National Motor Vehicle
Theft Reduction Council

STRATEGIC PLAN

2014–2017

Towards a Secure System

The NMVTRC is an initiative of Australian governments and the insurance industry

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 Separated Parts Markets.
Disrupt Vehicle Laundering Markets.
Divert Young Offenders.
Capacity Building and Innovation.

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

4 Introduction

6 Part A – Background

8 Part B – Section 1: Short term theft

13 Part B – Section 2: Profit-motivated theft

19 Part B – Section 3: Specialised vehicles

21 Part B – Section 4: Special local interest issues of potential national benefit

22 Part C – Work program summary

31 Appendix A – Parties consulted in development of Strategic Plan

32 Appendix B – Project Assessment Framework

33 Appendix C – NMVTRC Decision Tree Model

34 Appendix D – Key performance indicators for NMVTRC Operations

Introduction

The NMVTRC's long term vision is for Australia to achieve the lowest rate of vehicle theft in the developed world and the significant reductions of the past decade have made good inroads.

However, as with most large-scale, systemwide reform programs the challenge to deliver continually better results gets harder rather than easier, with new vulnerabilities emerging that if not actively addressed threaten to 'unwind' the excellent reductions of the last 10 years.

After an 'upwards blip' in 2012, the 2013 year saw both short term and profit-motivated car theft fall by 10 and 14 per cent respectively to new record lows.

Despite this the NMVTRC estimates that:

- around one in every 150 households experienced a vehicle theft in 2013; and
- the cost to the community for the year was more than $600 million[1], not including the very large costs associated with police investigations, courts, and corrections.

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

- an increase in residential burglaries to access the keys of 'secure' vehicles; and
- the almost 10,500 vehicles 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 theme of this year's StratPlan forums, *Locking in Sustainability*, was designed to capture the sense that delivering our vision of achieving the lowest rate of theft in the developed world depends on effectively sustaining and building on recent achievements.

The prevailing conditions will require a new 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 greater 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[2]. This approach takes a holistic view of the dynamics of vehicle theft and the interaction between vehicle design and manufacture, motorist choices, perceptions and behavior, 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:

carsafe.com.au/about-us

1. Based on independent economic analysis conducted by MM Starrs Pty Ltd (November 2011) which updated the NMVTRC's cost models to $11,500 for recovered vehicles and $20,610 for those not recovered depending on a range of factors such as vehicle, personal injury and insurance administration costs.

2. 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.

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

- 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 improve the clarity and interpretation of stolen and written-off vehicle information provided to consumers and the motor trades via the Personal Property Securities Register.
- Diverting Young Offenders by:
  - pursuing 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
  - further leveraging on 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.

Importantly, the updated Plan proposes a substantial investment in building stakeholder capacity and innovation via a range of technological, communications, public education, and knowledge sharing projects. This includes a selection of special local interest projects that in the NMVTRC's assessment are of potential national benefit.

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 (ie 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.

Finally, a series of appendices provide details on the parties consulted in the development of the Plan, the NMVTRC's project assessment framework, decision tree, and key performance indicators.

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 stakeholder workshops – the 2014 StratPlan Series – have again been a major influence on the development of this Plan. These annual forums with senior executives of stakeholder organisations 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. The theme of the 2014 round of discussions, *Locking in Sustainability*, reflects the principle that achieving the lowest rate of theft in the developed world depends on effectively sustaining and building on the successes of the last decade.

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

Each of the projects proposed in the 2014–15 work program has been evaluated against the NMVTRC Project Assessment Framework[3] 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.

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

Theft facts

Passenger and light commercial vehicles

43,380

80% of all vehicle thefts

3 in 4 PLCs stolen were recovered

47% were stolen from a residence

31% were stolen from a street

9% were stolen from a business

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[4].

In respect of short term thefts the 2013 calendar year saw:

- passenger and light commercial (PLC) volumes fall by 14 per cent to a new record low of 32,950 vehicles – with volumes down across all jurisdictions for the first time since 2004;
- the theft of motorcycles fall by 327 to settle at 3,600; and
- the theft of other vehicle types, such as heavy vehicles and plant remain at a very low base of 1,413 despite a marginal increase for the year.

The vehicle age profile of PLC targets indicates that six in 10 were manufactured prior to 2001. The biggest group by volume were more than 16 years old. Despite this, around 60 per cent were fitted with an Australian Standards Equivalent (ASE) immobiliser.

Threat assessment

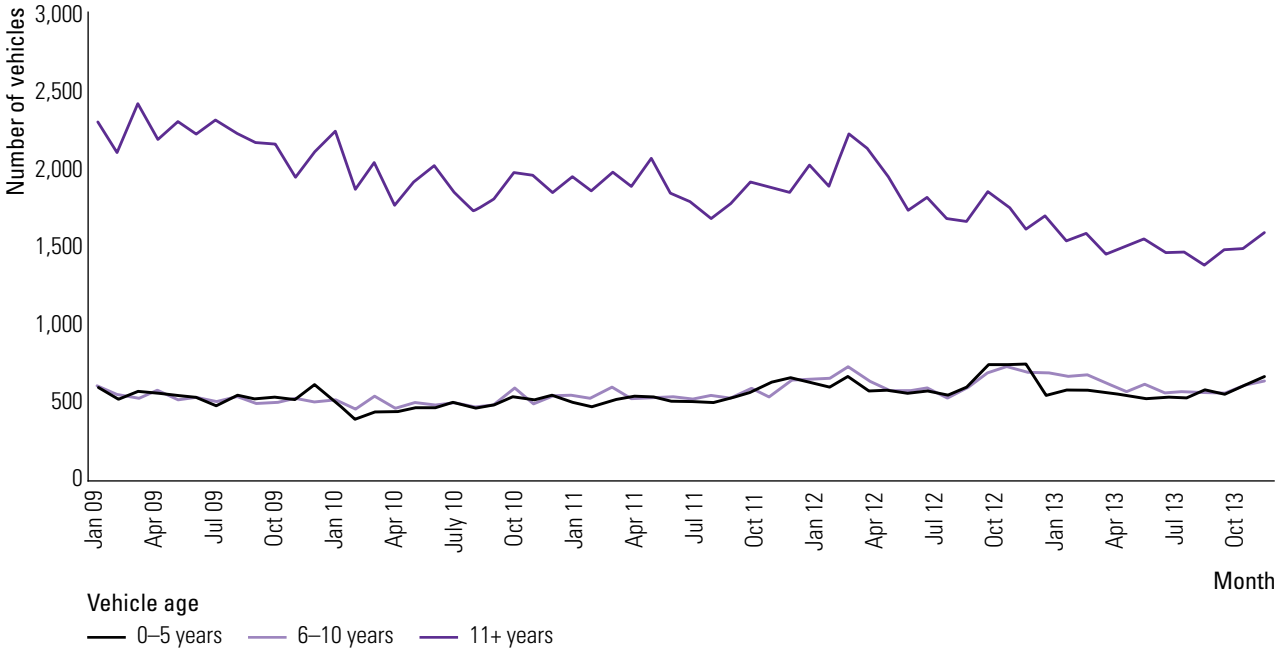
The NMVTRC has assessed the sustainability of continued reductions in short term theft against four potential threats. Each threat has been rated using a 'traffic light' coding system.

