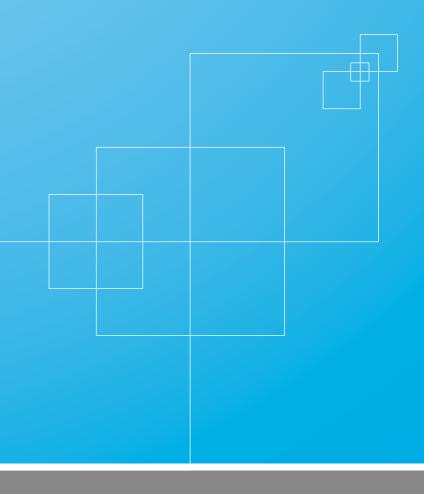National Motor Vehicle
Theft Reduction Council

STRATEGIC PLAN

2016-2018

Towards a Secure System

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.

Goals that contribute to meeting the vision

Reduce the volume of vehicle crime.
Reduce the cost of vehicle crime.

Reform themes

Disrupt the Separated Parts Markets.
Disrupt Vehicle Laundering Markets.
Divert Young Offenders.
Capacity Building and Innovation.
Better Data Utilisation.

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.

Contents

Foreword

Motor vehicle theft in Australia increased 7 per cent in the 12 months to June 2016 to 54,100 vehicles stolen. Despite this, national volumes are still down 8 per cent from five years ago.

Short term passenger/light commercial (PLC) thefts accounted for the highest proportion of the rise (12 per cent), with profit-motivated motorcycle theft also up 4 per cent.

The performance of individual jurisdictions was mixed with strong reductions in profit-motivated theft in New South Wales and South Australia and significant increases in total thefts in Victoria, Queensland and Western Australia.

The NMVTRC's annual strategic reviews with stakeholders have been central to our development of a 'shared vision' of Australia's vehicle theft reform priorities. The *2016 StratPlan Consultations* once again provided key stakeholders with an opportunity to help refine the NMVTRC's forward strategy and priorities for 2016/17 and beyond.

In the NMVTRC's assessment, the principal vehicle crime concerns currently facing the nation remain:

- the prevalence of residential burglaries to access the keys of 'secure' vehicles, which in some cases have been associated with extreme violence; and

- the almost 10,000 cars that appear to simply vanish altogether from our roads each year – the surrogate indicator of the level of organised criminal activity seeking to convert stolen vehicles into cash.

The continuing challenging economic and social conditions require a sustained level of commitment from both the NMVTRC and its stakeholders. In recognition of the likely constraining effect that economic conditions will have on stakeholders' capacity to implement reforms, the NMVTRC proposes to maintain its focus on directing the greatest proportion of its resources to facilitating an operational, on-the-ground response to the 'highest priority' issues via effective partnerships.

The NMVTRC's forward program has been developed within the context of applying a *Secure System* approach to combating vehicle crime[1].

This approach takes a holistic view of the dynamics of vehicle theft and the interaction between vehicle design and manufacture, motorist choices, perceptions and behaviour, and government and industry practices.

In simple terms, a *Secure System* should minimise the opportunity for theft to occur, increase the effort required to launder stolen vehicles and parts, and increase the likelihood and consequences of detection. You can view a short video, *Towards a Secure System*, about the NMVTRC's approach via this link – http://carsafe.com.au/about-us.

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1. A similar approach is being applied by road safety organisations worldwide in pursuit of countermeasures and interventions to mitigate the impacts of vehicle crashes and minimise serious injuries and fatalities.

Introduction

This Plan leverages off key aspects of the *Secure System* approach and proposes a range of initiatives and countermeasures around the reform themes of:

- Building stakeholder capacity and innovation via a range of technological, communications, public education, and knowledge-sharing projects – including a selection of special local interest projects that, in the NMVTRC's assessment address critical local issues and have potential national benefits.

- Disrupting Separated Parts Markets by:

  – pursuing a range of countermeasures to:

    i. protect legitimate trading via the more effective use of commercial agreements between insurers, repairers and recyclers, and consumer education;

    ii. modernise regulatory regimes to optimise their efficiency and effectiveness and crack down on non-complying enterprises;

    iii. facilitate progression towards a secure and environmentally sound vehicle decommissioning system for end-of-life vehicles; and

    iv. facilitate intelligence gathering in respect to the export of stolen vehicles and parts.

- Disrupting Vehicle Laundering Markets by:

  – continuing to monitor the management of written-off vehicles and improving high-risk vehicle inspection regimes; and

  – working with related agencies to further promote consumer awareness of the Personal Property Securities Register.

- Diverting Young Offenders by:

  – supporting innovative means of delivering young offender programs which are consistent with the NMVTRC's best practice model in conjunction with the business and non-government sectors; and

  – leveraging the development of existing educational resources to engage and inform young people of the potential risks, consequences and long term impacts of becoming involved in vehicle crime.

The 2016 Plan also introduces a new sub-program – *Better Data Utilisation* – to reflect the importance of optimising the tactical utility of the NMVTRC's considerable data holdings. The new program will draw all data-related activities into a single work stream.

Structure of this Plan

This Plan is set out in three parts. Part A outlines the background to the development of the Plan and the NMVTRC's role in Australia's theft reform process.

Part B examines the current theft dynamics by motivation (i.e. short term use vs profit-motivated theft) with a snapshot of the prevailing trend data, an analysis of current and emerging threats and the NMVTRC's proposed responses. Part B also contains separate analyses of the specialised classes of vehicles in respect of motorcycles, heavy vehicles, plant and equipment and the special local interest issues referred to above.

How the overall program fits together and is organised (with indicative resource allocations) is summarised in Part C.

Part A – Background

Basis of Strategic Plan

The NMVTRC's Strategic Plan is a dynamic document, reviewed annually, with the first year of each plan comprising a detailed work program. Each revised plan reflects a review of progress and a consideration of methods of operation, as well as the changing priorities and operating environments of the NMVTRC's stakeholders.

A series of in-depth consultations with senior representatives of our stakeholder base across the country have again been the major influence on the development of this Plan. These consultations help to ensure that the NMVTRC and its stakeholders develop a shared vision of what the priority actions required are and where the greatest resources should be invested.

Discussions held with peak bodies, special interest groups and stakeholders throughout the past 12 months of the NMVTRC's operations have also assisted to shape the revised Plan.

Development and delivery of reforms

The primary role of the NMVTRC is to facilitate the implementation of vehicle theft prevention reforms and coordinate associated activities across industry, agency and jurisdictional boundaries. As a result the NMVTRC's brief is broad, involving all stages of vehicle theft prevention policy, including:

- policy development;
- the coordination of implementation; and
- the monitoring of outcomes.

