



National Motor Vehicle
Theft Reduction Council

STRATEGIC PLAN

2015-2018

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.

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.

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Foreword

The 2014 calendar year saw short term car thefts fall by 6 per cent to a new record low of 31,500 vehicles. Despite this, the NMVTRC estimates that one in every 150 Australian households experienced a theft inflicting community costs of more than \$680 million.

While total motorcycle thefts remained stable, profit-motivated car theft rose 6 per cent to 10,500 vehicles wiping off around half of the reduction achieved in the previous year. Clearly there remains more to do to deliver our vision of achieving the lowest rate of vehicle theft in the developed world.

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 *2015 StratPlan Series* provided stakeholders with an opportunity to:

- learn about the results of current priority projects to disrupt the vehicle laundering and separated parts markets, divert young offenders, and build stakeholder/community capacity; and
- help refine the forward strategy and priorities for 2015/16 and beyond.

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 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 prevailing conditions 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 crime¹.

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 – <http://carsafe.com.au/about-us>.

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

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.

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:
 - 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.

Importantly, the updated Plan also focuses on 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 (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 stakeholder workshops – the *2015 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.

Discussions held with peak bodies, special interest groups and stakeholders throughout the past twelve 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 co-ordination 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.

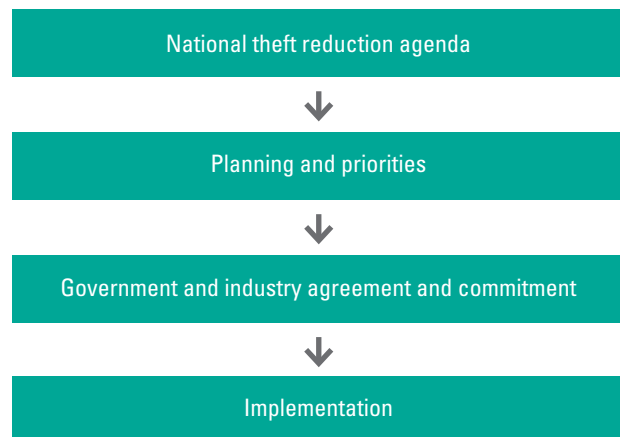
The NMVTRC also remains committed to:

- 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 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

41,950

79% of all vehicle thefts



3 in 4 PLCs stolen
were recovered



49% were stolen from a residence



32% were stolen from a street



10% were stolen from a business

All vehicle theft numbers are rounded to the nearest ten.

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 damage³.

In respect of short term thefts the 2014 calendar year saw:

- passenger and light commercial (PLC) volumes fall by 6 per cent to a new record low of 31,500 vehicles; and
- the theft of motorcycles and other vehicles (such as heavy vehicles and plant) remain stable at 3,700 and 1,300 respectively.

A greater proportion of immobilised vehicles are now stolen for short term use than non-immobilised vehicles. In 2014 the vehicle age profile of PLC targets indicates three in five vehicles stolen were manufactured from 2001 onwards, with 66 per cent fitted with an Australian-Standards Equivalent (ASE) immobiliser.

In 2013 the NMVTRC commissioned Nexus Research to conduct a national survey on the incidence of insurance amongst vehicle theft victims. The results indicate that eight in 10 theft victims held

insurance cover for theft (comprehensive cover (68 per cent) and fire and theft cover (12 per cent)). The results also demonstrate that even with insurance, victims can incur substantial costs with four in 10 respondents indicating that they were left between \$1,000 and \$3,000 dollars out of pocket. Around one in 20 victims with insurance cover chose not to lodge a claim in order to avoid perceived increases in premiums, excesses and the like.

