

# 01

*about the ccc*

The Crime and Corruption Commission focuses on major crime that poses the greatest threat to the Queensland community and matters that erode the integrity of its public institutions.

06	Chairperson's report
08	CEO's report
10	Performance snapshot
12	Agency overview
16	Our Commission structure
18	Performance scorecard
19	Our work in 2015-16



“

As the name suggests, the CCC is responsible for combatting major crime, and reducing corruption in the public sector. Fundamentally, our role is to help make Queensland a safer place in which to live.

”

# Chairperson's report

**It is with great pleasure that I introduce my first Annual Report as Chairperson of the Crime and Corruption Commission (CCC). In my nine months in the role I have been struck by the breadth of the CCC's activities, the complexity of the organisation, and the dedication and skill of its staff.**

As the name suggests, the CCC is responsible for combating major crime, and reducing corruption in the public sector. Fundamentally, our role is to help make Queensland a safer place in which to live.

The legislation under which the CCC is established, the *Crime and Corruption Act 2001*, brings together under one roof the necessary tools, expertise, and unique powers to enable us to meet our important statutory obligations. It is therefore critical that the CCC operate as one efficient and collaborative organisation, and during the year much time and effort has gone into achieving that "1CCC" model. We have some way to go yet but I am confident we will get there.

Consistent with that approach, readers of this report will observe how various arms of the CCC contribute to our investigations and other activities.

A good example is Operation Sterling, a major intelligence authorisation into cold-call investment fraud on the Gold Coast. Working closely with the Queensland Police Service (QPS), the CCC brought to bear its coercive powers, research and intelligence skills to disrupt this serious criminal activity and to develop cold-call fraud prevention strategies.

We have also worked very closely with the QPS in the investigation of people involved in the manufacture and distribution of illicit drugs, with a focus on ice, the drug of greatest danger to Queenslanders.

Elsewhere in the CCC, work is being done within the Intelligence and Research functions to assist the Corruption arm to identify areas of greatest corruption risk in the police and public sectors. This work will enable the CCC to better assess complaints, as well as target areas and individuals for special attention. Our focus on allegations of excessive use of force by police and the unlawful accessing and dissemination of confidential information are good examples of this.

Our capacity to discharge our functions has been enhanced by significant amendments to the Act this year, including the return of our corruption prevention function, the reinstatement of our independent research function, and the removal of the requirement for complaints about corruption to be made by way of statutory declaration. These amendments were most welcome. The Report of the Review of the CCC conducted by the Parliamentary Crime and Corruption Committee (PCCC) was tabled on 30 June 2016, and also contains a number of recommendations designed to further improve the CCC's effectiveness.

In October 2015, the CCC welcomed the findings of the report by the Queensland Organised Crime Commission of Inquiry aimed at maximising the law enforcement response to organised crime in Queensland. A number of the recommendations made in the report were consistent with recommendations the CCC made in its submission.

In concluding, I continue to enjoy my role with the CCC immensely. This is due in no small part to the welcome and support I continue to receive from the staff at the CCC, all of whom do such a great job under considerable pressure. I have also appreciated the advice of my fellow Commissioners, and the dedication of the PCCC to the CCC's work.

A J MacSporran QC  
Chairperson  
30 June 2016



“

Without shared values we cannot operate as a team. Ultimately shared values are absolutely critical to high performance.

”

# CEO's report

**In recent years, staff at the CCC have achieved a great deal despite the continuous uncertainty, instability and change that had been imposed upon them. It is a strong testament to their dedication that so much was done in such testing circumstances.**

Against this background, the appointments during the year of Alan MacSporran QC as Chairperson and Marshall Irwin as Ordinary Commissioner, together with the continued presence of Syd Williams QC, Deputy Chairperson, were most welcome.

With this new-found stability came a renewed sense of purpose and certainty in direction. My comments should not be taken as critical of those who came before them. Rather, they are meant to emphasise the importance of leadership to every organisation, and the influence of the "tone at the top" on organisational performance and culture.

We look forward to government filling the two remaining Ordinary Commissioner vacancies as well.

The appointments marked the beginning of a rebuilding phase for the CCC, and a number of initiatives were launched.

Firstly, we identified the organisational values which resonate with staff: People, Accountability, Integrity, Courage and Excellence. Without shared values we cannot operate as a team. Ultimately shared values are absolutely critical to high performance. These will be reflected in the 2016-20 strategic plan.