As the NMVTRC's internal resources are finite, the establishment of productive relationships with stakeholders and others is absolutely crucial to the delivery of its theft prevention reforms. Only by its stakeholders embracing and adopting the reforms promoted by the NMVTRC can it deliver sustainable reductions in vehicle theft.

The NMVTRC also remains committed to:

- seeking input from subject experts at every stage from project design to development to implementation;
- maintaining the most transparent and accessible consultative and communications mechanisms possible to ensure stakeholders and affected parties are informed of progress and issues;
- asking stakeholders to rate us regularly and reporting the results publically;

- seeking to continually improve our data and related services to ensure its accuracy, timeliness, flexibility and accessibility;
- applying an action-oriented approach to research;
- maintaining a consistent, persistent and non-bureaucratic approach to dealing with issues;
- continuing to be organisationally lean; and
- demonstrating value for money.

The NMVTRC work program will continue to focus on the development and implementation of a manageable number of key projects with a particular emphasis on facilitating an operational, on-the-ground response to issues identified as 'highest priority'.

Figure 1: Vehicle theft reform process

National theft reduction agenda

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Planning and priorities

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Government and industry agreement and commitment

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Implementation

Each of the projects proposed in the work program has been evaluated against the NMVTRC *Project Assessment Framework*[2] and are considered as:

- essential to delivering the NMVTRC's vision of Australia achieving the lowest rate of motor vehicle theft in the developed world;
- consistent with one or more of the NMVTRC's four reform themes for action;
- being of national, regional or sectoral significance;
- having a clear, evidence-based case for action; and
- enjoying sufficient stakeholder commitment so as to maximise the likelihood of successful implementation.

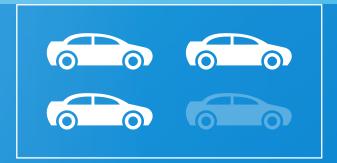2. A full description of the *Project Assessment Framework* is included in this Plan as Appendix B.

Theft facts

Passenger and light commercial vehicles

43,250

80% of all vehicle thefts

3 in 4 PLCs stolen were recovered

53% were stolen from a residence

26% were stolen from a street

11% were stolen from a business

All vehicle theft numbers are rounded to the nearest 10.

Part B – Section 1: Short term theft
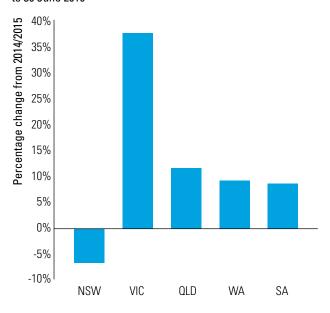
Statistical snapshot

The short term theft category comprises those incidences where the vehicle has been targeted by opportunistic thieves for short term uses such as joyriding, transport or is used to commit another crime but has been recovered intact or subject to malicious damage[3].

In respect of short term thefts the 12 months to June 2016 saw passenger and light commercial (PLC) volumes rise by 12 per cent to 33,400 vehicles with an unprecedented increase of 38 per cent in Victoria and a double-digit increase of 11 per cent in Queensland.

A greater proportion of immobilised vehicles are now stolen for short term use than non-immobilised vehicles. In 2015/2016 the vehicle age profile of PLC targets indicates two in three stolen vehicles were manufactured from 2001 onwards, with 73 per cent fitted with an Australian-Standards Equivalent (ASE) immobiliser.
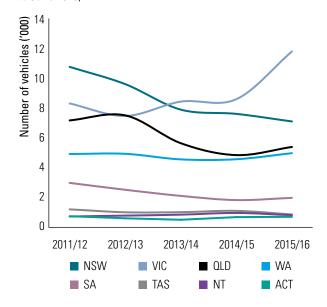
The short term theft of motorcycles increased by 3 per cent to 3,800, while theft of other vehicles (such as heavy vehicles and plant) rose by 2 per cent to 1,270.

Figure 2: Short term PLC theft percentage change for 12 months to 30 June 2016[4]

Forty-two per cent of all PLC theft and 35 per cent of all short term thefts occurred in Victoria. The state experienced an unprecedented 38 per cent jump in short term PLC theft. Queensland also had a double-digit increase of 11 per cent in short term theft.

Figure 2a: Short term PLC theft five-year trend (July 2012 to June 2016)

Short term PLC thefts have fallen considerably in New South Wales (34 per cent), Queensland (25 per cent) and South Australia (34 per cent) over the past five years. In contrast, sharp rises over the last 18 months have seen short term PLC thefts up 42 per cent in Victoria.

Threat assessment

The NMVTRC has assessed the major threats to reducing short term theft rates based on a 'traffic light' coding system.

Red represents the highest order danger to sustainable theft reduction and poses a clear, present threat.

Amber means the threat has been assessed as moderate or reducing, but still requiring some attention.

Green means the threat has been assessed as minor or significantly reduced.

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3. Short term use numbers will include an unknown but assumed small number of recovered vehicles that were recovered in a substantially stripped condition that were the likely target of profit-motivated thieves.

4. Percentages not given for small jurisdictions as they can be misrepresentative of minor baseline changes. Volume changes for smaller jurisdictions are: Tasmania -242, Northern Territory -151 and ACT +13.

Theft by key and residential burglaries
Stolen keys result in seven in 10 late model thefts with half of all stolen cars taken from a residence

The increasing penetration of electronic immobilisers across the Australian fleet has made a major contribution to improving the nation's theft performance. Nationally more than eight in 10 vehicles are protected by an engine immobiliser[5].

In most parts of the nation there has been a distinct 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
- offenders becoming more brazen, entering even occupied premises with a propensity to resort to extreme violence, or the threat of violence, to intimidate anyone they may encounter.

These changes in method along with violent in-home and on-road incidents in Victoria in particular are leading to considerable community anxiety that goes beyond the reality of its statistical frequency.

While perhaps the most difficult theft method to counter, a proactive approach to responsibly raise motorist and home owner awareness of actual risk profiles and practical mitigation strategies is essential to maintaining a balance between restoring a sense of community safety and encouraging risk mitigation.

Attack by 'coat hanger and screwdriver'
Non-immobilised cars still face twice the risk

In 2015, seven in 10 stolen vehicles were fitted with an ASE immobiliser which, without the key, cannot be started without advanced technical know-how and specialised equipment.

While the time has passed to mandate retro-fitting of engine immobilisers, there is still a place to promote their utility against all but the most determined thieves.

Electronic hacking
Electronic devices are not being used to bypass security in short term thefts

There remains no evidence of electronic devices being used to defeat the security systems of vehicles stolen for short term purposes.