Threat assessment

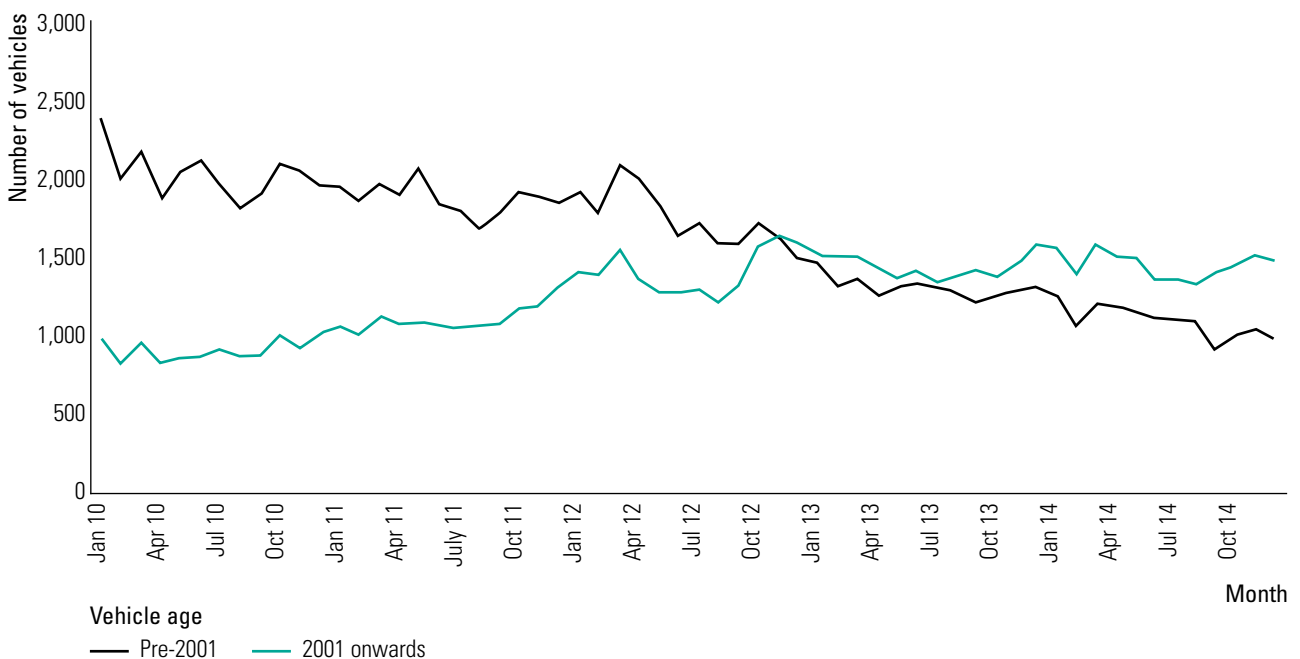
The NMVTRC has assessed the sustainability of continued reductions in short term theft against four potential threats. Each threat has been rated using a 'traffic light' coding system.

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, 2010–2014



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.



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 almost eight in 10 vehicles are protected by an engine immobiliser⁴.

There is now clear evidence of a shift in offenders' methods towards:

- residential burglaries to access the keys of 'secure vehicles' – with vehicle keys being the only property stolen in up to one in four reported burglaries in which a vehicle was taken; and
- offenders becoming more brazen, entering even occupied premises with a propensity to resort to violence, or the threat of violence, to intimidate anyone they may encounter.

These changes in offending behaviour 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.



Attack by 'coat hanger and screwdriver'

Non-immobilised cars still face twice the risk

In 2014, six 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 is presently 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 there 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. Recidivist offenders are often returned to the community without the skills or support required to leave their former lifestyle behind.

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 has also been shown to be a strong indicator of a young person's likely involvement in other forms of crime. Car crime also kills; with 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.

For these reasons, 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.

4. 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.

Part B – Section 1: Short term theft continued

Short term theft: Summary of NMVTRC program responses

In response to the threats to sustained reductions in short term theft, the NMVTRC will:	
<ul style="list-style-type: none"> • Maintain its Car Security Begins at Home resources to deliver consistent community messages about key security and mitigating personal risks. 	<ul style="list-style-type: none"> • Maintain its partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded.
<ul style="list-style-type: none"> • Complete its collaboration with NT stakeholders to contextualise the key security message for NT audiences. 	<ul style="list-style-type: none"> • Collaborate with the Tasmanian Department of Justice to establish an evaluation framework for car crime offenders within in its new adult diversion program.
<ul style="list-style-type: none"> • Publish an updated online <i>Guide to Tackling Vehicle Theft for Local Communities</i> that reflects current risks. 	<ul style="list-style-type: none"> • Maintain an advisory support role to other community attempts at best practice responses.
<ul style="list-style-type: none"> • Re-introduce a virtual version of <i>Australia's Most Wanted</i> to highlight vehicle theft targets. 	<ul style="list-style-type: none"> • Maintain its Choose-A-Ride resources for children aged nine to 14 years.
<ul style="list-style-type: none"> • Continue to monitor motorists' attitudes to vehicle security and related issues via an annual market survey. 	<ul style="list-style-type: none"> • Maintain its collaboration with WA Police and RAC Insurance, of a trial of a low-cost, smart phone theft alert and tracking app for owners of high-risk vehicles in Perth.

