ, non-destructive field test.

The NMVTRC has written to vehicle manufacturers encouraging the retention of the Geographic IV label. As part of its collaborative alliance, the NMVTRC also asked the IAG Research Centre to conduct an international scan of secure vehicle ID, which showed that both the UK and China had the highest testing and quality-control procedures. The research sets proposed secure ID assessment procedures which could be used to test the candidate labels' performance in respect of the above.

Whole of Vehicle Marking

A further 22,000 new vehicles sold in the year carried up to 7,000 microdots each bearing the vehicle's unique 17-digit identification number, making it virtually impossible for profit-motivated thieves to hide a vehicle's original identity. More than 540,000 vehicles sold in Australia since 2009 have had the NMVTRC-endorsed system fitted as standard equipment.

Mitigating the risks posed by off-register vehicles

The NMVTRC has received reports of criminals seeking to exploit current regulatory barriers by using the identifiers of 'retired' passenger and light commercial (PLC) vehicles used exclusively on mining sites that are not captured in state and territory registration systems.

PLC vehicles used exclusively on mining sites are not required to be registered and as such do not have a vehicle history in the public register. This poses a risk that once they have come to the end of their life for mining purposes their identifiers may be used by criminals to give a comparable stolen vehicle a new identity which can then be registered and on-sold to unsuspecting buyers.

Last year the NMVTRC secured support from the NSW Police Force's Financial Crimes Command to work collaboratively towards the development of practices to mitigate related risks. This year, discussions continued with Austroads regarding its capacity to pre-flag VINs with no registration attached within 12 months. Following this, changes to state-based systems will ultimately be required. This work is now being led by the NSW Police Force.

Reform Activity continued

Police responses

Australian Vehicle Crime Managers' Network

The NMVTRC convenes the Australasian Vehicle Crime Managers' Network (AVCMN) each year to enable senior law enforcement officers and lead investigators to:

- exchange perspectives on current and emerging trends in vehicle crime at a jurisdictional and national level;
- share information on jurisdictional responses to related crime, including specific investigation and broader service wide strategic responses; and
- discuss inter-agency optimisation of intelligence and knowledge sharing.

This year's forum was held in August via teleconference due to COVID-19 travel restrictions. Representatives from participating police services had the opportunity to make a brief presentation on the key profit-motivated and short-term theft issues facing their jurisdiction and highlight any specific investigation structures or techniques that have proven to be effective.

The content of discussions is protected for operational purposes and cannot be reported in detail. However, in general terms:

- vehicles being stolen and used in the commission of other crimes is being observed in all jurisdictions;
- rudimentary cloning of vehicle registration and identification plates is common, with thieves often sourcing vehicle ID from online marketplaces;
- theft of catalytic converters from vehicles is becoming a major issue driving scrap metal reform; and
- youth crime continues to be prevalent, particularly in SA and QLD.

The group also discussed next steps for a range of key issues identified by the NMVTRC including the use of stolen vehicles in high-impact, high-harm crimes; legislation for using a stolen vehicle as a weapon against police; export risks; and scrap metal reform.

Legislative analysis of the use of a stolen vehicle as a weapon

The use of stolen vehicles as weapons is increasingly becoming a road safety risk associated with vehicle crime. Police services in several jurisdictions report rising incidents of 'ramming' of police vehicles with stolen cars, posing risks to both police members and other road users.

At the NMVTRC's 2019 Australasian Vehicle Crime Managers' Network senior police representatives from all states and territories noted the inadequacy of legislation to deal with the severity of the crime. This was further reiterated at the NMVTRC's series of Strategic Planning workshops with key stakeholders across Australia in 2020.

In November 2020, the NMVTRC engaged experts in regulatory design to establish how Australian state and territories currently deal with related criminal behaviour and propose model provisions to establish nationally consistent laws.

The report, *Use of a stolen motor vehicle as a weapon – The offence of ramming a police vehicle*, confirms that only Victoria and the ACT have specific legislation. In 2017, the Victorian Crimes Act was amended to include the specific offence of ramming a police vehicle and offences of exposing police and other emergency workers to danger by using a stolen vehicle as the weapon. The offence incurs mandatory jail time of two years, with provision for up to 20 years. The ACT introduced similar legislation in 2019.