Managing young offenders
Keeping a young person in secure care costs more than $440,000 a year

On any day there are around 1,000 young people held in juvenile detention nationally and a very high proportion of them are as a result of motor vehicle offences. Detention is costly – keeping a young person in secure care costs more than $440,000 a year – and its impact on post-release re-offending is open to debate. Offenders are often returned to the community without the skills or support required to stay away from crime.

In larger Australian cities it is not uncommon for a 'proficient' young thief to have stolen more than 300 cars by his or her late teens.

High-rate vehicle theft is also a strong indicator of a young person's likely involvement in other forms of crime. Car crime also kills; with more than 40 theft-related fatalities across Australia in the past five years. Sixteen of those deaths were young people between the ages of 10 and 19.

As noted earlier, there has been as dramatic increase in the use of extreme in-home and on-road violence in Victoria, which warrants in-depth investigation to understand the underlying factors.

The NMVTRC remains an advocate for the expert design and delivery of diversionary programs for young vehicle theft offenders based around technical training and the development of trade skills.

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5. There are some variations with Western Australia at more than 90 per cent due to its compulsory retro-fitting program that has operated since 1998. The lowest rate is Tasmania at 70 per cent.

Short term theft: Summary of NMVTRC program responses

In response to the above threats to sustained reductions in short term theft, the NMVTRC will:	
• Continue to promote consistent community messages and resources about key security and mitigating personal risks in conjunction with police and other stakeholders.	• Continue its partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded.
• Reintroduce its *Operation Bounce Back* program with local government to focus on key protection and burglary risks.	• Maintain collaboration with the Tasmanian Department of Justice to evaluate its new adult diversion program *Back on Track*.
• Complete its trial of a low-cost smartphone theft alert and tracking app for owners of high-risk vehicles in collaboration with Western Australian Police and RAC Insurance.	• Maintain its advisory support role to other community attempts at best practice youth diversion responses.
• With Victoria Police (VP) and select insurers tactically deploy low-cost vehicle theft alert and tracking technology in select theft hot spots.	• Commission expert research into current offending cohort in Victoria to identify factors leading to high levels of violence associated with car crime.
• Further deploy its suite of expert systems to enable local police to quickly visualise vehicle crime trends and implement more targeted operational responses.	• Support VP in its implementation of a recidivist offender management model.
• Expand expert data systems to include 'theft from data'.	• Maintain its Choose-A-Ride resources.
• In conjunction with the ACT's Justice and Community Safety Directorate and Northern Territory Police conduct deep analyses of local theft characteristics.	• Continue to monitor motorists' attitudes to vehicle security and related issues via regular market surveys.
• Assist VP and VicRoads to review number plate management practices to mitigate community impacts of misuse.	• In conjunction with Tasmania Police review the legal construction of vehicle-related theft offences in the context of other Australian jurisdictions.

Theft facts

Motorcycles

8,300

15% of all vehicle thefts

1 in 2 motorcycles stolen were recovered

67% were stolen from a residence

12% were stolen from a street

8% were stolen from a business

All vehicle theft numbers are rounded to the nearest 10.

Part B – Section 2: Profit-motivated theft

Figure 3: Profit-motivated PLC theft percentage change for 12 months to 30 June 2016[6]

Figure 3a: Profit-motivated PLC theft five-year trend (July 2012 to June 2016)

Statistical snapshot

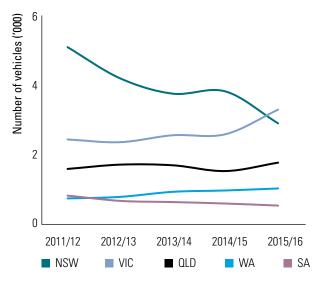Profit-motivated theft refers to vehicles stolen for conversion into cash via various illegal methods.

In respect of profit-motivated thefts:

- PLC theft rose marginally by 1 per cent (79 vehicles) for the 12 months to just under 9,900;

- with significant reductions in New South Wales and South Australia being offset by very large increases in Victoria (up 27 per cent) and Queensland (up 16 per cent);

- the number of motorcycles rose 4 per cent to 4,500; and

- other vehicles fell by 11 per cent to 1,270.

The vehicle age profile for PMT indicates that:

- the overwhelming majority of profit-motivated thefts are still of lower value vehicles, with 85 per cent being six or more years old; and

- over half (or approximately 5,770 in volume) are more than 11 years old, with the majority of these valued at under $5,000.

At the other end of the spectrum, just 1,670 vehicles under six years of age remained outstanding for the year. One of the impacts of the uncertain economic conditions facing Australia is that this group is also now more likely to be subject to higher levels of insurance fraud disguised as theft.

The most lucrative criminal activity remains focused on the 'middle-aged' vehicles where the financial return is reasonable but the transactions to convert them into cash are less likely to draw the scrutiny of buyers or authorities.

Victoria and Queensland both had significant increases in profit-motivated theft of the larger jurisdictions with 27 and 16 per cent respectively. See Figure 3 above.

Profit-motivated PLC theft in New South Wales has fallen 43 per cent over the five-year period. Over two-thirds of the reduction are in vehicles aged 16 years and over. Thefts are also down 35 per cent in South Australia, while upwards trends are observed in the remaining larger jurisdictions. Profit-motivated theft in the Northern Territory, ACT and Tasmania remained relatively stable. See Figure 3a above.

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6. Percentages not given for small jurisdictions as they can be misrepresentative of minor baseline changes. Volume changes for smaller jurisdictions are: Tasmania +19, Northern Territory +10 and ACT +17.

Threat assessment

A stolen vehicle's characteristics (recovery status, age, value, insured status and type, export potential, and immobiliser presence (and standard)) are all potential pointers to its likely fate.

The NMVTRC uses a 'Decision Tree Model' (DTM) to estimate the most likely end fate of a stolen vehicle based on its characteristics. A flow-chart of the DTM is included in Appendix 2.

Electronic hacking
Less than one in 100 Australian thefts involve electronic hacking

Studies conducted by the NMVTRC and international theft bodies have indicated that the majority of late model (secure vehicle) thefts have been facilitated by access to the key and transponder, most recently via a burglary.

In late 2012 the NMVTRC collaborated with leading UK-based security consultancy SBD on a preliminary review of perceived emerging methodologies to bypass electronic security systems. The study primarily focused on the theft of late model BMWs, which appeared to have been the target of a sustained and highly organised series of attacks through electronic manipulation.

Across Europe SBD estimated that the impact of electronic hacking may range from one in 20 thefts in the United Kingdom up to one in five in Russia. Australia's exposure is estimated be in the very low range, along with Sweden and Finland, at less than one in 100.