Theft facts

Motorcycles

8,220

16% 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 ten.

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 rose by 6 per cent (590) for the 2014 year to 10,500;
- Most jurisdictions contributed to the rise, save for very small decreases in South Australia and the Australian Capital Territory;
- the number of motorcycles and other vehicles remained stable at 4,480 and 1,450 respectively.

The vehicle age profile for PMT indicates that:

- the overwhelming majority of profit-motivated thefts are still of older vehicles, with 87 per cent being six or more years old; and
- just over two in five (or approximately 5,840 by volume) are more than 11 years old and valued at under \$5,000.

At the other end of the spectrum, just 1,300 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.

Figure 3: Passenger/light commercial vehicles – proportion of profit-motivated thefts by vehicle age, 2010 vs 2014

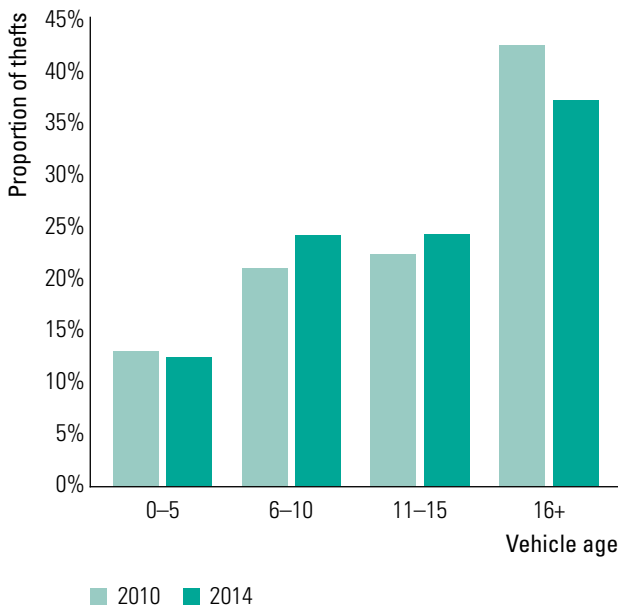
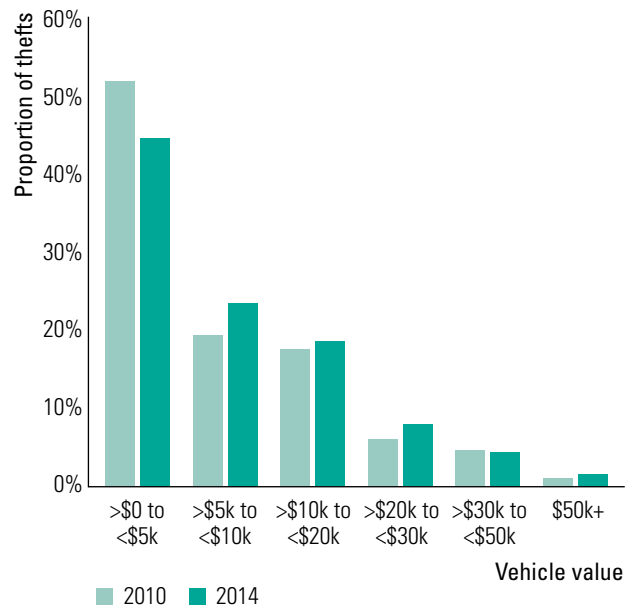


Figure 3a: Passenger/light commercial vehicles – proportion of profit-motivated thefts by vehicle value, 2010 vs 2014



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 a stolen vehicle based on its characteristics. A flow-chart of the decision tree model is set out in Appendix C.



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. SBD's assessment was that the majority of those thefts were bound for export as whole vehicles or parts. An analysis of BMW thefts in Australia would indicate that BMW vehicles are not being targeted here.

Police in New South Wales have confirmed at least one case of an electronic device being used to steal Toyota vehicles and the recently concluded NMVTRC sponsored Inter-agency Task Force in Victoria also uncovered another instance of one syndicate stealing up to 70 (again mainly Toyota vehicles) via 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).