The report proposes a model for new legislation for all other jurisdictions (and extended provisions in the ACT and Victoria). The recommended provisions are based on the Victorian and ACT initiatives with variations made to integrate the new offences into existing state and territory provisions. There is also a recommendation for possible further reform to specify that the use of a stolen vehicle is an aggravating factor for offences generally. It will be shared with police crime Commissioners nationally to assist in building the case for further legislative reform.

3. Building stakeholder capacity and promoting innovation

Better networks

Better liaison with motorcycle rider groups

In FY2021 a total of 7,701 motorcycles were stolen nationally. While the numbers are down (15%) from the previous 12 months, motorcycle theft has remained relatively stable over the past five years due to the inherent challenges of protecting bikes including ease of portability and high demand for parts and the absence of registration for off-road bikes and poor identification.

Throughout the past decade the NMVTRC has attempted to engage with rider groups via a variety of means including hosting a national motorcycle summit, rider surveys, participation in bike safety events and the establishment of a dedicated micro-website. The challenge is to maintain regular rider engagement to ensure theft prevention messages are resonating with riders.

In FY2021, the NMVTRC teamed up with the Motorcycle Council of NSW (MCC) to better understand the security practices of motorcycle and scooter riders in Australia.

The NMVTRC and MCC were interested in rider perceptions around motorcycle theft and prevention measures owners currently employ to protect their bikes both when at home and out in the community. A survey was disseminated through the MCC network resulting in 186 responses.

The survey highlighted the very strong attachment that many riders have to their motorcycles, and in turn, a sound awareness of the importance of motorcycle security and interest in actively taking theft prevention measures. This was particularly the case in the home, where increased security practices coincided with most riders feeling that their bike was unlikely to be stolen from their residence. Conversely, survey responses suggested less certainty about being able to protect a bike when in a public space and skepticism as to whether a bike would be returned if was stolen.

The responses highlighted the need for customised theft prevention messages for specific motorcycle rider groups to ensure they reflect varying riding habits and personal circumstances. For example, inner-city scooter riders could be encouraged to keep their scooter out of sight as opposed to in a locked shed or garage, which may not be feasible.

Survey respondents also indicated that they had often taken measures 'into their own hands' and installed CCTV at home and additional security devices on their bikes. This sends a clear message to manufacturers of demand for improved original equipment and point of sale security features, such as low-cost GPS tracking.

The NMVTRC's suite of resources for motorcycle riders including the dedicated website, protectyourbike.com.au, will remain available to motorcycle riders and groups.

Technology

Collaboration with IAG Research Centre

Since 2018 the NMVTRC has been working with IAG's Research Centre (IAGRC) on a collaborative research program to ensure that we keep ahead of technological advances in vehicle architecture and e-theft methods. The partnership provides the NMVTRC with access to expert advice on cyber-security risks, the practical testing of select, aftermarket security devices and/or Original Equipment Manufacture security features.

The research program for FY2021 included a number of important research projects to assist the NMVTRC to drive its current agenda and provide stakeholders with evidence-based advice on future challenges through early identification of potential cyber-security risks. Publications for the year included:

- A review of the current cost of vehicle replacement parts for 19 popular modern mainstream vehicles aged five to eight years. The review found that the value in the replacement parts for these vehicles has increased significantly over the past two decades, with a parts basket value now ranging from 32 to 186 per cent of the vehicle's total trade value.
- An update to the FY2020 independent assessment of the range of stored vehicle data available in modern vehicles and its utility for law enforcement and insurance investigations to include testing of the Bosch device and user training.
- An international scan of vehicle marking requirements and a proposed set of criteria for secure ID assessment procedures in light of the introduction of the new Australian Design Rule (61-3) for vehicle ID.

Reform Activity continued

- In preparing for the growth of connected and automated vehicles in the national fleet, a compendium of major vehicle manufacturers with vehicle tracking capabilities (and an analysis of the ease and process used by criminals to disable such systems) to assist police services (and other stakeholders) to optimise the opportunity that real-time vehicle tracking will offer in the pursuit of stolen vehicles.
- Three editions of the Cyber Security Bulletin – a bi-monthly newsletter providing stakeholders with the latest information on automotive cyber-security trends and technologies.
- A newsletter with information on preparing for the next generation of e-security such as the imminent use of mobile phones for keyless vehicle entry/start and the potential for such technology to create more attack surfaces for electronic hacking.

The reports have been disseminated to interested parties and will remain available on the NMVTRC's website.