Police in New South Wales and Victoria have confirmed a limited number of criminal operations targeting various models of Toyota using a combination of key cloning and electronic attack. In the Victorian case the vehicles were to be exported as separated parts and partial cuts (to be re-joined at point of destination).

The NMVTRC will continue to monitor developments in overseas markets and liaise with insurers and police services to monitor the potential risk of related theft methods in Australia.

Dismantled for parts
Accounts for one in four profit-motivated thefts. Regulatory regimes require major reform

As whole vehicle laundering has become almost impossible to execute without detection, the dismantling or stripping of major components becomes increasingly more attractive and less risky for car criminals. Theft for dismantling is of course not limited to unrecovered vehicles but data on the extent of stripping of recovered vehicles is inconsistent. It is now also clear that criminal networks are increasingly more likely to dispose of the stripped shell by crushing or shredding it rather than simply abandoning it.

The potential pathways for illicit parts are diverse but closely parallel the legitimate market and include[7]:

- the substitution of legitimate parts in commercial crash repairs[8];
- the replacement of worn components in programmed maintenance or servicing[9] (via both commercial and private networks);
- exchange for other goods, including drugs and firearms;
- upgrading standard or base model vehicles to limited edition or performance variants; and
- rebuilding repairable written-off vehicles.

Converted to scrap metal
Accounts for one in four profit-motivated thefts. Exemption from licensing or accreditation for metal recyclers needs to be reviewed

Fluctuations in scrap metal prices can greatly influence the number of older cars being stolen off the street for their scrap value and highlights the vulnerability of the prevailing end-of-life vehicle (ELV) practices to manipulation by profit-motivated thieves.

Industry sources continue to report that demand for vehicles for metal recycling and the export of whole and partial vehicles continues 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.

The prevailing vehicle age profile of profit-motivated thefts indicates that theft for scrap could account for half of all profit-motivated thefts.

Rebirthed or cloned
Accounts for less than one in seven profit-motivated thefts. Traditional methods substantially curtailed by registration reforms

The former method of choice for profit-motivated thieves converting whole vehicles into cash has been substantially curtailed by significant tightening of written-off vehicle (WOV) regimes, which have reduced the pool of available vehicles.

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7. Australian Institute of Criminology, *Nature and Extent of Stolen Vehicle Parts in Australia* (NMVTRC 2001).

8. The difficulty of identifying stolen parts means that legitimate recyclers and repairers may inadvertently purchase them.

9. A survey conducted by AAMI in 2000 on the cost of replacing 'a basket of parts' for the 12 most popular model vehicles found that for some vehicles the cost of replacing these parts can be as much as 45 per cent of the current value of the vehicle.

Part B – Section 2: Profit-motivated theft continued

Leakage from existing barriers
Criminals targeting 'off-register' vehicles that fall outside current mandatory reporting arrangements

There are reports of criminals seeking to exploit current regulatory barriers by using the identifiers of 'off-register' vehicles such as 'retired' PLCs used exclusively on mining sites, damaged ex-rental vehicles etc that are not captured in state and territory WOV systems.

The likely incidence has not been able to be quantified to date.

Exported as whole vehicle, parts or scrap
Estimated to account for four in 10 profit-motivated thefts. Proliferation of new entrants in 'cash for cars' sector focused on scrap metal exports

As outlined earlier, legitimate recyclers have observed a growing number of new enterprises buying vehicles exclusively for scrap or export and are relying on the ambiguity of the scrap metal exemption to avoid holding either LMCT or second-hand dealer registration.

Most of these enterprises operate via cash transactions with no record of the seller's identity or regard for the status of the vehicle being purchased. This facilitates a fertile environment for the sale of stolen vehicles into the commercial trade. There is also now considerable evidence that many of these enterprises ignore fundamental regulatory requirements in the areas of occupational health and safety, environmental laws and taxation.

Task Force Discover (TFD) – the multi-agency task force initiated by the NMVTRC and led by Victoria Police – revealed an alarming level of regulatory non-compliance across the recycling and scrap metal industry that facilitates the intentional and incidental laundering of stolen vehicles. It also found a significant number of cases of extreme environmental and workplace safety breaches.

The final report of the Victorian Law Reform Commission into the infiltration of organised crime into lawful occupations, released in May 2016, quotes the TFD report and NMVTRC's submission extensively.

The NMVTRC has a comprehensive plan for utilising commercial and regulatory reforms to limit criminal exploitation by improving operating standards, mitigating environmental harm and curtailing the anonymous destruction of stripped body shells, export of stolen vehicle parts and the sale of stolen vehicles for scrap.

Due to the complexities of portside operations, countermeasures need to be aimed at upstream activities in the dismantling and export consignment process.

Insurance fraud presented as vehicle theft
Estimated to account for one in 20 reported profit-motivated thefts

Those vehicles reported as stolen that are more likely to be the subject of fraudulent claims will be those that are of higher value, insured for an agreed value (rather than market value) and subject to a financial encumbrance.

While sophisticated scams may involve stripping of the vehicle and/or complete disposal of the shell by crushing or shredding, the most common fraudulent claims are likely to relate to burnt-out recovered vehicles. The NMVTRC's analysis therefore assumes that fraud is not a major contributor to the missing PLCs. The NMVTRC will continue to collaborate with the Insurance Fraud Bureau of Australia on related issues.

Dumped in waterways or bushland
Estimated to account for one in 20 non-recovered stolen vehicles

Pre-1999 vehicles comprised three in 10 non-recovered stolen vehicles in 2015/16. Many will have been dumped in waterways or bushland. With around a quarter of these vehicles valued at under $2,000 the NMVTRC has assumed the majority of those vehicles are unlikely to have been the target of criminal networks.

There is, however, some inter-relationship between this group and 'Theft for Scrap-ELV' group referred to earlier with some recyclers who hold local government contracts to remove abandoned vehicles reporting that they frequently encounter instances of vehicles being removed by unauthorised third parties prior to their arrival at the vehicle's last recorded location.

In summary, based the profile of 10,000 vehicles that 'vanished' in the year, the NMVTRC's 'Decision Tree' model suggests that they are likely to have been disposed according to the following shares:

End use or fate	Share %	Trend
Dismantled for parts	25	Rising
Converted to scrap metal	25	Rising
Rebirthed or cloned	5	Reducing
Exported	40	Rising
Dumped in bushland or waterways	5	Steady

Profit-motivated theft: Summary of NMVTRC program responses

In response to the above threats the NMVTRC will:	
• Complete its post-implementation review of the revised assessment criteria for WOVs and how the WOV landscape has changed since 2010.	• Maintain its liaison with police and insurers nationally in respect of electronic theft risks.
• Complete the development of best practice principles for vehicle ID and safety inspections for WOVs.	• Look for low-cost opportunities to further promote consumer awareness of the Personal Property Securities Register.
• Develop guiding principles for the better management of end-of-life vehicles (including ceasing cash payments, assuring the provenance of parts in the legitimate supply chain and modernising local laws).	• Engage the mining and rental car industries on closing off 'leaks' in the existing barriers that criminals may be exploiting.
• Further deploy its suite of expert systems to enable local police to quickly visualise vehicle crime trends and implement more targeted operational responses.	• Supplement the operations of the NMVTRC's Vehicle Crime Managers' Network with a national stakeholder conference to review current strategic and operational responses to vehicle crime.