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.

Figure 2: Passenger/light commercial vehicles – short term thefts by month, 2009–2013



4. 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.

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 around seven in 10 vehicles are protected by an engine immobilser[5].

While immobilisation has made a major contribution to reducing vehicle crime there is now clear evidence of a shift in offenders' methods towards:

- an increase in 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;
- offenders becoming more brazen, prepared to enter even occupied premises to quickly grab keys left in easily accessible spots, often gaining access via unlocked doors or windows;
- the intrinsic value of the vehicle theft does not appear to be a significant factor – with the prime motivation appearing to be subsequent use of the vehicle to commit other burglaries;
- the low incidence of confrontation with householders suggests that offenders mostly try to avoid being discovered, however the attendant risks to the occupant if things go wrong are considerable; and
- there is no indication that luxury or performance vehicles are particularly being targeted.

These changes in theft characteristics present a significant challenge in finding a balance between appropriate community messages about key security and mitigating theft risks, without unnecessarily raising community concern about crime and personal safety.

The NMVTRC has been working with operational, policy and communications experts from police, insurers, motoring clubs and local government to develop some general principles, overarching themes and key messages for a new suite of public education materials on the matter.

These new, innovative materials will seek to raise community awareness of the need to safeguard keys in a non-threatening way that avoids playing on the personal fear of householders.

The materials will include electronic ads designed to run as community service announcements on TV and in cinemas, and online and print resources that provide practical advice about how to safeguard your home and keys. The campaign will launch in late September.

The NMVTRC's partnership with local government (LGAs) in vehicle theft hot spots – *Operation Bounce Back* – will be redesigned around the *car security begins at home* message.

The NMVTRC will also continue to collaborate with Western Australia Police and the RAC to complete the trial of a low-cost theft alert app for smart phones.

The NMVTRC also recognises that the Northern Territory represents a unique market in respect of its climate, its developed environment and resident lifestyles. The NMVTRC will therefore work with Northern Territory stakeholders to contextualise the key security message or develop specific resources.

Attack by 'coat hanger and screwdriver'

Non-immobilised cars still face twice the risk

By 2013, the volume of vehicles that remain vulnerable to basic attack using crude tools, such as a coat hanger to manipulate mechanical door locks and a screwdriver as a substitute for the original key, had fallen to three in 10 (down from seven in 10 in 2001).

However, that still leaves more than 2.7 million older vehicles without electronic protection and these vehicles face double the theft risk compared to their immobilised equivalent. For vehicles made prior to 2001 the best protection remains an Australian Standards Equivalent (ASE) engine immobiliser[6].

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, to the owners of older vehicles. The NMVTRC therefore proposes to maintain a level of promotion of engine immobilisers as part of its *Operation Bounce Back* program.

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 61 per cent.
6. The term ASE is used by the NMVTRC to collectively describe after-market systems that have been certified as meeting Australian Standards and original equipment systems fitted to new vehicles sold in Australia from July 2001.

Part B – Section 1: Short term theft continued

Electronic hacking

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

Over the past 18 months, news of sophisticated electronic threats to security systems, mainly originating from the United Kingdom (UK) or the United States, have been increasingly reported online and in Australian print media[7].

In late 2012, the NMVTRC collaborated with leading UK-based security consultancy SBD to assess the prevalence of such threats. A matched analysis of UK and Australian thefts rates the incidence of electronic theft in Australia in the lowest risk group (along with Finland and Sweden) of the nine nations included in the study.

As mentioned earlier, in those parts of the nation that have experienced recent spikes in the theft of 'secure vehicles' for short term use, the predominant method has involved a residential burglary to access keys. However, the NMVTRC will continue to monitor developments in Europe and liaise with local police and insurers on threat levels.

(See also the equivalent section under Profit-motivated theft.)

Managing young offenders

Keeping a young person in secure care costs more than $240,000 a year

The majority of cars stolen for short term use are taken by young males aged 14 to 20[8]. The vehicle will be abandoned within a short period of time and while usually recovered may have sustained extensive mechanical or panel damage.

While most will stop offending of their own volition, up to 15 per cent go on to become high-rate offenders. 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.

On any day there are around 1,000 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 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 been shown to be a strong indicator of a young person's likely involvement in other forms of crime. Car crime also kills with 36 theft-related fatalities across Australia in the past five years. Seventeen of those deaths were young people aged under 24.

For these reasons, the NMVTRC has been a leading 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.

In a world first the NMVTRC has collaborated with Mission Australia and the Suncorp Group to establish a 'social enterprise' based, commercial business offering non-structural smash repair services, while providing on-the-job training, work experience and support to young car crime offenders. Mission Australia is an established leader in social enterprise programs in Australia, since opening its Charcoal Lane restaurant in inner Melbourne in 2008.

Synergy Repairs opened its doors in April 2014, the culmination of more than three years of negotiation and planning. The program aims to create meaningful career pathways for the young participants, while preparing a much needed next-generation workforce for the industry. The six month placement will equip graduates with the skills to commence a smash repair apprenticeship.

All Synergy 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.

The NMVTRC has had a long association with Mission Australia initially through Tasmania's successful *U-turn* program. The commercial involvement of the Suncorp Group, and the creation of Synergy Repairs, marks the next evolution of that relationship. The NMVTRC expects that the Synergy model will quickly become recognised as 'the model' for the delivery of sustainable, expertly designed young offender programs.

7. US vehicle standards are not equivalent to EU and Australian design rules which mandate the use of advanced electronic immobiliser systems with millions of randomly generated digital codes.

8. The apprehension profile may, however, be skewed towards young offenders as they are likely to come to police notice more readily.

Many young people caught up in the juvenile justice system have a long history of negative experiences at school and suffer from low levels of literacy and numeracy. So even when they try to get their lives back on track, they face this additional confidence barrier when seeking employment opportunities or returning to the education system. The NMVTRC will therefore continue to support the delivery of extended literacy and numeracy support by *U-turn* in Tasmania.

The NMVTRC will also maintain its Choose-a-Ride education materials for young people and provide advisory support to other community attempts at best practice responses.