Until further cases come to light it is not possible to assess precisely how widespread the method is. 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 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. Theft for dismantling is of course not limited to unrecovered vehicles but data on the extent of stripping of recovered vehicles is inconsistent. There are also

anecdotal reports that criminal networks are increasingly more likely to dispose of the stripped shell by crushing or shredding rather than abandoning it.

The potential pathways for illicit parts are diverse but closely parallel the legitimate market and include:⁵

- the substitution of legitimate parts in commercial crash repairs;⁶
- the replacement of worn components in programmed maintenance or servicing⁷ (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.



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 by at least 30 per cent. (Also see 'Leakage from Existing Barriers' on the following page.)

5. Australian Institute of Criminology, Nature and Extent of Stolen Vehicle Parts in Australia (NMVTRC 2001).
6. The difficulty of identifying stolen parts means that legitimate recyclers and repairers may inadvertently purchase them.
7. 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 one 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.



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 four in 10 non-recovered stolen vehicles in 2014. 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 the '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 10,500 vehicles that 'vanished' in 2014, 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
Re-birthed or cloned	15	Reducing
Exported	10	Rising
Fraudulent report/ claim	5	Steady
Dumped in bushland or waterways	20	Reducing

Profit-motivated theft: Summary of NMVTRC program responses

In response to the threats to sustained reductions in profit-motivated vehicle theft, the NMVTRC will:	
<ul style="list-style-type: none"> Establish a stakeholder expert reference group to develop guiding principles for the better management of end-of-life vehicles, including reform of local trading laws and ceasing cash payments for scrap metal. 	<ul style="list-style-type: none"> Work with related agencies to improve the clarity and interpretation of consumer reports from the national Personal Property Securities Register.
<ul style="list-style-type: none"> Work with Austroads on the development of a model set of registration provisions to support better ELV management. 	<ul style="list-style-type: none"> Maintain its liaison with police and insurers nationally in respect of electronic theft risks.
<ul style="list-style-type: none"> Complete the development of a set of best practice principles for vehicle identity and safety inspections for WOVs. 	<ul style="list-style-type: none"> Continue to monitor e-theft risks.
<ul style="list-style-type: none"> Complete its 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. 	<ul style="list-style-type: none"> Liaise with the Insurance Fraud Bureau Australia to mitigate fraud risks.
<ul style="list-style-type: none"> Will engage the mining and rental car industries on closing off 'leaks' in the existing barriers that criminals may be exploiting. 	<ul style="list-style-type: none"> Continue to support the Vehicle Crime Managers' Network to facilitate inter-agency cooperation and intelligence sharing.
<ul style="list-style-type: none"> Extend data supplies to maintain an e-data consolidation service for auto recyclers. 	<ul style="list-style-type: none"> Improve CARS data services via the development of specialised dashboards for police and insurers and improving the quality of heavy vehicle and motorcycle data.

Theft facts

Other vehicles

2,780

5% of all vehicle thefts



1 in 2 'other vehicles' stolen were recovered



31% were stolen from a residence



29% were stolen from a business



23% were stolen from a street

All vehicle theft numbers are rounded to the nearest ten.

Part B – Section 3: Specialised vehicles

Motorcycles

The dynamics of motorcycle theft vary considerably from those of other vehicles. In 2014:

- more than 8,200 motorcycles were stolen (representing 16 per cent of all vehicles stolen and 27 per cent of all SNRs);
- 45 per cent (3,740) were recovered;
- unregistered and off-road bikes accounted for 43 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.

Motorcycle theft made up 16 per cent of all thefts and over a quarter (27 per cent) of all vehicles stolen not recovered in the year.

Where theft location is known, 67 per cent of motorcycles were stolen from the home compared with just 12 per cent stolen from the street. Newer model motorcycles manufactured between 2004 and 2013 are the most common theft targets (61 per cent).

Bikes with engine capacities of 50cc or less were the biggest targets (15 per cent), followed by those in the 200–250cc range (14 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 units⁸. 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 these threats, the NMVTRC will:	
<ul style="list-style-type: none"> • Complete its evaluation of Western Australia’s trial of ‘free’ alarms for scooter owners in high risk municipalities. 	<ul style="list-style-type: none"> • 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 CARS⁹.
<ul style="list-style-type: none"> • Maintain its liaison with rider groups to look to disseminate key motorcycle theft prevention messages and data. 	<ul style="list-style-type: none"> • Work with ACT stakeholders to trial the recording of VINs of off-road motorcycles to improve theft reporting.