Secondly, staff were invited to take part in the whole of government Working for Queensland Survey, and, pleasingly, 85 per cent of staff accepted. The results revealed three key drivers that most impact on staff engagement with the CCC: organisational leadership; learning and development; and innovation. Strategies have now been developed to improve these aspects of work at the CCC.

Finally, a four-year People and Culture Strategy has been developed, focusing on five workforce challenges. First and foremost is working together as one organisation: "1CCC".

With shared values, close collaboration and team work, and settled leadership, I expect the CCC will perform far in excess of the sum of its parts, for the benefit of our major stakeholder, the Queensland public.

Forbes Smith  
Chief Executive officer  
30 June 2016

# Performance snapshot

*Reducing the impact of major crime*

**\$10.01M**

forfeited to the state

**\$1.59M**

worth of drugs seized

**\$19.05M**

in assets restrained

**59**

major crime  
investigations finalised

**81**

people charged with  
655 offences

**334**

coercive hearing days held,  
including 55 days of  
intelligence hearings

## Reducing the incidence of serious corruption



hearing days held



people charged with  
104 criminal offences



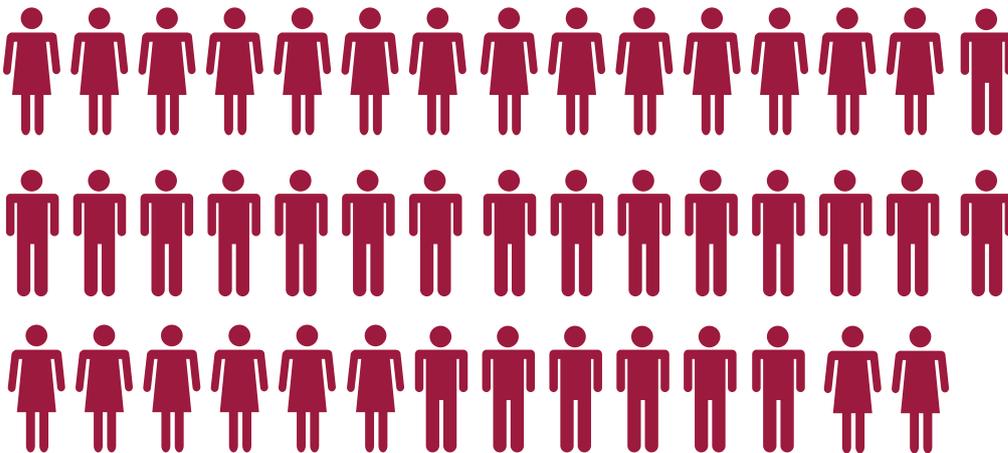
corruption  
investigations finalised



recommendations for  
disciplinary action made

## An effective witness protection service

**44** people admitted to the witness protection program **100%** of witnesses kept safe



# Agency overview

## Our vision

That the CCC make a unique contribution to protecting Queenslanders from crime and corruption

## Our purpose

To combat major crime and serious corruption

## Our values

- Integrity
- Accountability
- Respect
- Excellence and innovation
- Collaboration

The Crime and Corruption Commission (CCC) is an independent statutory body established to reduce the incidence of major crime and public sector corruption in Queensland, and to provide the state's witness protection service. It focuses on major crime that poses the greatest threat to the Queensland community and matters that erode the integrity of its public institutions.

Our crime jurisdiction enables us to investigate major crime such as drug trafficking, fraud, money laundering and networked criminal paedophilia. Our corruption jurisdiction is broad and diverse, including state government departments, public sector agencies and statutory bodies, the Queensland Police Service (QPS), local governments, government-owned corporations, universities, prisons, courts, tribunals and elected officials.

## Legislation

The *Crime and Corruption Act 2001* sets out our agency's primary functions, powers and governance structure. Other legislation that supports our functions includes:

- *Criminal Proceeds Confiscation Act 2002*
- *Police Powers and Responsibilities Act 2000*
- *Telecommunications Interception Act 2009*
- *Telecommunications (Interception and Access) Act 1979* (Cwlth)
- *Witness Protection Act 2000*.