Short term theft: Summary of NMVTRC program responses

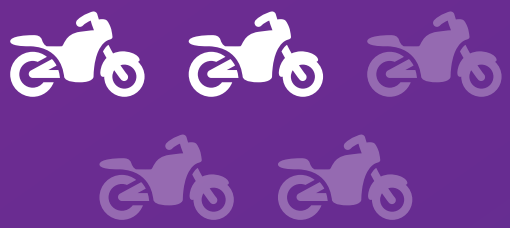
In response to the above threats to sustained reductions in short term theft, the NMVTRC will:	
• Work with police, insurers and motoring clubs to roll out new, consistent community messages and resources about key security and mitigating personal risks.	• Continue to monitor motorists' attitudes to vehicle security and related issues via regular market surveys.
• Work with Northern Territory stakeholders to contextualise the key security message or develop specific resources.	• Continue its partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded by mid-2015.
• Deliver a redesigned *Operation Bounce Back* program with local government that is based on key protection and burglary risks.	• Maintain its support for the delivery of literacy and numeracy services as part of MA's *U-turn* program in Tasmania.
• Publish an updated *Guide to Tackling Vehicle Theft for Local Communities* that reflects current risks.	• Maintain its Choose-A-Ride resources.
• Collaborate with Western Australia Police and the RAC to complete the trial of a low-cost theft alert app for smart phones.	• Maintain an advisory support role to other community attempts at best practice responses.

Theft facts

Motorcycles

8,208

15% of all vehicle thefts



2 in 5 motorcycles stolen were recovered

66% were stolen from a residence

12% were stolen from a street

9% were stolen from a car park

Part B – Section 2: Profit-motivated theft

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 fell by 1,136 (10 per cent) for the 2013 year to 10,450;
- most jurisdictions contributed, save for very small increases in the Northern Territory and Tasmania;
- the number of motorcycles stolen was down for the year with 205 fewer thefts; and
- the theft of other vehicles remained stable at 1,340.

The vehicle age profile for PMT indicates that:

- the overwhelming majority of profit-motivated thefts are still of older vehicles, with 86 per cent being six or more years old; and
- three in five (or approximately 6,583 by volume) are more than 11 years old and valued at under $5,000.

At the other end of the spectrum, just 1,450 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.

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. Since 2008, the NMVTRC has used a 'Decision Tree Model' to estimate the most likely end fate of profit-motivated stolen vehicles based on these characteristics. A flowchart of the Decision Tree Model is set out in Appendix C.

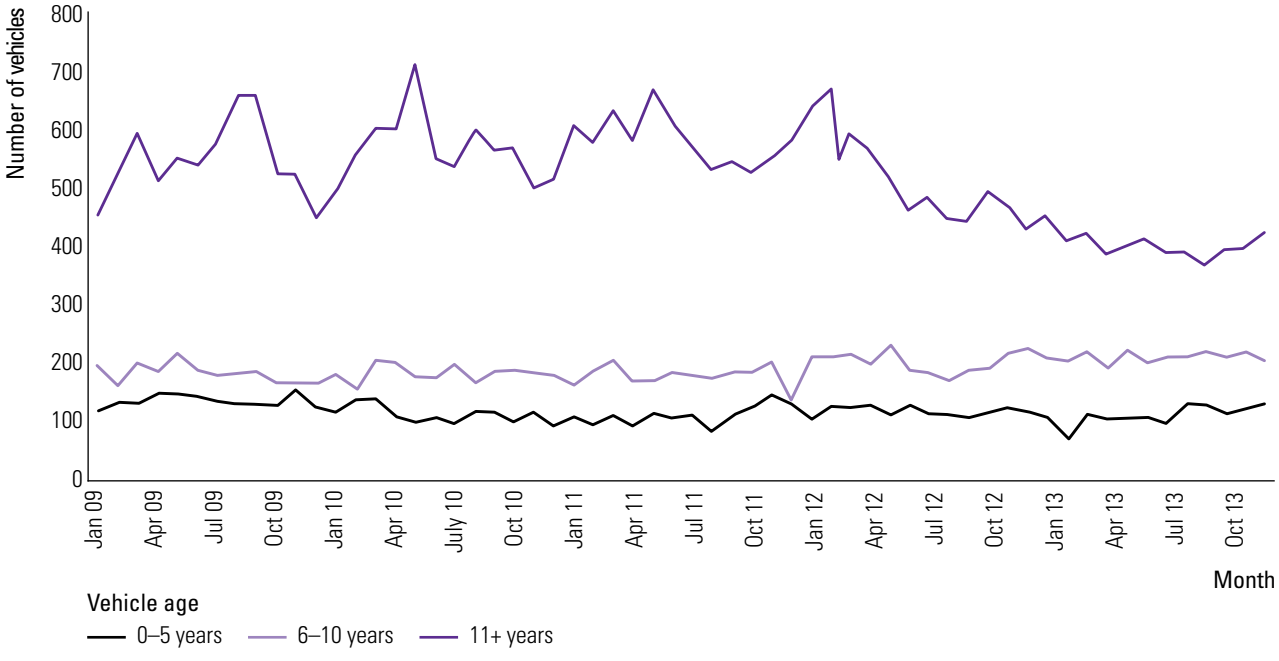
The NMVTRC has assessed the sustainability of continued reductions in profit-motivated theft against eight potential threats. Each threat has been rated using a 'traffic light' coding system.

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.

Figure 3: Passenger/light commercial vehicles – profit-motivated thefts by month, 2009–2013



Part B – Section 2: Profit-motivated theft continued

Electronic hacking

Less than one in 100 Australian thefts involve electronic hacking

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

Police investigations in New South Wales and Victoria have found some evidence of electronic devices being used to steal Toyota vehicles. However, as referred to earlier, a matched analysis of UK and Australian thefts rates conducted with leading UK-based security consultancy SBD assessed Australia's exposure to electronic theft to fall within the lowest risk group of the nine nations included in the study.

By contrast in Russia, where the method is well established, it is estimated to account for one in five thefts. Based on the European experience, the most likely end fate of a vehicle stolen by this method is whole vehicle export.

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

Dismantled for parts

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

As the re-birthing of whole vehicles becomes progressively harder, the dismantling or stripping of major components becomes increasingly more attractive and less risky for car criminals.

Numerous police investigations across Australia have shown that some of the most serious profit-motivated theft activity is conducted in association with enterprises that on the face of it are part of the automotive trades; including the recycling, end-of-life scrap and export sectors. In addition, many middle-tier businesses that operate in these sectors, whilst not criminal themselves, have such poor business practices and records systems that they can unwittingly facilitate stolen vehicle disposal.

Responsible industry participants are finding it increasingly difficult to remain profitable in the face of unfair competition from growing numbers of operators who have no outward appearance of compliance with regulatory requirements or established industry standards and are calling for greater enforcement action from regulators.

In 2013, at the instigation of the NMVTRC, Victoria Police agreed to lead an Inter-agency Task Force (ITF) to assess the level of regulatory compliance across the industry in Victoria. With the active cooperation of the Australian Crime Commission, Australian Customs and Border Protection Service, Consumer Affairs Victoria, Environment Protection Authority and the Victorian WorkCover Authority, the ITF has undertaken the most comprehensive assessment of the status of the industry ever undertaken in Australia.