8. NSW Police Service 2003.

9. 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 2014 some 1,400 heavy vehicles and 700 items of plant or equipment (PE) were stolen. The prevailing non-recovery rate for heavy vehicles is around 40 per cent (550 vehicles) and even higher for PE at 60 per cent (420 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 makes conclusive identification very difficult even for the very experienced eye¹⁰.

In February 2014 the first parts of a single set of national heavy vehicle laws came into effect. That law, to be administered by the National Heavy Vehicle Regulator (NHVR), includes a head of power for the mandatory reporting of HV write-offs.

In May 2015, transport ministers asked the National Transport Commission (NTC) and NHVR to develop a business case for the early implementation of a HV written-off register ahead of other elements of a registration scheme. The NMVTRC will work closely with the NTC and NHVR on the raft of definitional, policy, technical and administrative issues that will require resolution.

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 systems¹¹.

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. If reform of state and territory duties was possible, conditional registration would assist in the identification and recording task.

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. A range of alternative options will be assessed in 2015/16.

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

In response to the above threats, the NMVTRC will:

- Work with the NTC and NHVR to progress the development of nationally consistent arrangements for the management of written-off heavy vehicles.
- Develop mechanisms to improve the quality of PE theft data recorded by police.

10. 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.

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

Part C – Work program summary

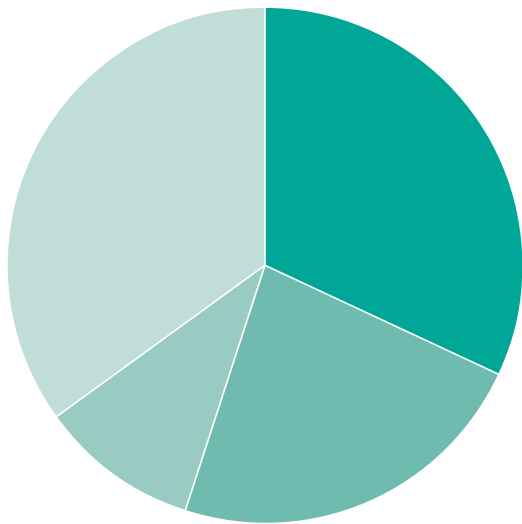
The Work Program for 2015–2018 will focus on the following priorities presented in the context of the NMVTRC’s four reform themes.

Figure 4: 2015/16 work program at a glance



Part C – Work program summary continued

Figure 5: Program resource allocation



■ Disrupt Separated Parts Markets	32%
■ Disrupt Vehicle Laundering Markets	23%
■ Divert Young Offenders	10%
■ Capacity Building and Innovation	35%

Reform theme/project element/desired outcome	Action		
	Year 1 (2015–16)	Year 2 (2016–17)	Year 3 (2017–18)
Disrupt Separated Parts Markets			
<p>Better management of end-of-life vehicles</p> <p>Establish secure practices for decommissioning end-of-life vehicles to combat theft-for-scrap rackets and minimise environmental impacts.</p>	<p>Establish expert reference group to develop guiding principles for the better management of end-of-life vehicles, including:</p> <ul style="list-style-type: none"> • ceasing cash payments for scrap • modernising local trading laws; and • assuring provenance of legitimate supply chains via trade accreditation schemes and insurance repair networks. <p>(DSP/16/001)</p>	<p>Facilitate adoption of agreed reform program.</p>	<p>Complete reform program.</p>

Part C – Work program summary continued

Reform theme/project element/desired outcome	Action		
	Year 1 (2015–16)	Year 2 (2016–17)	Year 3 (2017–18)
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/16/001)	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 over the past five years. (DVL/16/002)	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/16/003)	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/16/004)	Concluded.	–
	Extend data supplies to maintain an e-data consolidation service for auto recyclers (DVL/16/005)	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/16/006)	Maintain watching brief.	Maintain watching brief.