4. Better data utilisation

Expert data systems

Over the past 21 years the NMVTRC's world-leading expert vehicle crime data service has transformed from a rearward looking, static report-based system to a dynamic suite of online tools for stakeholders and law enforcement. For the larger jurisdictions data is refreshed weekly and as such can be used to inform local tactical and operational responses.

In FY2021 the CARS service again provided stakeholders and the media with fast, easy access to the most up-to-date vehicle theft data available. A range of enhancements were introduced in during the year, including:

- completing 164 data requests for various stakeholders;
- releasing a research report on the theft risk of electric and hybrid passenger/light commercial vehicles;
- publishing research examining alleged offender and criminal courts data from NSW;
- the completion of two research projects to determine the type and frequency of ancillary crimes associated with stolen vehicles;

- publishing a range of infographics and updated all interactive tools for the general public;
- updating the CARS database with the latest geolocation datasets from ABS;
- undertaking maintenance to resolve data and index fragmentation and other tuning tasks to enhance the database performance; and
- sourcing and maintaining an image library of over 3,168 PLC vehicles by make, model and series.

During FY2021, there were more than 150,000 unique visits to the CARSAFE website. There were 5,300 queries to the law enforcement restricted services. As at 30 June 2021, the CARS system held more than 748 million records of vehicle data sourced from police, registration, insurance and automotive intelligence data providers.

Deeper analysis

Ancillary uses of stolen vehicles

Anecdotal reports from police in several regions of Australia are that thieves are retaining the use of vehicles that will ultimately be recovered for extended periods. An NMVTRC analysis of time from reported theft to recovery of the vehicle shows that the median days to recovery has increased from one day in 2009 to now up to four days in some larger jurisdictions, supporting the anecdotal reports.

For over a decade, the NMVTRC has attempted to classify vehicle theft data by the offenders' motivation – short-term use or profit-motivated. While the short-term category has by definition included incidents where a stolen vehicle is used in the commission of other crimes (as well as purposes such as joyriding and for transport) the changes in recovery time warrants further investigation to better understand how offenders are using the stolen vehicles and the related wider impacts.

In FY2021 the NMVTRC worked with Victoria Police and the Queensland Police Service to conduct an analysis of crimes associated with a sample of motor vehicle thefts taken from both states in 2019.

In Victoria, a third of all vehicle thefts in 2019 were found to be involved in an ancillary offence. Vehicles stolen were linked to between one and nine ancillary offences with each theft associated with an average of two ancillary offences. Offences 'against the property' were the most common ancillary offences followed by 'driving/traffic/registration' related offences. Fourteen per cent of the sample were also involved in an accident which either involved another moving vehicle, pedestrian and/or stationary property.

In Queensland, half of the vehicles stolen were involved in an associated crime with links to 33 different types of serious offences. Similarly, 13 per cent of the sample were also involved in an accident which either involved another moving vehicle, pedestrian and/or stationary property.

The reports' findings provide sound evidence of the compounding nature of vehicle crime and the potential harm caused from a single vehicle theft incident and counteracts the perception of it being a typically 'victimless' and less serious crime.

The research is expected to assist police services to evaluate the true impact of motor vehicle crime in Australia and is expected to help to develop targeted reforms and countermeasures based on the type of crimes they are most linked to.

A similar analysis is currently being undertaken with ACT Police.