Following eight months of site visits across Victoria, the ITF found a staggering record of non-compliance across the regulatory spectrum with:

- seven in 10 either not holding the required authorisation to trade (i.e. the correct licence or registration) or being non-compliant to some degree with the conditions of their business licence or registration;
- nine in 10 not complying with written-off vehicle reporting obligations;
- nine in 10 assessed to be non-compliant to some extent with OHS and environmental protection regulations, with:
  - one in five referred for extreme safety breaches deemed likely to cause imminent injury; and
  - one in 10 referred for extreme environmental breaches causing obvious and ongoing serious pollution to soil and waterways.

The ITF also observed that:

- with many businesses operating almost exclusively on a cash only basis transactions are untraceable, which has implications for investigating the chain of vehicle acquisition and disposal, and also raises questions about compliance with taxation; and
- such widespread non-compliance enables vehicle thieves to launder stolen vehicles through motor wreckers or scrap metal dealers with little or no risk that their personal details will be retained.

There are no quick fixes to either criminal infiltration or poor operating standards in the industry. The most effective outcomes will be derived from a combination of medium term improvements aimed at optimising the efficiency of existing regulatory regimes and in the longer term, the alignment of theft reduction objectives with reducing the environmental impacts of end-of-life vehicles and improving industry entry and operating standards through proposals such as product stewardship.

The ITF report clearly demonstrates that the existing law, in respect of the management of separated vehicle parts and vehicle-related scrap, is in need of major reform.

The NMVTRC's 2013–14 work program indicated that we would build on the previous review of the 'modernity' of related laws, conducted by lawyers DLA Piper in 2012, by developing a proposal for the consolidation of relevant laws to remove ambiguities and gaps, and deal more effectively with enduring non-compliance. An exposure draft of the model law package will be ready for stakeholder feedback in September 2014.

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, highlighting the vulnerability of the prevailing end-of-life vehicle (ELV) practices to manipulation by profit-motivated thieves.

As observed above, numerous police investigations across Australia have shown that the most prolific and persistent profit-motivated theft activity is conducted in association with enterprises, that on the face of it, are part of the automotive trades, most usually the vehicle smash repair, recycling and ELV sectors. The interactions here are complex and often involve a mix of legitimate and illicit trading.

Some players in the 'processing chain' are required to be licensed which (based on the findings of police-led ITFs into related industries in New South Wales and Victoria) appears to be largely ineffective while others are expressly exempt. One of the exempt players, those scrap metal dealers whose trade is largely derived from vehicle scrap, in the NMVTRC's assessment pose the highest risk from multiple perspectives, including vehicle crime, environmental damage, work safety and tax avoidance.

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 NMVTRC proposes that in the short or medium term, the regulation of related industries be addressed in conjunction with the legislative reform of motor car trading and second-hand dealing laws outlined earlier.

The NMVTRC will also place renewed emphasis on making significant progress on the design of options to improve ELV management over the next three years. Other parties including the Australian Motor Industry Federation and Transport for NSW have indicated that they are either developing or interested in developing policies on the issue. The NMVTRC will seek to work actively with other stakeholders to develop a set of overarching principles for an effective ELV scheme.

The NMVTRC will also continue to support the development by industry of third-party data consolidator services to validate the written-off vehicle reports of auto recyclers against manufacturer data and lodge consolidated data with transport agencies. (See also: Leakage from existing barriers.)

Rebirthed or cloned

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

Historically, profit-motivated thieves attempting to convert whole vehicles into cash harvested identifiers from damaged vehicles that had been declared write-offs (WOVs) to later present the stolen vehicle as the repaired wreck. As this avenue was closed off with the introduction of the first round of national written-off vehicle reforms in 2002–04, determined thieves switched to using a genuine repairable write-off (RWO) as a 'Trojan' for laundering stolen parts.

This ultimately led to New South Wales banning the re-registration of most WOVs while other jurisdictions have adopted the NMVTRC's more rigorous assessment criteria to ensure that those vehicles which have sustained significant collision, fire or water damage are identified as suitable only for dismantling.

The new criteria were expected to reduce the pool of RWOs by at least 30 per cent. While this significant tightening means these historical methods of re-birthing should be substantially diminished, there remains a need to ensure that the Northern Territory introduces the new criteria as a priority, and that required notifiers are applying the criteria as intended.

The NMVTRC therefore proposes to undertake a post-implementation review in 2015 together with a fresh look at how the WOV landscape has changed over the past five years in the face of the new criteria and New South Wales' total ban. (See also: Leakage from existing barriers.)

There is also a need to finish off earlier development work in respect of establishing a set of best practice principles for vehicle identity and safety inspections. That work stalled in 2012 for the want of an effective means of mandating compliance with manufacturers' repair standards and the certification of e-safety systems as core principles.

The NMVTRC has also long been a leading advocate for improving consumers' (and motor trades') access to non-personal vehicle status information as a means of countering the efforts of criminals to 'bury' their activities amongst the 1.4 million private-to-private vehicle sales per annum. The establishment of the Personal Property Securities Register (PPSR) has been a most welcomed improvement providing consumers with a national one-stop-shop for status information. However, the NMVTRC is concerned that the manner in which written-off vehicle data is presented within the PPSR is open to misinterpretation by casual users and inconsistent with the national written-off vehicle coding system. The NMVTRC will work with stakeholders to seek to have these issues addressed.

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 avoid current regulatory barriers by using the identifiers of 'off-register' vehicles such as 'retired' vehicles used on mining sites, damaged ex-rental cars, etc that are not captured in state and territory WOV systems. Likely volumes have not been able to be quantified to date and the NMVTRC proposes to examine related issues in detail in 2015.

Also, the current reporting arrangements for WOVs throughout Australia are not adequately capturing the identity of vehicles presented direct to auto recyclers. Major parts dismantlers openly admit their non-compliance with reporting requirements and transport agencies are unsure as to compliance levels.

In the first half of 2014 the NMVTRC conducted a proof-of-concept trial of a third-party data consolidator service in South Australia in conjunction with the Department of Planning, Transport and Infrastructure and the Motor Traders' Association. In the last half of 2014 the NMVTRC will help extend the reach of the service to provide the opportunity for Victorian recyclers to use the service.

Exported as whole vehicle, parts or scrap

Estimated to account for one in 10 profit-motivated thefts. Proliferation of new entrants in 'cash for cars' sector focused on scrap metal exports

To date the scale of the export problem has been difficult to determine with any confidence. When the NMVTRC first tried to examine the issue in depth in 2008 it reviewed the full list of missing post-1995 passenger vehicles to identify those that clearly had a world market. At the same time, European Community authorities had identified direct links between the ethnicity of criminal networks and stolen vehicle export markets. Assuming the same theory could be applied to Australia, the most likely export destination for vehicles stolen in this country would be the Middle East.