Theft facts

Other vehicles

2,550

5% of all vehicle thefts

1 in 2 'other vehicles' stolen were recovered

32% were stolen from a residence

33% were stolen from a business

18% were stolen from a street

All vehicle theft numbers are rounded to the nearest 10.

Part B – Section 3: Specialised vehicles

Motorcycles

The dynamics of motorcycle theft vary considerably from those of other vehicles. In 2015/16:

- almost 8,300 motorcycles were stolen (representing 15 per cent of all vehicles stolen and 29 per cent of all SNRs);

- 46 per cent (3,700) were recovered;

- unregistered and off-road bikes account for 40 per cent of all missing motorcycles;

- unlike other vehicles – newer motorcycles are more at risk than older ones;

- the risk of multiple thefts from a single location is much greater; and

- in thefts notified to police – in respect of non-registered motorcycles – the VIN is reported in only one in four cases.

Where theft location is known, 67 per cent of motorcycles were stolen from the home compared with just 12 per cent from the street. Newer motorcycles made between 2004 and 2015 are the most common theft targets (64 per cent).

Bikes with engine capacities of 200cc or less were the biggest targets (25 per cent), followed by those in the 201-250cc range (13 per cent). Large bike above 750cc made up just 10 per cent.

The low recovery rates are driven by the ease with which motorcycles can be disassembled and sold for parts and – in the case of off-road motorcycles – the absence of 'mandatory' transactions at which a suspicious vehicle may be detected. Developing effective interventions for any vehicle outside the mainstream registration system is extremely difficult for this reason.

There is general consensus that for on-road bikes the demand for parts is the principal driver of theft. In some cases, the value of separated components is considered to exceed that of complete units[10]. There are also anecdotal reports that many stolen motorcycles are broken down and used for spares in amateur motorsport events.

Specialised vehicles – Motorcycles: Summary of NMVTRC program responses

In response to the above threats, the NMVTRC will:	
• With Western Australian Police (WAP), complete an evaluation of WAP's 'free' alarm initiative for scooter owners in high-risk municipalities.	• Develop mechanisms to improve the quality of motorcycle theft data recorded by police and secure the active participation of specialist insurers in providing theft data.
• Maintain its liaison with rider groups to look to disseminate key motorcycle theft prevention messages.	• Work with ACT stakeholders to trial the recording of VINs via local motorcycle dealers to improve theft reporting.

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10. New South Wales Police service 2003.

Heavy vehicles, plant and equipment

In the 12 months to June some 1,060 heavy vehicles and 630 items of plant or equipment (PE) were stolen. The prevailing non-recovery rate for heavy vehicles is around 32 per cent (340 vehicles) and 64 per cent for PE at (405 items). While the frequency of heavy vehicle and PE theft is relatively low (5 per cent of all thefts) the cost of an incident can be extremely high with a single prime mover or large excavator 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.

Like motorcycles, both heavy vehicles – particularly prime movers – and PE pose significant challenges in developing cost-effective countermeasures. In the case of prime movers the high level of customisation of vehicles and the interchangeability of key components make conclusive identification very difficult even for the very experienced eye[11].

In late 2015 Transport Ministers asked the National Heavy Vehicle Regulator (NHVR) to develop a business case for the early implementation of a heavy vehicle written-off register ahead of other elements of a national registration scheme.

The NMVTRC is continuing to liaise with the NHVR on the resolution of definitional, policy, technical and administrative issues including assessment criteria and inspection capability.

PE pose similar problems to off-road bikes in that, because most operate outside the mainstream registration system, there are no mandatory transactions at which a suspicious vehicle may be detected. In addition, identification marks are generally limited to non-unique serial numbers – the legitimacy of which cannot be easily interpreted or verified by non-experts. This also has implications for the accuracy of the descriptive information recorded in police systems[12].

Conditional registration of PE has been proposed from time to time but has been steadfastly resisted by industry due to the onerous levels of stamp duty that apply to registration transactions and the reluctance of state revenue offices to grant exemptions. Where PE is used on the road it is usually under a form of permit authority.

There are also anecdotal claims that suggest there is an extensive and accepted theft culture within some elements of related industries. The construction industry successfully established a privately operated register of stolen PE – linked to equipment dealer databases – but the level of data capture and utilisation appears to be low.

The United Kingdom has a privately run register and recovery service, but views on its effectiveness are varied. The NMVTRC has attempted to engage major equipment importers and distributors on developing a local equivalent, but the response has been poor.

Specialised vehicles – Heavy vehicles, plant and equipment: Summary of NMVTRC program responses

In response to the above threats, the NMVTRC will continue to:	
• Monitor the progress of the National Heavy Vehicle Regulations to ensure the consistent coverage of heavy WOVs.	• Develop mechanisms to improve the quality of PE theft data recorded by police.

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11. This was one factor in the decision by some states to exclude heavy vehicles from mandatory written-off vehicle reporting requirements when they were first introduced nationally in 2002-2004.

12. In 2015 New South Wales Police modified its COPS system to incorporate a PE menu to improve reporting accuracy.
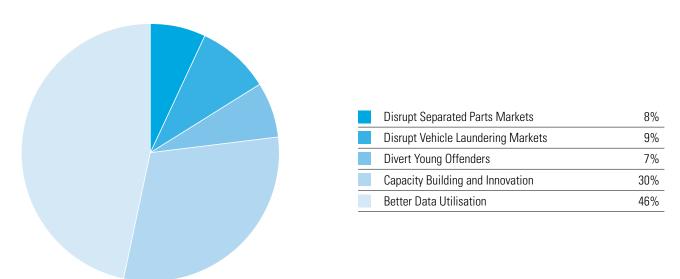
Part C – Work program summary

The work program for 2016-2018 will focus on the following priorities presented in the context of the NMVTRC's four reform themes.

Figure 4: 2016/17 work program at a glance

Towards a Secure System

Disrupt Separated Parts Markets

Better management of end-of-life vehicles

Establish expert working groups in select jurisdictions develop guiding principles for the better management of end-of-life vehicles to:

• Cease cash payments for scrap.