## Powers and specialist capabilities

### Investigative powers

The CCC's investigative powers include search, surveillance and seizure powers as well as the power to conduct coercive hearings that compel people to attend and give evidence, and to produce documents and other material. Where we conduct joint investigations with other agencies, we use these powers as well as our expertise in intelligence, financial analysis, forensic computing and covert investigative techniques.

Queensland police officers seconded to the CCC can arrest and charge people with offences. The CCC is not a court: it cannot determine guilt or discipline anyone.

In more complex investigations, the CCC prepares a brief of evidence for referral to the Office of the Director of Public Prosecutions (ODPP), who makes the final determination on whether or not a prosecution action will proceed.

### Coercive hearings

Coercive hearings are held to investigate major crime and allegations of serious corruption. The CCC can also respond quickly to incidents of terrorism by immediately conducting hearings.

### Proceeds of crime

The CCC administers the non-conviction based civil confiscation scheme contained within Chapter 2 of the *Criminal Proceeds Confiscation Act 2002* (CPCA). Under this scheme, property is liable to be restrained if it belongs to, or is under the effective control of, someone who is suspected of having engaged in serious criminal activity. Restrained property is liable to be forfeited to the state unless a person proves, on the balance of probabilities, that it was lawfully acquired.

The CCC also administers the serious drug offender confiscation order scheme contained within Chapter 2A of the CPCA. This is a conviction-based scheme dependent upon a person's conviction of a serious drug offence under the *Penalties and Sentences Act 1992*. Should this occur and a serious drug offence certificate be issued by the court, the State can apply for a serious drug offender confiscation order to forfeit the person's property to the State.

The CCC works in partnership with the QPS and the ODPP to identify and litigate proceeds of crime matters. It also deals extensively with the Public Trustee of Queensland, who is responsible for managing property subject to confiscation action.

### Intelligence

Intelligence informs and guides the CCC's operational and strategic priorities and provides support and direction to the crime and corruption areas. Our intelligence function enhances law enforcement's understanding of the criminal environment in Queensland, increases the CCC's capability to respond to threats and opportunities posed by high-risk crime groups, and enables resource allocation based on assessed levels of threat and harm.

The CCC's intelligence work includes strategic assessment and reporting, target development, and intelligence-related operational support.

We regularly disseminate intelligence through confidential reports and briefings to law enforcement agencies and policy makers. When appropriate, public versions of our reports are published on the CCC website.

### Research

Under its statutory research function, the CCC conducts research to support the proper performance of its functions in areas such as crime, corruption, policing and the criminal justice system. Prior to the enactment of the *Crime and Corruption Amendment Act 2016*, the CCC's three-year research plan required ministerial approval, however as of May 2016 this was no longer the case.

### Prevention

The CCC has a statutory function to prevent crime and corruption.

On 5 May 2016, the CCC's corruption prevention function was reintroduced as a result of the amendments to the Crime and Corruption Act. Over the coming months the CCC will work to reintroduce prevention back into the Corruption function.



The CCC gathers and disseminates intelligence, conducts investigations, recovers illegal gains from criminal activity, and publishes research.



## Our stakeholders in Queensland

- All members of the Queensland public
- The Queensland Parliament, the Parliamentary Crime and Corruption Committee, the Parliamentary Crime and Corruption Commissioner, and the Attorney-General and Minister for Justice
- The Office of the Director of Public Prosecutions, the Public Trustee, the Queensland Audit Office, the Privacy Commissioner, the Information Commissioner and the Queensland Ombudsman
- Public sector agencies including government departments, the QPS, tribunals, courts, local governments, government-owned corporations, universities and state politicians.



## Our people

As at 30 June 2016, the CCC had 342.2 full-time equivalent staff, including lawyers, investigators, financial and intelligence analysts, social scientists and support officers.

## Our finances

The CCC's revenue for 2015-16 was \$55.569M. Expenditure was \$54.452M, resulting in an operating surplus of \$1.117M.

Employee expenses form the major part of the CCC's expenditure, comprising 70.47 per cent of total expenditure or \$38.373M (\$37.829M in 2014-15). The CCC also engages specialist contractors including IT and legal professionals. In 2015-16 the CCC spent \$1.440M on contractor services.

In February 2016, the government agreed to allow the CCC to use retained earnings of up to \$426,000 to fund crime intelligence hearings.