In 2008, even if every 'world market' vehicle was stolen with the purpose of export this would have equated to fewer than 700. With strong legitimate markets for Holden Commodore vehicles in the region the NMVTRC also assigned 10 per cent of unrecovered Commodores to the pool of potential exports. However, given that the majority of those vehicles would also have strong domestic appeal, we imputed a notional but considered generous export estimate of 350 vehicles. On that assessment, exports were not considered a major contributor to the missing PLCs at the time.

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 considerable evidence that many of these enterprises ignore fundamental regulatory requirements in the areas of occupational health and safety, environmental laws and taxation.

The best insight into the likely scale of illicit exports is provided by a case study from the recently concluded Victorian ITF. Analysis of customs data revealed that over the course of seven months a northern suburbs-based business had exported some 150 tonnes of used vehicle parts. The business did not advertise for the purchase of vehicles from the public or operate a shop front. All onsite signage was from the previous occupants and bore no relationship to auto recycling.

Subsequent enquiries traced a total of 72 stolen vehicles associated with the business worth approximately $2 million, or 8 per cent of the total value of all profit-motivated thefts in Victoria in 2013.[9]

The NMVTRC will use the case study to raise the profile of illicit exports with its Vehicle Crime Managers' Network – which comprises the lead vehicle crime investigators of state and territory police services and the Australian Crime Commission – to assist them to develop a clearer intelligence picture of the related trade.

9. The matter is currently before the Victorian courts and the accused had not been convicted of the alleged offences.

Insurance fraud presented as vehicle theft

Estimated to account for one in 20 reporterd 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.

The establishment of the Vehicle Information Request System by Austroads[10] (with assistance from vehicle manufacturers and the NMVTRC) enables insurers to validate non-personal data (including VIN, make, model, year, stolen and written-off status) direct from the national registration system as a fraud mitigation tool. The system currently processes up to 350,000 transactions per month.

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 four in 10 non-recovered stolen vehicles in 2013. Many will have been dumped in waterways or bushland. With around one in four 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.

Profit-motivated theft: Summary of NMVTRC program responses

In response to the above threats to sustained reductions in profit-motivated vehicle theft, the NMVTRC will:	
• Maintain liaison with police and insurers nationally in respect of electronic theft risks.	• Conduct a post-implementation review of the revised criteria for the assessment of WOVs in 'mature jurisdictions' and how the WOV landscape has changed over the past five years.
• Examine options for assuring the provenance of parts used in legitimate supply chain via trade accreditation schemes and insurance repair networks.	• Engage the mining and rental car industries on closing off 'leaks' in the existing barriers that criminals may be exploiting.
• Engage regulators and affected industries in the reform of LMCT/ second-hand goods laws to remove ambiguities and deal with enduring non-compliance.	• Assist the operator of the trial e-data consolidation service established in South Australia to open the system to Victorian auto recyclers.
• Establish a core working group to establish guiding principles for a product stewardship scheme for end-of-life vehicles.	• Maintain the operations of the Vehicle Crime Managers' Network to facilitate inter-agency cooperation and intelligence sharing.
• Monitor the Northern Territory's adoption of the revised criteria for the assessment of WOVs.	• Work with related agencies to improve the clarity and interpretation of consumer generated reports from the national Personal Property Securities Register.
• Complete the development of a set of best practice principles for vehicle identity and safety inspections for WOVs.	• Work with the insurance industry's peak anti-fraud body – the Insurance Fraud Bureau Australia – to identify complementary measures that may assist to mitigate fraud risks.

10. Austroads is the association of Australasian road transport and traffic agencies.

Theft facts

Other vehicles

2,755

5% of all vehicle thefts

1 in 2 'other vehicles' stolen were recovered

32% were stolen from a business

31% were stolen from a residence

21% were stolen from a street

Part B – Section 3: Specialised vehicles

This section deals with specialised vehicles which have very distinct theft dynamics and potential markets compared to passenger vehicles.

Motocycles

Two in three motocycles are stolen for profit or own use. Seven in 10 are stolen from home and small capacity bikes are most at risk.

The dynamics of motorcycle theft vary considerably from those of other vehicles. In 2013:

- more than 8,200 motorcycles were stolen (representing 15 per cent of all vehicles stolen and 28 per cent of all non-recoveries);
- 44 per cent (3,600) were recovered;
- unregistered and off-road bikes account for 30 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 five cases.

Where theft location is known, 70 per cent of motorcycles were stolen from the home compared with just 12 per cent stolen from the street. Newer model motorcycles manufactured between 2000 and 2009 are the most common theft targets (54 per cent).

Bikes with engine capacities of 50cc or less were the biggest targets (28 per cent), followed by those in the 200–250cc range (20 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. Stakeholders in the Australian Capital Territory (ACT) have expressed some interest in conducting a local trial of maintaining VIN records at local dealerships to improve the accuracy of subsequent theft reports.

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[11]. 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:	
• Continue to work with Western Australia Police to evaluate its trial of 'free' alarms 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 data to CARS.[12]
• 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 at local motorcycle dealers to improve theft reporting.

11. NSW Police Service 2003.

12. CARS is the Comprehensive Auto-theft Research System managed for the NMVTRC by the South Australian Attorney-General's Department

Part B – Section 3: Specialised vehicles continued

Heavy vehicles, plant and equipment

In 2013, some 1,350 heavy vehicles and 760 items of plant or equipment (PE) were stolen. The prevailing non-recovery rate for heavy vehicles is around 34 per cent (467 vehicles) and even higher for PE at 60 per cent (454 items). While the frequency of heavy vehicle and PE theft is relatively low (less than 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 makes conclusive identification very difficult even for the very experienced eye[13].

In February 2014, the first parts of a single set of national heavy vehicle laws took effect. That law, to be administered by the National Heavy Vehicle Regulator (NHVR), includes a head of power for the mandatory reporting of heavy vehicle write-offs. However, the schedule for development of the supporting regulations is yet to be confirmed by the NHVR. How the issues around establishing vehicle identity and component origin will be managed is not clear, but the National Transport Commission, which oversees the legislative drafting process for the law, has undertaken to consult the NMVTRC and its stakeholders further as the detailed administrative arrangements are developed.

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[14].

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 mixed.

A significant number of PE theft reports fail to adequately identify the type of item involved at a level that is required for detailed analysis – resulting in up to a third of related vehicles being classified as 'unknown' in respect to detailed body type, etc. The NMVTRC will therefore engage data collectors about improving data capture mechanisms as a priority before re-engaging the industry on the concept of a register.

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 written-off heavy vehicles.	• Develop mechanisms to improve the quality of PE theft data recorded by police.