Reform theme/project element/desired outcome	Action		
	Year 1 (2015–16)	Year 2 (2016–17)	Year 3 (2017–18)
Divert Young Offenders			
Sustainable best practice program for recidivist offenders Improved access to diversionary programs that reflect NMVTRC's best practice model.	Maintain partnership with Mission Australia (MA) and the Suncorp Group to transition Synergy Repairs to becoming fully self-funded. (DYO/16/001)	Maintain advisory and in-kind support.	Maintain advisory and in-kind support.
	Collaborate with the Tasmanian Department of Justice to establish an evaluation framework for car crime offenders within its new adult diversion program. (DYO/16/002)	Maintain advisory and in-kind support.	Review.
	Maintain an advisory support role to other community attempts at best practice responses (DYO/16/003)	Maintain advisory support.	Maintain advisory support.
	Maintain Choose-A-Ride resources. (DYO/16/004)	Maintain.	Review.

Part C – Work program summary continued

Reform theme/project element/desired outcome	Action		
	Year 1 (2015–16)	Year 2 (2016–17)	Year 3 (2017–18)
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/16/001)	Maintain.	Review.
	Work with NT stakeholders to contextualise the key security message for NT audiences. (BSC/16/002)	Concluded.	–
	Publish (online) an updated Guide to Tackling Vehicle Theft for Local Communities that reflects current risks. (BSC/16/003)	Maintain.	Review/refine.
	Re-introduce <i>Australia's Most Wanted</i> as flagship communications event. (BSC/16/004)	Maintain.	Review/refine.
	Monitor motorists attitudes to vehicle security and crime issues via annual survey. (BSC/16/005)	Maintain.	Review/refine.
	Maintain liaison with rider groups to look to disseminate key theft prevention messages (BSC/16/006)	Maintain.	Review/refine.

Reform theme/project element/desired outcome	Action		
	Year 1 (2015–16)	Year 2 (2016–17)	Year 3 (2017–18)
Build Stakeholder/Community Capacity and Encourage Innovation <i>continued</i>			
Police responses Facilitate inter-agency cooperation and knowledge sharing.	Maintain liaison with police and insurers in respect of e-theft risks. (BSC/16/007)	Maintain.	Maintain.
	Support the Vehicle Crime Managers' Network to facilitate cooperation and intelligence sharing. (BSC/16/008)	Maintain.	Review/refine.
Technology Showcase emerging/low cost technologies as crime reduction tool.	Evaluate WA Police trial of 'free' alarms for scooter owners in high risk municipalities. (BSC/16/009)	Promote like programs.	Review/refine.
	With WA Police and RAC Insurance complete the trial of a low-cost theft alert app for smart phones. (BSC/16/010)	Review/refine.	–
	Work with ACT stakeholders to trial the recording of VINs of off-road motorcycles to improve theft reporting (BSC/16/011)	Implement system.	Expand.
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/16/012)	Maintain.	Maintain.
Improved data	Develop customised dashboards for police and insurers, improve quality of heavy vehicle and motorcycle data. (BSC/16/013)	Maintain.	Maintain.

Theft facts

All thefts 2010 vs 2014

2010

57,040

2014

52,950

7% reduction



Passenger and light commercial vehicles
46,290 in 2010 to 41,950 in 2014 (9% reduction)



Motorcycles
7,740 in 2010 to 8,220 in 2014 (6% increase)



Other vehicles
3,010 in 2010 to 2,780 in 2014 (8% reduction)

All vehicle theft numbers are rounded to the nearest ten.

Appendix A – Parties consulted in development of this Plan

ACT Department of Justice and Community Safety
A&G Insurance
Allianz Australia Insurance
Australian Automobile Association
Australian Federal Police
Australian Institute of Criminology
Australian Motorcycle Council
Austroads
Auto Recyclers Association of Australia
BMW Group Australia
Crime Stoppers South Australia
Dynamco Pty Ltd
Federal Chamber of Automotive Industries
Hobart City
Insurance Australia Group
Insurance Council of Australia
Manheim Australia
Master Builders Association of Western Australia
Mission Australia
Mitsubishi Motors Australia
Motorcycle Riders' Association of South Australia
Motor Trades Association of ACT
Motor Trade Association of New South Wales
New South Wales Department of Roads and Maritime Services
New South Wales Police Force
New South Wales Ministry for Police and Emergency Services
Northern Territory Department of Business
Northern Territory Department of Transport
Northern Territory Police Service
Northern Territory Neighbourhood Watch
Pickles Auctions
Queensland Department of Transport and Main Roads
Queensland Police Service
Queensland Waste Recycling Industry Association
RAA of SA
RAC Insurance
RACQ Insurance
RACV Limited (Vic)
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
Subaru Australia
Suncorp Group
Tasmanian Automobile Chamber of Commerce
Tasmanian Department of Justice
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
Wesfarmers Insurance
Western Australia Police Service
Western Australian Department of Transport
Zurich Financial Services Australia