Performance Indicators

Vehicle theft in comparable developed nations

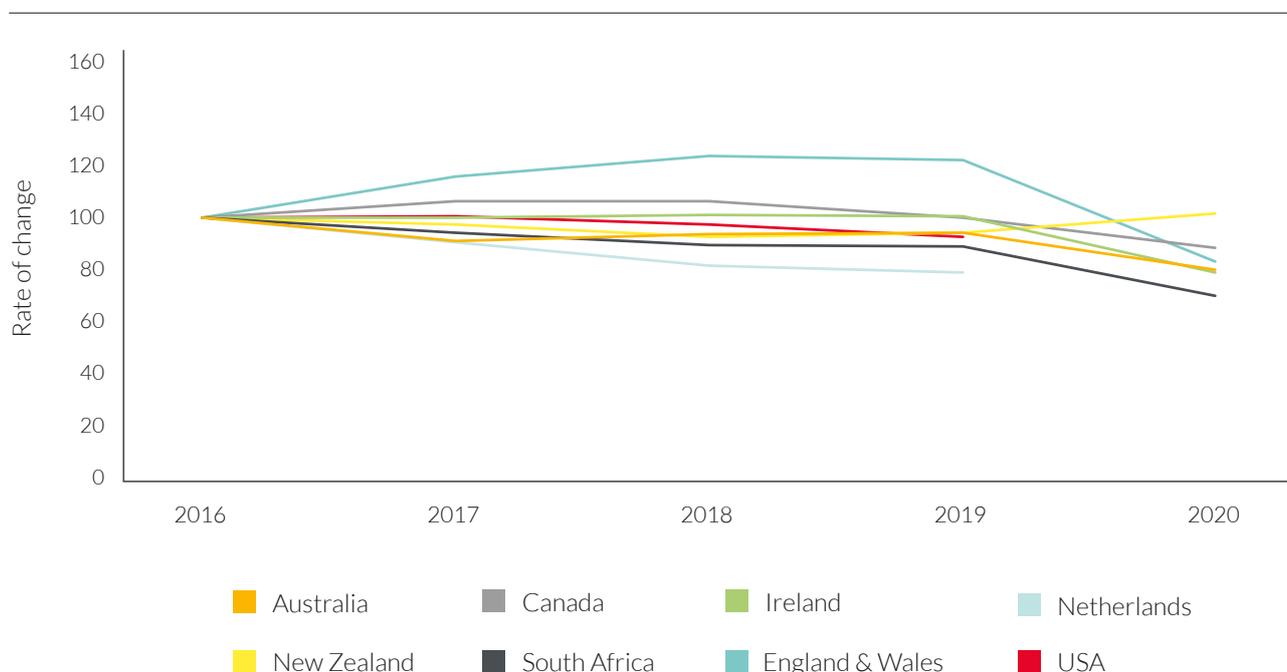
Since its inception the NMVTRC has benchmarked its performance against a group of nine comparable OECD countries. This sort of comparison, while valuable, poses some difficulties due to maintaining the continuity of reporting in some countries and significant changes in counting rules and definitions over time.

The model below attempts to account for differential counting rules and large variations in vehicle fleets and

population sizes by indexing all participants to a common point (100) and measures performance from that point. In interpreting the results, the critical factor is therefore direction and shape of the individual line rather than the quantum of the theft 'size', i.e. is the jurisdiction tracking better or worse since the common point of indexation*.

The time lag in reporting data in other jurisdictions limits the time series for comparison to the end of the 2016 calendar year[#].

Figure 4: International league table of car thefts – theft rate per 100,000 population indexed to 2016**



Changes in the incidence of theft for short-term use and profit-motivated theft

Table 1: Short-term and profit-motivated thefts as a percentage of total thefts (PLCs)

	2016/17	2017/18	2018/19	2019/20	2020/21
Short-term thefts %	80%	80%	79%	79%	80%
Profit-motivated thefts %	20%	20%	21%	21%	20%

Table 2: Short-term and profit-motivated thefts as a percentage of total thefts (motorcycles only)

	2016/17	2017/18	2018/19	2019/20	2020/21
Short-term thefts %	50%	51%	51%	53%	51%
Profit-motivated thefts %	50%	49%	49%	47%	49%

** 1. Australia – CARS database. 2. Canada – Statistics Canada. 3. Ireland – Central Statistics Office of Ireland. 4. Netherlands – Foundation for Tackling Vehicle Crim. 5. New Zealand Police. 6. South Africa – South African Police Service. 7. UK – Office of National Statistics. 8. USA – FBI Uniform Crime Reports.

[#] 2020 data was not available for the USA at the time of publishing this report.

Understanding motorists' attitudes to motor vehicle theft

The NMVTRC places a strong emphasis on measurable outcomes and the delivery of high-quality monitoring and evaluation processes. Each year we commission consumer research to determine key changes in community attitudes and concerns about vehicle crime relative to other crimes. Regular surveying enables the NMVTRC to track changes in community perceptions and refine its key messages.

The results of the February 2021 survey indicate that:

- a large majority of motorists remain concerned about vehicle theft which is consistent with the February 2020 survey;
- awareness of the realities of motor vehicle crime remains high, with over half of motorists surveyed identifying young people as the main perpetrators of car crime, and understanding modern, mainstream vehicles to be the top theft targets;
- motorists indicated an awareness of the shift to residential burglaries to steal keys and the fact that it is becoming more common; and
- although messaging about motor vehicle theft is resonating with motorists, there remains some confusion about the most effective practices to reduce the risk of theft.