13. 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 2002–04.

14. NSW Police Force is in the process of adapting its COPS system to incorporate a PE menu to improve reporting accuracy.

Part B – Section 4: Special local interest issues of potential national benefit

The 2014 StratPlan workshops also identified a small number of local interest issues that in the NMVTRC's assessment are worthy of inclusion in its forward program as part of its Capacity Building and Innovation Reform Theme. In summary they are:

Theft of registration plates (South Australia)

Registration plates are often stolen from vehicles for the purpose of fraudulently obtaining fuel or other services or committing further, more serious crimes. The use of stolen plates also makes it harder for police to detect and investigate crimes in a timely manner.

The focus of this project is to look beyond current partial solutions, such as one way plate screws as a means of affixing the current generation of general issue plates, to examine options for self-voiding or other technology that would render a stolen plate worthless to would-be thieves.

Crime Stoppers *Report a Vehicle Crime Campaign* (South Australia)

Public calls to Crime Stoppers lines help state and territory police solve thousands of crimes every year. The NMVTRC and Crime Stoppers South Australia will work together to develop a *Report a vehicle crime campaign* as a trial for possible later national application.

Impacts of the cessation of local manufacturing (Victoria, South Australia and New South Wales)

The impending cessation of local vehicle production is expected to have far reaching economic and other impacts on local communities, and on the future supply of original equipment vehicle components in insurance and other repairs.

At the same time there is debate around the future of the Motor Vehicle Standards Act and the possible relaxation of second-hand vehicle import controls.

The NMVTRC's focus will be to look at the potential impacts of these structural changes on security standards of the national vehicle fleet and on the capacity of consumers to verify the provenance of such vehicles.

Special consumer education resources for remote areas (Northern Territory)

The NMVTRC recognises that the Northern Territory represents a unique consumer market in respect of its remoteness, climate, built environment and resident lifestyles. The NMVTRC will therefore work with Northern Territory stakeholders to better contextualise its key vehicle security messages or develop specific resources.

Recording of VIN data for Off-road Motorcycles (Australian Capital Territory)

As observed in the section on motorcycles, the VIN data of stolen off-road motorcycles is captured in only one in five thefts reported to police.

The NMVTRC will work with ACT stakeholders to trial the recording of VINs at local motorcycle dealers to improve subsequent theft reporting.

Part C – Work program summary

The NMVTRC's work program for 2014–17 will focus on the following priorities presented in the context of the NMVTRC four reform themes.

Figure 4: 2014–15 work program at a glance

Towards a Secure System

Disrupt Separated Parts Markets

Assuring parts provenance within legitimate supply chains

Examine options for assuring the provenance of parts used in legitimate supply chain via trade accreditation schemes and insurance repair networks.

Modernise regulatory regimes to optimise compliance

Engage regulators and affected industries in the reform of LMCT/second-hand goods laws to remove ambiguities and deal with enduring non-compliance.

Management of end-of-life vehicles

Establish a core working group to establish guiding principles for a product stewardship scheme for end-of-life vehicles.

Illicit exports and non-compliance with local laws

Conclude Victorian Inter-agency Task Force into non-compliance with local laws and illicit export activity (with Victoria Police and agencies).

Disrupt Vehicle Laundering Markets

Refine management of written-off vehicles (WOV)

Monitor the Northern Territory's adoption of the revised criteria for the assessment of WOVs.

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

Conduct 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 over the past five years.

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 written-off heavy vehicles.

Improve WOV reporting by recyclers

Assist the operator of the trial e-data consolidation service established in South Australia to open the system to Victorian auto recyclers.

Personal Property Securities Register

Work with related agencies to improve the clarity and interpretation of consumer-generated reports from the national Personal Property Securities Register.

Divert Young Offenders

Sustainable best practice responses for recidivist offenders

Continue partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded by mid-2015.

Maintain support for the delivery of literacy and numeracy services as part of MA's *U-turn* program in Tasmania.

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

Maintain Choose-A-Ride resources.

Capacity Building and Innovation

Public education

Work with police, insurers and motoring clubs to roll out new, consistent community messages and resources about key security and mitigating personal risks.

Work with Northern Territory stakeholders to contextualise the key security message or develop specific resources.

Deliver a re-designed *Operation Bounce Back* program with local government that is based on key protection and burglary risks.

Publish (online) an updated *Guide to Tackling Vehicle Theft for Local Communities* that reflects current risks.

Re-introduce *Australia's Most Wanted* as flagship communications event.

Continue to monitor motorists' attitudes to vehicle security and related issues via regular market surveys.

New technology

Work with Western Australia Police and the RAC complete the trial of a low-cost theft alert app for smart phones.

Examine options for self-voiding or other technology that would render a stolen registration plate worthless to thieves.

Police responses

Maintain liaison with police and insurers nationally in respect of electronic theft risks.

Maintain the operations of the Vehicle Crime Managers' Network to facilitate inter-agency cooperation and intelligence sharing.

Work with Crime Stoppers South Australia to develop a *report a vehicle crime campaign.*

Motorcycles/scooters

Evaluate Western Australia Police trial of 'free' alarms for scooter owners in high-risk municipalities.

Maintain liaison with rider groups to look to disseminate key motorcycle theft prevention messages.

Work with ACT stakeholders to trial the recording of VINs at local motorcycle dealers to improve theft reporting.

Fraud reduction

Work with Insurance Fraud Bureau Australia – to identify complementary measures that may assist to mitigate fraud risks.

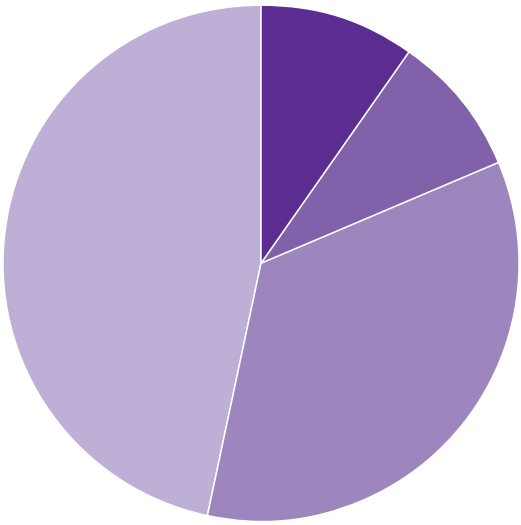
Examine potential impacts of structural changes in vehicle manufacturing on security standards of the national vehicle fleet and on the capacity of consumers to verify the provenance of imported used vehicles.

Improved data

Improve quality of data in respect of heavy vehicles, plant and motorcycles.