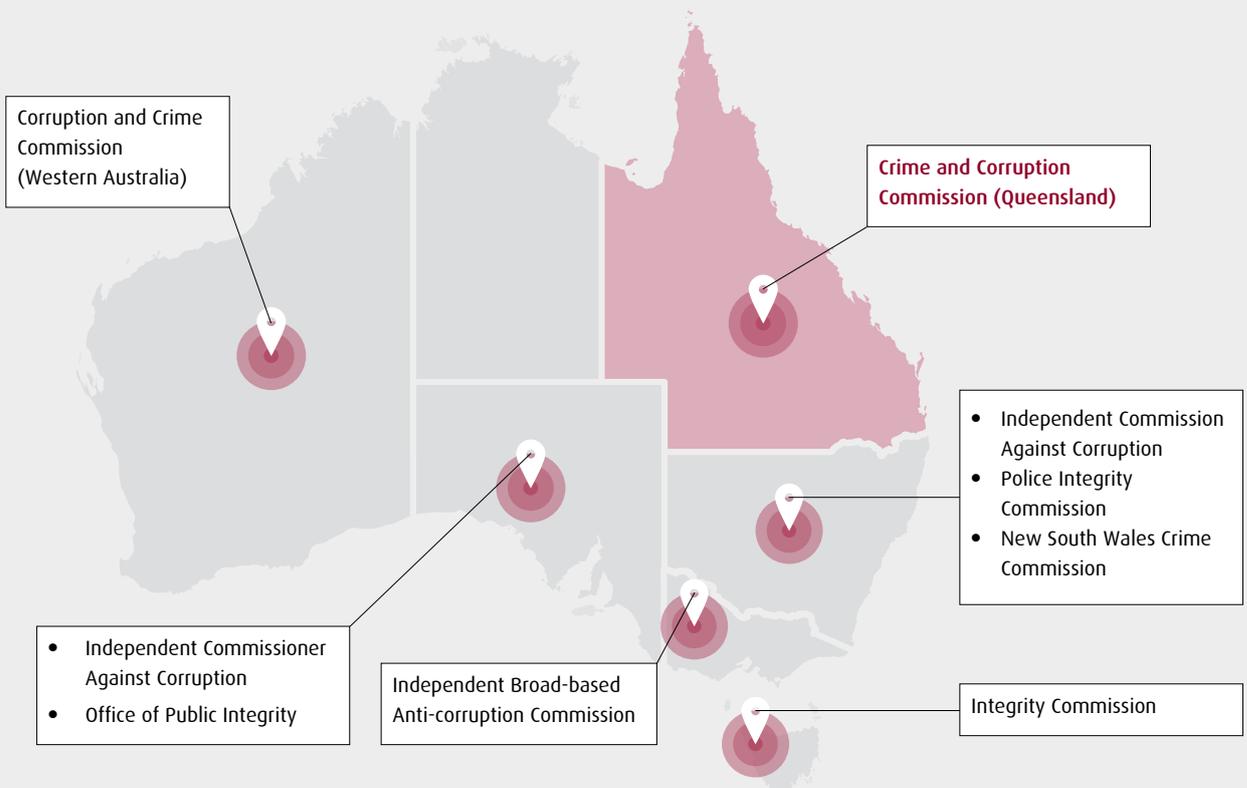
Following the Queensland Organised Crime Commission of Inquiry (Recommendation 4.14), the CCC's Forensic Computing Unit was allocated \$485,000 in 2015-16 and 2016-17 (and \$510,000 from CCC retained earnings) to facilitate upgraded equipment and the appointment of additional forensic computing analysts to identify evidential material and items of child exploitation during the execution of search warrants.

### Our agency in a national context

The CCC works closely with peer agencies elsewhere in Australia, as well as cooperating with Australasian and international agencies in relation to crime, corruption, intelligence and witness protection.