Cost of motor vehicle theft

The NMVTRC estimates the cost of all vehicle theft to be over \$739 million, excluding the very large community costs associated with police investigations, courts and corrections*.

Analysis of NMVTRC in the media

Vehicle theft remained a strong focus for the media this year, with 963 related articles published. Many of these articles included data provided by the NMVTRC, with an NMVTRC spokesperson directly quoted in over 254.

Based on media monitoring data, an estimated 232 million viewers were exposed to media coverage relating to the NMVTRC. Media exposure included coverage of the Stop Sneak Theft program, the Pop. Lock. Stop campaign, youth offending and direct quotes from NMVTRC spokespersons on a range of vehicle crime issues. An NMVTRC spokesperson provided comment in five radio and television interviews on vehicle crime issues.

The NMVTRC also featured prominently in online platforms with an estimated online reach of 159 million viewers.

One hundred per cent of the NMVTRC-related reporting was positive or neutral.

Stakeholder-determined performance indicators

Due to the implications of the Insurance Council of Australia's (ICA) decision to not renew its agreement with the NMVTRC beyond 30 June 2021, a stakeholder-determined performance survey was not conducted this year.

However, as part of the NMVTRC's 2020 review process, a 20-minute phone survey on stakeholder views of the organisation's performance in meeting its objectives and the level of support for dissolution or extension was undertaken by Nexus Research in June and July 2020. More than 40 senior executives participated in the in-depth interviews across the full range of government and industry stakeholder groups.

Not only did the survey results demonstrate the continuing high regard in which stakeholders hold the NMVTRC, they represented some of the NMVTRC's best performance outcomes of the past decade in respect of consultation with stakeholders, views on the importance of NMVTRC reforms, dissemination of information and the quality of the NMVTRC's publications and statistical services.

To read the full review and survey summary head to: https://carsafe.com.au/assets/NMVTRC_7th_Review_OA_Recommendations_Final.pdf

* Based on an independent economic analysis conducted by Niskin Enterprises Pty Ltd for the NMVTRC (September 2020), which estimated victims' costs per incident to be \$17,300 for recovered vehicles and in the range of \$7,980 to \$20,370 for non-recoveries (depending on factors such as vehicle age, personal, injury and insurance administration costs).

Financial Statements

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Committee's Report

For the year ended 30 June 2021

Committee's report

Your committee members submit the financial report of National Motor Vehicle Theft Reduction Council Inc for the financial year ended 30 June 2021.

Committee members

The names of committee members throughout the year and at the date of this report are:

Committee member	Positions
David M Morgan, AO	Chair
Robert J Hill APM	Deputy Chair & Committee Member
Mark Borlace	Committee Member
Richard Dudley	Committee Member
Richard Gibson	Committee Member
Andrew Mahon	Committee Member
Ashley Sanders	Committee Member
Matthew Wilson	Committee Member

Principal activities

The principle activities of the association during the financial year were:

facilitation of infrastructure reform and public awareness in regards to motor vehicle theft reduction.

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The surplus / (loss) after providing for income tax for the financial year amounted to, as per below:

Year ended 30 June 2021	\$427,268
Year ended 30 June 2020	\$365,831

Going concern

In March 2021, the Insurance Council of Australia (ICA) advised the NMVTRC that it would not be renewing its collaboration after the expiry of the prevailing Agreement on 30 June 2021. The ICA provides 50 per cent of the NMVTRC's funding.

As a result of that advice, in April the NMVTRC determined that it would not be viable to continue to operate beyond 30 September 2021 and would therefore seek an orderly, voluntary winding up of its operations. Messrs Andrew Yeo and David Vasudevan of Pitcher Partners have been appointed as the Liquidators.

On 7 September 2021, the full Council of the NMVTRC executed a *Declaration of Solvency* to the effect that the members were satisfied the Association will be able meet its debts in full within 12 months of the commencement of winding up.

Signed in accordance with a resolution of the members of the committee on:



David M Morgan (AO)

Chairman

30 September 2020



Robert J Hill

(APM) (Deputy Chair & Committee Member)

30 September 2020

Statement by Members of the Committee

For the year ended 30 June 2021

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

We, David M Morgan (AO), and Robert J Hill (APM), being members of the committee of National Motor Vehicle Theft Reduction Council Inc, certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of National Motor Vehicle Theft Reduction Council Inc during and at the end of the financial year of the association ending on 30 June 2021.