Reduced volume of theft. Reduced cost of theft

Figure 5: Program resource allocation



Disrupt Separated Parts Markets	10%
Disrupt Vehicle Laundering Markets	9%
Divert Young Offenders	35%
Capacity Building and Innovation	47%

Part C – Work program summary continued

	Action		
Reform theme/project element/desired outcome	Year 1 (2014–15)	Year 2 (2015–16)	Year 3 (2016–17)
Disrupt Separated Parts Markets			
Assuring parts provenance within legitimate supply chains Reduced opportunities for criminal networks to sell stolen parts into legitimate trades.	Examine options for assuring the provenance of parts used in legitimate supply chain via trade accreditation schemes and insurance repair networks. (DSP/15/001)	Conduct trial.	Review/expand if successful.
Modernise regulatory regimes to optimise compliance Greater levels of regulatory conformance and more effective tools and sanctions for non-compliance.	Use exposure draft of consolidated LMCT/ second-hand goods laws to engage regulators/affected industries on reforms to remove ambiguities and deal more effectively with serious, enduring non-compliance. (DSP/15/002)	Facilitate law reform program.	Complete law reform program.
Management of end-of-life vehicles More secure practices for decommissioning end-of-life vehicles to combat theft-for-scrap rackets and minimise environmental impacts.	Establish a core working group to develop guiding principles for a product stewardship scheme for end-of-life vehicles. (DSP/15/003)	Implement model.	Expand program.
ITF on illicit exports and non-compliance with local laws Clearer intelligence picture of the extent to which exports and backyard activities contribute to stolen/not recovered rates.	Conclude Victorian Inter-agency Task Force into non-compliance with local laws and illicit export activity (with Victoria Police and agencies). (DSP/15/004)	Develop countermeasures[15].	Pursue adoption of countermeasures.

15. ITF will also provide empirical data to support key projects DSP/15/002 and DSP/15/003.

	Action		
Reform theme/project element/desired outcome	Year 1 (2014–15)	Year 2 (2015–16)	Year 3 (2016–17)
Disrupt Vehicle Laundering Markets			
Refine management of written-off vehicles (WOV) Reduced pool of vehicles that are subject to criminal manipulation.	Monitor implementation of revised damage criteria in the Northern Territory. (DVL/15/001A)	Concluded	-
	Complete the development of best practice principles for vehicle ID and safety inspections for WOVs. (DVL/15/001B)	Implement model.	Complete implementation.
	Conduct 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 over the past five years. (DVL/15/002)	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/15/003)	Implement any remedial actions identified.	Complete implementation of any remedial actions.
	Continue to monitor the progress of the National Heavy Vehicle Regulations to ensure the consistent coverage of heavy vehicle write-offs. (DVL/15/004)	Concluded	-
	Assist the operator of the trial e-data consolidation service established in South Australia to open the system to Victorian auto recyclers. (DVL/15/005)	Review reporting rates by participating recyclers.	Maintain watching brief.
Personal Property Securities Register (PPSR) A more informed, discerning buyer market for used vehicles.	Work with related agencies to improve the clarity and interpretation of PPSR data. (DVL/15/006)	Maintain watching brief.	Maintain watching brief.

Part C – Work program summary continued

	Action		
Reform theme/project element/desired outcome	Year 1 (2014–15)	Year 2 (2015–16)	Year 3 (2016–17)
Divert Young Offenders			
Sustainable best practice program for recidivist offenders Improved access to diversionary programs that reflect NMVTRC's best practice model.	Continue partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded by mid-2015. (DYO/15/001)	Maintain advisory and in-kind support.	Maintain advisory and in-kind support.
	Maintain support for the delivery of literacy and numeracy services as part of MA's *U-turn* program in Tasmania. (DYO/15/002)	Maintain advisory and in-kind support.	Maintain advisory and in-kind support.
	Maintain an advisory support role to other community attempts at best practice responses. (DYO/15/003)	Maintain advisory and in-kind support.	Maintain advisory and in-kind support.
	Maintain Choose-A-Ride resources. (DYO/15/004)	Maintain	Review

	Action		
Reform theme/project element/desired outcome	Year 1 (2014–15)	Year 2 (2015–16)	Year 3 (2016–17)
Build Stakeholder/Community Capacity and Encourage Innovation			
Public education Better informed motoring public on theft risks and mitigation actions.	Work with police, insurers and motoring clubs to roll out new, consistent community messages and resources about key security and mitigating personal risks. (BSC/15/001)	Maintain	Review/refine
	Work with Northern Territory stakeholders to contextualise the key security message or develop specific resources. (BSC/15/002)	Maintain	Review/refine
	Deliver a re-designed *Operation Bounce Back* program with local government that is based on key protection and burglary risks. (BSC/15/003)	Maintain	Review/refine
	Publish (online) an updated *Guide to Tackling Vehicle Theft for Local Communities* that reflects current risks. (BSC/15/004)	Maintain	Review/refine
	Re-introduce *Australia's Most Wanted* as flagship communications event. (BSC/15/005)	Maintain	Review/refine
	Continue to monitor motorists attitudes to vehicle security and related issues via regular market surveys. (BSC/15/006)	Maintain	Review/refine
New technology Showcase emerging/low-cost technologies as crime reduction tool.	Work with Western Australia Police and the RAC to complete the trial of a low-cost theft alert app for smart phones. (BSC/15/007)	Maintain	Review/refine

Part C – Work program summary continued

	Action		
Reform theme/project element/desired outcome	Year 1 (2014–15)	Year 2 (2015–16)	Year 3 (2016–17)
Build Stakeholder/Community Capacity and Encourage Innovation continued			
	Examine options for self-voiding or other technology that would render a stolen registration plate worthless to thieves. (BSC/15/008)	Commission trial of alternative secure plates.	Review/refine
Police responses Facilitate inter-agency cooperation and knowledge sharing.	Maintain liaison with police and insurers nationally in respect of electronic theft risks. (BSC/15/009)	Review with international partners.	Refine local responses.
	Maintain the operations of the Vehicle Crime Managers' Network to facilitate inter-agency cooperation and intelligence sharing. (BSC/15/010)	Review network's operation.	Refine operations.
	Work with Crime Stoppers South Australia to develop a report a vehicle crime campaign. (BSC/15/011)	Review	Expand nationally.
Motorcycles and scooters Better informed riders.	Evaluate Western Australia Police trial of 'free' alarms for scooter owners in high-risk municipalities. (BSC/15/012)	Expand nationally.	Review
	Maintain liaison with rider groups to look to disseminate key motorcycle theft prevention messages. (BSC/15/013)	Maintain	Maintain