• Assure the provenance of parts used in legitimate supply chain.

• Modernise LMCT/second-hand goods laws to remove ambiguities and deal with enduring non-compliance.

Disrupt Vehicle Laundering Markets

Refine management of written-off vehicles (WOV)

Complete the development of best practice principles for vehicle ID and safety inspections for WOVs.

Complete post-implementation review of the application of revised criteria for the assessment of WOVs and how the national WOV landscape has changed since 2010.

Engage the mining and rental car industries on closing off 'leaks' in the existing barriers that criminals may be exploiting.

Continue to monitor the progress of the National Heavy Vehicle Regulations to ensure the consistent coverage of heavy WOVs.

Personal property securities register

Look for low-cost opportunities to further promote consumer awareness of the personal property securities register.

Divert Young Offenders

Sustainable best practice responses for recidivist offenders

Maintain partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded.

Maintain collaboration with the Tasmanian Department of Justice to evaluate its new adult diversion program *Back on Track*.

Commission expert research into current offending cohort in Victoria to identify factors leading to high levels of violence associated with car crime.

Support Victoria Police in its implementation of a recidivist offender management model.

Maintain an advisory support role to other community attempts at best practice responses.

Maintain Choose-A-Ride resources.

Capacity Building and Innovation

Public education

Maintain *car security begins at home* resources to deliver consistent community messages on key security/mitigating personal risks.

Reintroduce *Australia's Most Wanted* as flagship communications tool.

Monitor motorists' views on vehicle crime issues via annual survey.

Maintain liaison with riders to disseminate theft prevention messages.

Technology

With Western Australian Police and RAC Insurance complete the trial of a low-cost theft alert app for smartphones.

With Victoria Police and select insurers tactically deploy a low-cost theft alert app for smartphones in select hot spots.

With Western Australian Police complete evaluation of Western Australia's 'free' scooter alarm initiative for owners in high-risk municipalities.

With ACT stakeholders trial the recording of VINs of off-road motorcycles to improve theft reporting.

Police responses

Maintain liaison with police and insurers in respect of e-theft risks.

Supplement the operations of the NMVTRC's Vehicle Crime Managers' Network with a national stakeholder conference to review current strategic and operational responses to vehicle crime.

With Tasmania Police review the legal construction of vehicle-related theft offences in the context of other Australian jurisdictions.

Fraud reduction

Work with Insurance Fraud Bureau Australia to identify complementary measures to mitigate fraud risks.

Assist Victoria Police and VicRoads to review number plate management practices to mitigate community impacts of misuse.

Better Data Utilisation

Maintain the expert data systems

Further deploy suite of enhanced expert systems to enable local police to quickly visualise crime trends and implement more operational responses.

With ACT Justice and Community Safety Directorate and Northern Territory Police conduct a deep analyses of local theft characteristics.

Expand expert data services to include 'theft from data'.

Develop mechanisms to improve the quality of plant and equipment theft data recorded by police.

Develop mechanisms to improve the quality of motorcycle theft data recorded by police and secure the active participation of specialist insurers.

Reduced volume of theft. Reduced cost of theft.

Figure 5: Program resource allocation

Disrupt Separated Parts Markets	8%
Disrupt Vehicle Laundering Markets	9%
Divert Young Offenders	7%
Capacity Building and Innovation	30%
Better Data Utilisation	46%

	Action		
Reform theme/project element/desired outcome	Year 1 (2016-2017)	Year 2 (2017-2018)	Year 3 (2018-2019)
Disrupt the Separated Parts Market			
Better management of end-of-life vehicles Establish secure practices for decommissioning end-of-life vehicles to combat theft-for-scrap rackets and minimise environmental impacts.	Establish expert working groups in select jurisdictions develop guiding principles for the better management of end-of-life vehicles to: • cease cash payments for scrap; • assure the provenance of parts used in legitimate supply chain; and • modernise LMCT/second-hand goods laws to remove ambiguities and deal with enduring non-compliance. (DSP/17/001)	Facilitate adoption of agreed reform program.	Complete reform program.

	Action		
Reform theme/project element/desired outcome	Year 1 (2016-2017)	Year 2 (2017-2018)	Year 3 (2018-2019)
Disrupt Vehicle Laundering Markets			
Refine Management of Written-off Vehicles (WOV) Reduced pool of vehicles that are subject to criminal manipulation.	Complete the development of best practice principles for vehicle ID and safety inspections for WOVs. (DVL/17/001)	Concluded.	–
	Complete post-implementation review of the application of revised criteria for the assessment of WOVs in 'mature jurisdictions' and how the national WOV landscape has changed since 2010. (DVL/17/002)	Implement any remedial actions identified.	Complete implementation of any remedial actions.
	Engage the mining and rental car industries on closing off 'leaks' in the existing barriers that criminals may be exploiting. (DVL/17/003)	Implement any remedial actions identified.	Complete implementation of any remedial actions.
	Monitor progress of the National Heavy Vehicle Regulations to ensure the consistent coverage of heavy vehicles. (DVL/17/004)	Concluded.	–
Personal Property Securities Register (PPSR) A more informed, discerning buyer market for used vehicles.	Look for low-cost opportunities to further promote consumer awareness of the Personal Property Securities Register. (DVL/17/005)	Maintain watching brief.	Maintain watching brief.

Reform theme/project element/desired outcome	Action		
	Year 1 (2016-2017)	Year 2 (2017-2018)	Year 3 (2018-2019)
Divert Young Offenders			
Sustainable best practice interventions for recidivist offenders Improved access to diversionary programs that reflect NMVTRC's best practice model.	Maintain partnership with Mission Australia and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded. (DYO/17/001)	Look for opportunities to extend model to other jurisdictions.	With partners establish other model businesses.
	Maintain collaboration with the Tasmanian Department of Justice to evaluate its new adult diversion program *Back on Track*. (DYO/17/002)	Complete evaluation.	–
	Maintain an advisory support role to other community attempts at best practice responses. (DYO/17/003)	Maintain advisory support.	Maintain advisory support.
	Maintain Choose-A-Ride resources. (DYO/17/004)	Review.	Refresh resources.
	Commission expert research into current offending cohort in Victoria to identify factors in high levels of violence associated with car crime. (DYO/17/005)	Work with stakeholders to implement countermeasures.	–
	Support Victoria Police in implementation of a recidivist offender management model. (DYO/17/006)	Completed.	–