David M Morgan (AO)

Chairman

30 September 2020



Robert J Hill

(APM) (Deputy Chair & Committee Member)

30 September 2020

Certificate by Members of the Committee

For the year ended 30 June 2021

I, David M Morgan (AO), Chair, of 36 Walbundry Avenue, North Balwyn, VIC, 3104

and

I, Robert J Hill (APM), Deputy Chair and Committee Member, of Level 6, 311 Spencer Street Docklands, VIC, 3008 certify that:

1. We attended the annual general meeting of the association held on 30/09/2021.
2. The financial statements for the year ended 30 June 2021 were submitted to the members of the association at its annual general meeting.



David M Morgan (AO)
Chairman

30 September 2020



Robert J Hill
(APM) (Deputy Chair & Committee Member)

30 September 2020

Income and Expenditure Statement

For the year ended 30 June 2021

	2021 \$	2020 \$
Income		
Grant operating	2,250,000	2,300,000
Total income	2,250,000	2,300,000
Gross surplus	2,250,000	2,300,000
Other income		
Interest income	138	7,347
Cashflow Boost	50,048	49,952
Total other income	50,186	57,299
Expenditure		
Depreciation	16,941	3,706
Accountancy	5,454	4,750
Audit fees	5,555	5,555
Better data utilisation	532,771	476,112
Communications	101,330	97,964
Employee benefits	534,382	502,325
Reducing profit motivated theft	145,121	60,946
Reducing short-term theft and ancillary use of stolen vehicles	299,627	588,863
Sitting fee	30,000	30,000
Stakeholder and community capacity	60,000	60,000
Other expenses	141,736	161,249
Total expenditure	1,872,918	1,991,469
Current year surplus/(deficit) before income tax adjustments	427,268	365,831
Current year surplus/(deficit) before income tax	427,268	365,831
Net current year surplus after income tax	427,268	365,831

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents		1,570,667	1,014,478
Trade and other receivables	3	26,745	339,154
GST receivable		-	108,829
Other current assets		140,074	-
Total current assets		1,737,486	1,462,461
Non-current assets			
Plant and equipment and vehicles	4	-	16,941
Total non-current assets		-	16,941
Total assets		1,737,486	1,479,402
Liabilities			
Current liabilities			
Trade and other payables	5	36,785	227,098
Provisions	6	209,315	188,187
Total current liabilities		246,100	415,284
Total liabilities		246,100	415,284
Net assets		1,491,386	1,064,118
Members' funds			
Retained surplus		1,491,386	1,064,118
Total members' funds		1,491,386	1,064,118

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

For the year ended 30 June 2021

1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act Victoria. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Income tax

The association is exempt from income tax expense under Division 50 of the *Income Tax Assessment Act 1997*. Therefore, no provision for income tax has been raised.

Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

Property, plant and equipment (PPE)

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

Impairment of assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

These notes should be read in conjunction with the attached compilation report.

Employee provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by National Motor Vehicle Theft Reduction Council Inc to an employee superannuation fund and are charged as expenses when incurred.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and other income

Grant income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. Interest revenue is recognised when received.

All revenue is stated net of the amount of goods and services tax.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

These notes should be read in conjunction with the attached compilation report.

Notes to the Financial Statements continued

For the year ended 30 June 2021

	2021	2020
	\$	\$
2. Cash on hand		
CBA cash management account	1,562,880	959,773
CBA trading account	7,767	54,685
Petty cash on hand	19	19
Total cash on hand	1,570,667	1,014,478
3. Trade and other receivables		
Other receivables		
Trade debtors	-	281,463
Total other receivables	-	281,463
Prepayments		
Other assets	600	600
Prepayments	26,145	57,091
Total prepayments	26,745	57,691
Total trade and other receivables	26,745	339,154
4. Plant and equipment, motor vehicles		
Plant and equipment		
Plant and equipment at cost	201,378	201,378
Accumulated depreciation of plant and equipment	(201,378)	(184,437)
Total plant and equipment	-	16,941
Total plant and equipment, motor vehicles	-	16,941
5. Trade and other payables		
Other payables		
Other creditors	73	205,977
PAYG withholdings payable	-	7,680
Superannuation payable	2,501	3,118
Trade creditors	34,210	10,322
Total other payables	36,785	227,098
Total trade and other payables	36,785	227,098
6. Provisions		
Provision for annual leave	92,510	76,640
Provision for long service leave	116,805	111,547
Total provisions	209,315	188,187

7. Going concern

In March 2021, the Insurance Council of Australia (ICA) advised the NMVTRC that it would not be renewing its collaboration after the expiry of the prevailing Agreement on 30 June 2021. The ICA provides 50 per cent of the NMVTRC's funding.