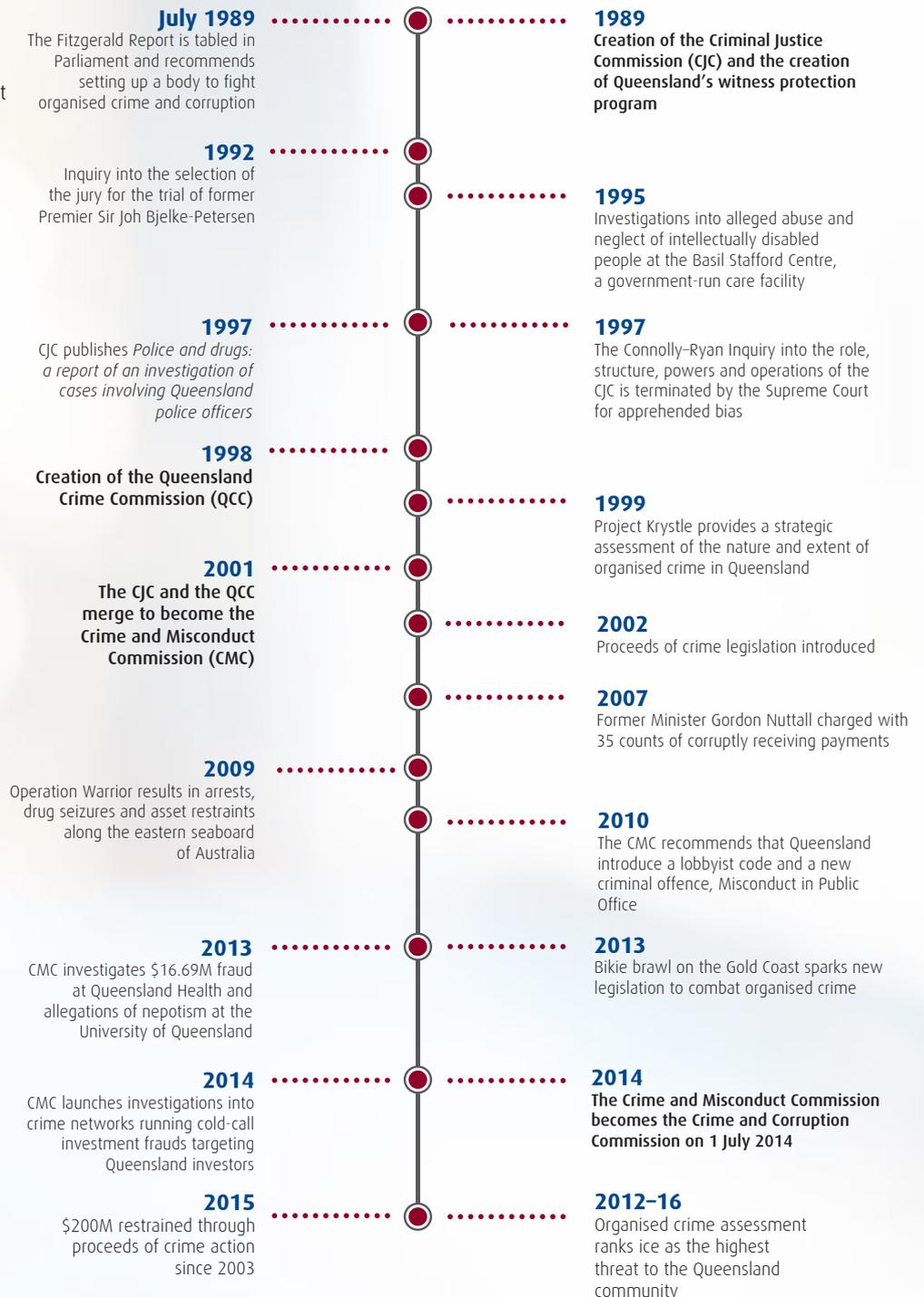
### Commonwealth agencies

- Australian Commission for Law Enforcement Integrity
- Australian Criminal Intelligence Commission



## Our history

The Fitzgerald Inquiry (1987–89) changed the policing and political landscape in Queensland. Since that time, the presence of an independent body dedicated to fighting organised crime and corruption has been a constant in Queensland public life.



## Our Commission structure

The CCC is led by a five-member group referred to as “the Commission”. The Commission is responsible for providing strategic leadership and direction for the performance of the agency’s functions and the exercise of its powers by the Chairperson, CEO and other staff. Although independent of the government of the day, the CCC is fully accountable to the people of Queensland through the Parliamentary Crime and Corruption Committee (PCCC).

The PCCC is an all-party committee that monitors and reviews CCC activity and deals with complaints against it. The CCC also provides six-monthly performance reports to the Attorney-General and Minister for Justice.