	Action		
Reform theme/project element/desired outcome	Year 1 (2016-2017)	Year 2 (2017-2018)	Year 3 (2018-2019)
Build Stakeholder/Community Capacity and Encourage Innovation			
Public education Better informed motoring public on theft risks and mitigation actions.	Maintain *Car Security Begins at Home* resources to deliver consistent community messages about key security and mitigating personal risks. (BSC/17/001)	Review.	Refresh.
	Reintroduce *Australia's Most Wanted* as flagship communications event. (BSC/17/002)	Maintain.	Review/refine.
	Monitor motorists attitudes to vehicle security and crime issues via annual survey. (BSC/17/003)	Review/refine.	Review/refine.
	Maintain liaison with rider groups to look to disseminate theft prevention messages. (BSC/17/004)	Review/refine.	Review/refine.
Technology Showcase emerging/low-cost technologies as crime reduction tools.	With Western Australian Police and RAC Insurance complete the trial of a low-cost theft alert app for smartphones. (BSC/17/005)	Review/refine.	–
	With Victoria Police and select insurers tactically deploy a low-cost theft alert app for smartphones in select hot spots. (BSC/17/005a)	Review/refine.	–
	With Western Australian Police complete evaluation of Western Australian's 'free' scooter alarm initiative for owners in high-risk municipalities. (BSC/17/006)	Promote like programs.	Review/refine.
	With ACT stakeholders trial the recording of VINs of off-road motorcycles to improve theft reporting. (BSC/17/007)	Implement system.	Expand.

	Action		
Reform theme/project element/desired outcome	Year 1 (2016-2017)	Year 2 (2017-2018)	Year 3 (2018-2019)
Build Stakeholder/Community Capacity and Encourage Innovation continued			
Police responses Facilitate inter-agency cooperation and knowledge sharing.	Maintain liaison with police and insurers in respect of e-theft risks. (BSC/17/008)	Maintain.	Maintain.
	Supplement the operations of the NMVTRC's Vehicle Crime Managers' Network with a national stakeholder conference to review current strategic and operational responses to vehicle crime. (BSC/17/009)	Maintain.	Review/refine.
	With Tasmanian Police review the legal construction of vehicle-related theft offences in the context of other Australian jurisdictions. (BSC/17/010)	–	–
Fraud reduction Reduced opportunity for fraudsters to disguise activities as theft.	Work with Insurance Fraud Bureau Australia to identify complementary measures that may assist to mitigate fraud risks. (BSC/17/011)	Maintain.	Maintain.
	Assist Victoria Police and VicRoads to review number plate management practices to mitigate community impacts of misuse. (BSC/17/012)	–	–

	Action		
Reform theme/project element/desired outcome	Year 1 (2016-2017)	Year 2 (2017-2018)	Year 3 (2018-2019)
Better Data Utilisation			
Better data Optimise the tactical utility of the NMVTRC's data holdings.	Maintain expert data systems. (BDU/17/001)	Review.	Maintain.
	Further deploy suite of enhanced expert systems to enable local police to quickly visualise crime trends and implement more operational responses. (BDU/17/002)	Review/refine.	Review/refine.
	With ACT Justice and Community Safety Directorate and Northern Territory Police conduct deep analyses of local theft characteristics. (BDU/17/003)	–	–
	Develop mechanisms to improve the quality of plant and equipment theft data recorded by police. (BDU/17/004)	Maintain.	Maintain.
	Develop mechanisms to improve the quality of motorcycle theft data recorded by police and secure the active participation of specialist insurers. (BDU/17/005)	Review/refine.	Maintain.
	Add 'theft from' capability to expert systems. (BDU/17/006)	Maintain.	Review.

Theft facts

All thefts 2011/12 vs 2015/16

2011/12

58,800

2015/16

54,090

8% reduction

Passenger and light commercial vehicles
47,690 in 2011/12 to 43,250 in 2015/16 (9% reduction)

Motorcycles
8,210 in 2011/12 to 8,300 in 2015/16 (1% increase)

Other vehicles
2,900 in 2011/12 to 2,550 in 2015/16 (12% reduction)

All vehicle theft numbers are rounded to the nearest 10.

Appendix A – Parties consulted in development of this Plan

ACT Justice and Community Safety Directorate

Australian Institute of Criminology

Federal Chamber of Automotive Industries

Insurance Australia Group

Insurance Council of Australia

Motor Trades Association of the ACT

Motor Trade Association of New South Wales

Motor Trades Association of Queensland

Motor Trades Association of South Australia

Motor Trades Association of Western Australia

New South Wales Department of Roads and Maritime Services

New South Wales Ministry for Police and Emergency Services

New South Wales Police Force

Northern Territory Police Service

Queensland Department of Transport and Main Roads

RAA of South Australia

RAC Insurance

RACT Insurance

Royal Automobile Club of Queensland

Sims Metal Management

South Australia Police Service

South Australian Attorney-General's Department

South Australian Department of Planning, Transport and Infrastructure

South Australian Vehicle Theft Reduction Committee

Suncorp Group

Tasmanian Automobile Chamber of Commerce

Tasmanian Department of Police and Emergency Management

Tasmanian Department of State Growth

TIO Insurance

VicRoads

Victoria Police

Victorian Automobile Chamber of Commerce

Western Australia Police Service

Western Australian Department of Transport

Appendix B – Project Assessment Framework

Priority projects included in this Plan have each been evaluated against the following assessment framework to ensure candidate projects support the NMVTRC's vision and goals.

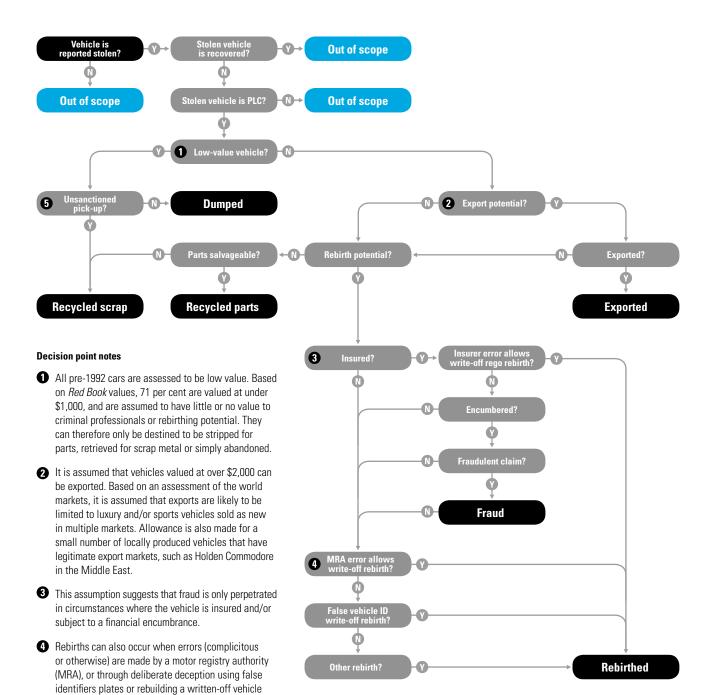| 1. Contributes to vision	Possible rankings essential, value adding, discretionary.
2. Object definition	Clearly articulated objective with specific goals/targets.
3. Problem identification	Comprehensive identification of current deficiencies, likely future trends, stakeholder recognition.
4. Problem assessment	Full analysis of the underlying cause of the deficiency and scale of impacts.
5. Problem analysis	Clear articulation of why deficiency exists and contributing factors.
6. Option assessment	Assessment of the range of possible interventions/means of implementation (advocacy, subsidies/incentives, regulation/penalties).
7. Solution assessment	Full analysis of why selected solution is favoured over alternative options: • likely impact and effectiveness; • interdependencies (the extent to which success relies on parallel sectoral reforms, national harmonisation, etc); • achievability; • constraints/downsides; and • timeliness – quick (one to two years), medium (three to five), long (five plus).
8. NMVTRC cost	Estimate of NMVTRC costs.