As a result of that advice, in April the NMVTRC determined that it would not be viable to continue to operate beyond 30 September 2021 and would therefore seek an orderly, voluntary winding up of its operations. Messrs Andrew Yeo and David Vasudevan of Pitcher Partners have been appointed as the Liquidators.

On 7 September 2021, the full Council of the NMVTRC executed a *Declaration of Solvency* to the effect that the members were satisfied the Association will be able meet its debts in full within 12 months of the commencement of winding up.

These notes should be read in conjunction with the attached compilation report.

Movements in Equity

For the year ended 30 June 2021

	2021 \$	2020 \$
Equity		
Opening balance	1,064,118	698,287
Increases		
Current year surplus / (deficit)	427,268	365,831
Total increases	427,268	365,831
Total Member's Funds	1,491,386	1,064,118

Statement of Cash Flows – Direct Method

For the year ended 30 June 2021

	2021 \$	2020 \$
Operating activities		
Receipts from grants	2,250,000	2,300,000
Interest received	138	7,347
Cash receipts from Cashflow Boost	50,048	49,952
Payments to employees	(534,382)	(502,325)
Payments to suppliers operating activities	(1,338,536)	(1,489,144)
GST	108,829	(42,080)
Net cash flows from operating activities	536,098	323,750
Changes in assets		
Decrease property, plant and equipment	16,941	3,706
Payment for property, plant and equipment	-	(13,126)
Debtors and prepayments	172,335	(237,233)
Net cash flows from investing activities	189,276	(246,653)
Changes in liabilities		
Creditors, accruals and provisions	(169,185)	(101,107)
Net cash flows from financing activities	(169,185)	(101,107)
Net cash flows	556,189	(24,009)
Cash and cash equivalents		
Cash and cash equivalents at beginning of period	1,014,478	1,038,487
Net change in cash for period	556,189	(24,009)
Cash and cash equivalents at end of period	1,570,667	1,014,478

Compilation Report

Compilation Report

National Motor Vehicle Theft Reduction Council Inc

For the year ended 30 June 2021

Accrual Basis

Compilation report to National Motor Vehicle Theft Reduction Council Inc.

We have compiled the accompanying special purpose financial statements of National Motor Vehicle Theft Reduction Council Inc, which comprise the asset and liabilities statement as at 30 June 2021, income and expenditure statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Committee Member's

The committee of National Motor Vehicle Theft Reduction Council Inc are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

[Required if this report has not been audited]

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.



ONE ON ONE ACCOUNTANTS PTY LTD

ELIZABETH A CLIFFORD, CPA

Dated: 08/09/2021

Auditor's Report

**NATIONAL MOTOR VEHICLE THEFT REDUCTION
COUNCIL INCORPORATED
ABN 45 859 804 389
INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

Opinion

I have audited the financial report of National Motor Vehicle Theft Reduction Council Inc. comprising the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In my opinion, the accompanying financial report presents fairly, in all material respects in accordance with the requirements of the Associations Incorporation Reform Act 2012, the financial position of the association as at 30 June 2021 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Going Concern

I draw attention to Note 7, which refers to the Insurance Council of Australia advice that it will not be renewing its agreement with National Motor Vehicle Theft Reductions Council Inc. Management is preparing for the voluntary winding up of the Association's operations by 30th September 2021. My opinion is not modified in respect of this matter.

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the entity in meeting its obligations under the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. My report is intended solely for the entity and should not be distributed to or used by parties other than the entity. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Reform Act 2012, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

**NATIONAL MOTOR VEHICLE THEFT REDUCTION
COUNCIL INCORPORATED
ABN 45 859 804 389
INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

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



**Geoffrey B Johnson FCA
Of Rucker Audit and Assurance Pty Ltd**

Date: 21st September 2021

Doncaster, Victoria

Ref: r682412

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National Motor Vehicle
Theft Reduction
Council