	Action		
Reform theme/project element/desired outcome	Year 1 (2014–15)	Year 2 (2015–16)	Year 3 (2016–17)
Build Stakeholder/Community Capacity and Encourage Innovation continued			
	Work with ACT stakeholders to trial the recording of VINs at local motorcycle dealers to improve theft reporting. (BSC/15/014)	Review	Expand nationally.
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/15/015)	Maintain	Maintain
Impact of cessation of local vehicle production Understanding of possible downstream impacts for insurers and consumers.	Examine potential impacts of structural changes in vehicle manufacturing on security standards of the national vehicle fleet and on the capacity of consumers to verify the provenance of imported used vehicles. (BSC/15/016)	Develop mitigating measures.	Implement
Improved data	Improve quality of data in respect of heavy vehicles, plant and motorcycles. (BSC/15/017)	Maintain	Maintain

Theft facts

All thefts 2009 vs 2013

2009	2013
60,800	**54,350**

11% reduction

Passenger and light commercial vehicles
50,505 in 2009 to 43,380 in 2013 (14% reduction)

Motorcycles
7,456 in 2009 to 8,208 in 2013 (10% increase)

Other vehicles
2,848 in 2009 to 2,755 in 2013 (3% reduction)

Appendix A – Parties consulted in development of Strategic Plan

Atlas Auto Spares (Northern Territory)
ACT Department of Justice and Community Safety
A&G Insurance
Allianz Australia Insurance
Australian Automobile Association
Australian Customs Service
Australian Federal Police
Australian Motorcycle Council
Austroads
Auto Recyclers Association of Australia
BMW Group Australia
CGU Insurance
Crime Stoppers South Australia
Dynamco Pty Ltd
Federal Chamber of Automotive Industries
Glenorchy City Council
Insurance Australia Group
Insurance Council of Australia
Manheim Australia
Mission Australia
Mitsubishi Motors Australia
Motor Trade Association of South Australia
New South Wales Police Force
Northern Territory Department of Transport
Northern Territory Police Service
Northern Territory Neighbourhood Watch
QBE Insurance
Queensland Department of Transport and Main Roads
Queensland Police Service
RAA of South Australia
RAC Insurance
RACQ Insurance
RACV Limited (Victoria)
Royal Automobile Club of Queensland
South Australia Police Service
South Australian Attorney-General's Department
South Australian Vehicle Theft Reduction Committee
Suncorp Group
Tasmanian Automobile Chamber of Commerce
Tasmanian Department of State Growth
Tasmanian Department of Police & Emergency Management
TIO Insurance
Transport for New South Wales
VicRoads
Victoria Police
Victorian Automobile Chamber of Commerce
Victorian Department of Justice
Wesfarmers Insurance
Western Australia Police Service
Western Australian Department of Transport
Zurich Financial Services Australia

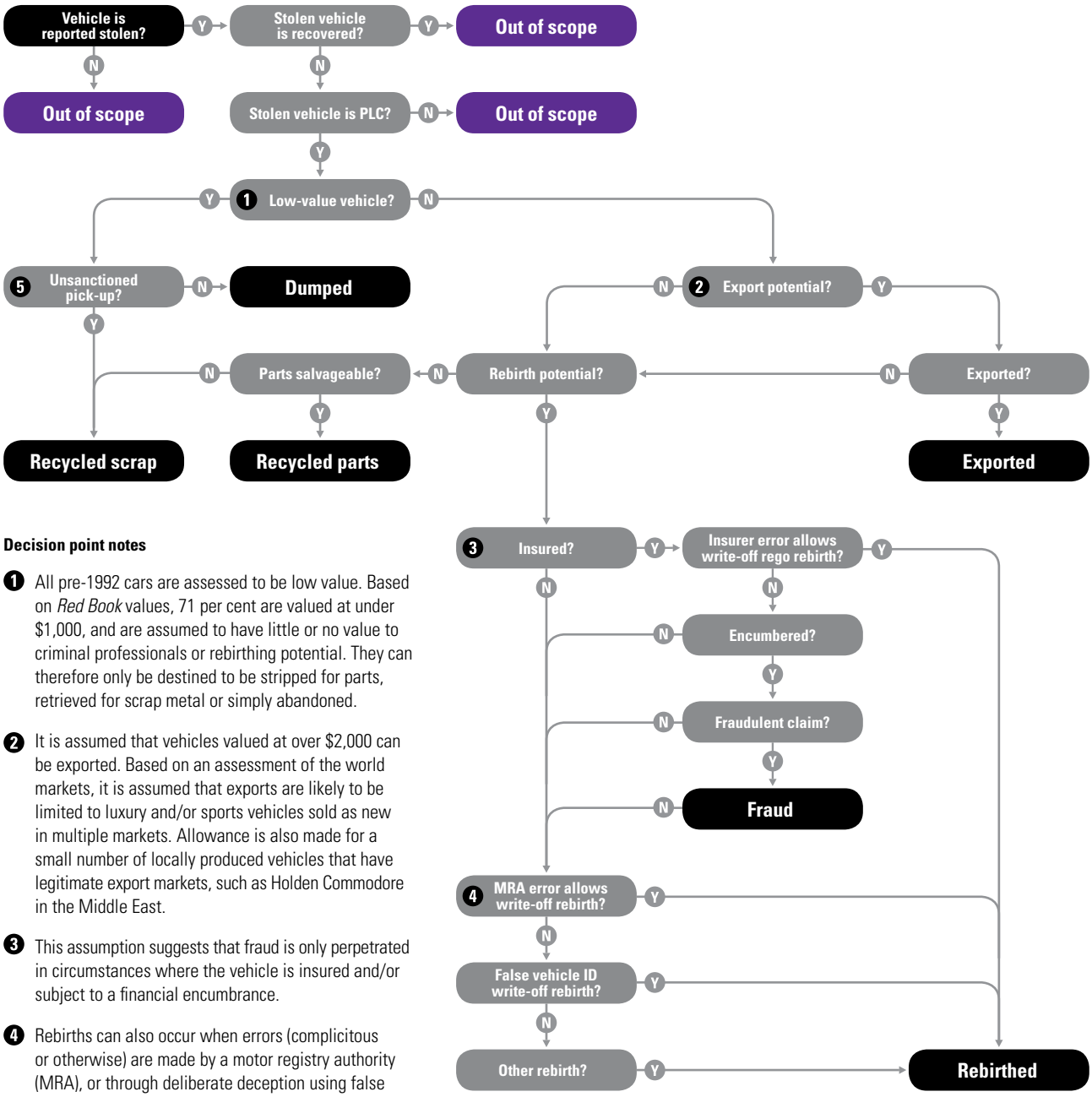
Appendix B – Project Assessment Framework

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

1. 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.
2. 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.
3. This assumption suggests that fraud is only perpetrated in circumstances where the vehicle is insured and/or subject to a financial encumbrance.
4. 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 re-building 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.
5. 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 1,000 persons. The following countries are to be compared: Canada, Ireland, Japan, Netherlands, New Zealand, South Africa, United Kingdom and United States.
Baseline	Rolling five years (now 2009).

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 2009).

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 2009).

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	2013 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	2013–14 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 asessment.
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	2013 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.

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