Appendix C – NMVTRC Decision Tree Model

Figure 6: The Decision Tree Model – predicted destiny of stolen not recovered PLC vehicles

Decision point notes

❶ All pre-1992 cars are assessed to be low value. Based on *Red Book* values, 71 per cent are valued at under $1,000, and are assumed to have little or no value to criminal professionals or rebirthing potential. They can therefore only be destined to be stripped for parts, retrieved for scrap metal or simply abandoned.

❷ It is assumed that vehicles valued at over $2,000 can be exported. Based on an assessment of the world markets, it is assumed that exports are likely to be limited to luxury and/or sports vehicles sold as new in multiple markets. Allowance is also made for a small number of locally produced vehicles that have legitimate export markets, such as Holden Commodore in the Middle East.

❸ This assumption suggests that fraud is only perpetrated in circumstances where the vehicle is insured and/or subject to a financial encumbrance.

❹ Rebirths can also occur when errors (complicitous or otherwise) are made by a motor registry authority (MRA), or through deliberate deception using false identifiers plates or rebuilding a written-off vehicle with stolen parts. Unrecovered vehicles over $2,000 that are neither exported nor rebirthed are assumed to be recycled for parts rather than simply for scrap metal. Removing parts and then dumping/scrapping the rest is probably the most likely outcome.

❺ It is surmised that very low-value vehicles would simply be abandoned in bushland, waterways or other remote locations.

Appendix D – Key performance indicators for NMVTRC operations

The NMVTRC is a joint initiative of Australian Governments and the insurance industry and places a heavy emphasis on measurable outcomes and the delivery of high-quality monitoring and evaluation processes. It considers its Key Performance Indicators (KPI) as crucial tools in measuring outcomes and determining the NMVTRC's success in achieving its mission.

The data to measure the NMVTRC performance is gathered using a range of channels, including annual surveys of stakeholders' perceptions. The results are reported in the NMVTRC's Annual Report published each year in October.

A: Motor vehicle theft trends in Australia

Program code	A1
Indicator	Comparisons with motor vehicle theft in comparable developed nations.
Source	Various sources.
Format	Calendar year. Graphical or tabular representation of raw data and theft per 100,000 persons. The following countries are to be compared: Canada, Germany, Italy, Japan, Netherlands, New Zealand, United Kingdom and United States.
Baseline	Rolling five years (now 2011).

Program code	A2
Indicator	Reductions in the rate of vehicle theft per number of vehicles registered and per 1,000 population.
Source	Comprehensive Auto-theft Research System (CARS).
Format	Financial year. Graphical or tabular representation of percentage changes per 1,000 vehicles registered and per 1,000 persons.
Baseline	Rolling five years (now 2011).

Program code	A3
Indicator	Reductions or changes in the incidence and nature of short term and profit-motivated theft.
Source	CARS.
Format	Financial year. Graphical or tabular representation of short term and profit-motivated theft rates based on recovery rate analysis. Vehicles recovered relatively intact attributed to short term theft. Vehicles unrecovered or recovered in a substantially stripped condition attributed to profit-motivated theft. Vehicles which do not fall distinctly into either categories shall not be included.
Baseline	Rolling five years (now 2011).
Program code	A4
Indicator	Community perceptions of motor vehicle theft relative to other crimes.
Source	Public survey.
Format	Measurement of community concern with various types of crime relative to vehicle theft. Crimes to include: rape and assault, drug offences, murder, vandalism, house burglaries, street hold-ups.
Baseline	2015 Nexus Survey.

Program code	A5
Indicator	The economic and social cost of motor vehicle theft, including the costs borne by the insurance industry.
Source	CARS.
Format	Financial year. Insurance figure based on number of cars stolen times average cost of insurance claim.
Baseline	2015/16 financial year.

B: Assessment of NMVTRC consultation processes

Program code	B1
Indicator	Stakeholders' perceptions of the Council's program coordination and consultation performance.
Source	Stakeholder survey.
Format	Qualitative analysis of data collected.
Baseline	Rating of the Council's program coordination and consultation performance measures as good, very good or excellent by 80 per cent of respondents.

Program code	B2
Indicator	The quality of the Council's publications.
Source	Feedback forms from publications and annual stakeholder survey.
Format	Qualitative. To be expressed as a collective assessment.
Baseline	Rating of the Council's publications as good, very good or excellent by 80 per cent of respondents.

Program code	B3
Indicator	Analyses of references to the Council in the media and assessment of coverage as negative, neutral or positive.
Source	Media monitoring through monitoring agency.
Format	Quantitative (number of references and assessment of coverage). May also include qualitative analysis of major themes.
Baseline	80 per cent of media coverage rated as positive.

Program code	B4
Indicator	An improved level of awareness of vehicle security practices and vehicle theft issues by the community.
Source	Public survey.
Format	Quantitative and qualitative. Graphical or tabular representation of changes in the public's level of awareness. To include: concern of having car stolen; rating of anti-theft measures; locking and security practices; beliefs regarding immobiliser effectiveness and cost and; types of cars stolen and offending groups.
Baseline	2015 Nexus Survey.

C: NMVTRC's contribution to vehicle theft reforms implemented by stakeholders

Program code	C1
Indicator	Level of Council's influence on the implementation of reforms (major positive impact, minor positive impact, no impact, negative impact).
Source	Stakeholder consultation in the form of individual meetings, workshops or written surveys.
Format	Qualitative analysis of Council's influence on reforms outlined in its yearly business plan. To be measured as having a major positive impact, minor positive impact, no impact, negative impact.
Baseline	Rating by more than 80 per cent of stakeholders as major positive impact.