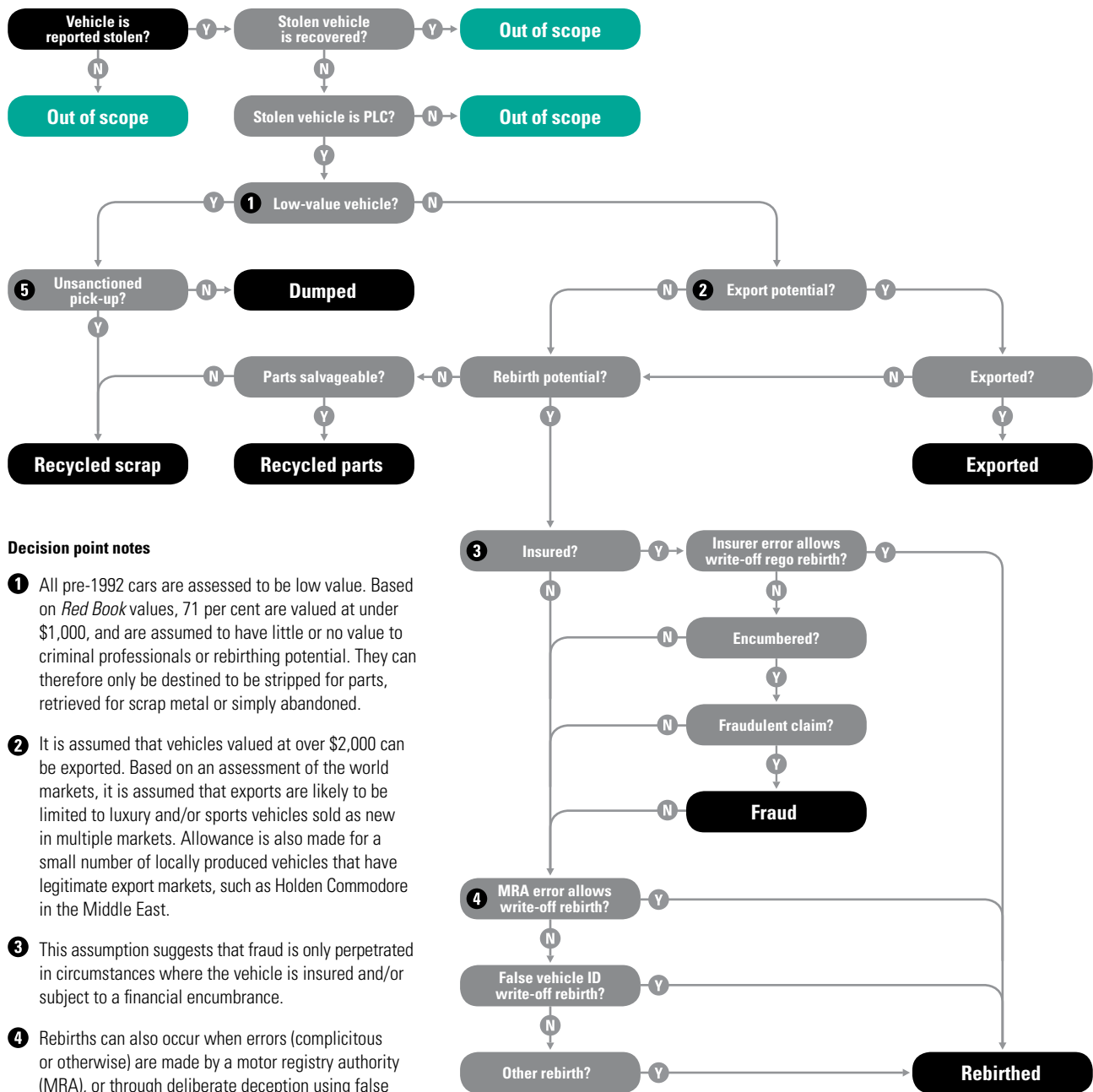
Appendix B – Project Assessment Framework

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: <ul style="list-style-type: none"> • 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 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 2010).
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 2010).
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 2010).
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.

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