*Read more about the PCCC, page 78.*

## Commission members as at 30 June 2016



### Mr Alan MacSporran QC Chairperson

#### Appointed on 1 September 2015

Mr MacSporran has a Bachelor of Laws from the University of Queensland. He was admitted as a Barrister-at-Law in 1978 and was later appointed Senior Counsel in 2005 and Queen's Counsel in 2013.

Prior to joining the CCC he practised as a barrister for 38 years, his career spanning periods as a Crown Prosecutor and working on coronial inquests and commissions of inquiry.

From 2004 to 2009 Mr MacSporran served as the part-time Parliamentary Crime and Misconduct Commissioner.



### Mr Sydney Williams QC Deputy Chairperson

#### Appointed on 1 November 2014

Mr Williams has Bachelor degrees in Commerce and Law from the University of Queensland. He was admitted to the Queensland Bar in September 1975 and as a barrister in Papua New Guinea later that year.

Mr Williams was appointed Queen's Counsel in 1986. Since then he has been in continuous practice as a barrister, focusing on insurance and personal injury litigation.



### Mr Marshall Irwin Ordinary Commissioner

#### Appointed on 1 March 2016 (acting 1 December 2015 – 29 February 2016)

Mr Irwin has a Bachelor of Laws from the University of Queensland and was admitted as a barrister in Queensland in 1976. His early career included 12 years as a senior prosecutor in Queensland and five years investigating crime and corruption, both with the Fitzgerald Inquiry and as the first General Counsel to the newly established CJC.

From 1998, he was also a board member for the National Crime Authority in Melbourne for a period of four years.

Between 2003 and 2008 he was Queensland's Chief Magistrate. Until his retirement in 2014, Mr Irwin presided over District Court proceedings throughout remote and regional Queensland.

## Performance scorecard

The following tables detail our performance against the objectives in the CCC 2014–18 Strategic Plan. It also includes outcomes against the service standards published in the State Budget Service Delivery Statements (SDS). The CCC's services are Crime fighting and prevention, Public sector integrity and Witness protection. For outcomes against SDS services since 2011–12 see the Appendix.

See <[www.ccc.qld.gov.au/strategicplan](http://www.ccc.qld.gov.au/strategicplan)> for the **2014–18 strategic plan**.

# Our work in 2015–16

## Objective: Reduce the impact of major crime in Queensland

See pages  
22–37

**Performance indicator:** Percentage of targeted major crime disrupted  
Confiscation costs as a percentage of forfeitures

SDS service standard	Target	Result	Status
Percentage of targeted criminal entities which are disrupted as a result of CCC crime investigations <sup>1</sup>	95	98	✓
Confiscation costs as a percentage of forfeitures	43	26 <sup>2</sup>	✓

Other measures	Target	Result	Status
Percentage of coercive hearings which add value to major crime investigations and intelligence operations	95	100	✓
Intelligence collection priorities endorsed by the Commission	Priorities endorsed	Priorities endorsed	✓
Net value of criminal proceeds restrained	\$18M	\$19,052M <sup>3</sup>	✓
Net value of assets forfeited	\$7M	\$10,009M <sup>4</sup>	✓
Completion of research report, <i>Assets of Queensland drug offenders</i>	Report completed	Report completed	✓
Completion of research paper, <i>Accessing electronically stored evidence of child exploitation material offences</i>	Paper completed	Paper completed	✓

1. In this service standard “disrupted” means an outcome resulting in a charge, restraint or seizure with respect to finalised operations.

2. Actual performance against the 2015–16 target reflects a higher number of forfeitures reaching finalisation through negotiated settlements.

3. Target exceeded due to a larger than expected number of restraining orders obtained in 2015–16.

4. Target exceeded due to a larger than expected number of high value matters finalised during 2015–16.

### Objective: Reduce the incidence of serious corruption in the public sector

See pages  
38–57

**Performance indicator:** Timely and effective investigations

SDS service standard	Target	Result	Status
Percentage of investigated matters finalised within 12 months	85	91	✓

Other measures	Target	Result	Status
Percentage of Corruption investigations resulting in significant outcomes	75	79	✓
Median days to finalise a review matter	15	13 <sup>1</sup>	✓
Number of Corruption assessment and monitoring activities resulting in significant outcomes	15	16	✓
Completion of research report, <i>Identifying corruption risks in Queensland</i>	Report completed	Report completed	✓
Completion of a research report examining police shooting at moving vehicles	Report completed	Target not met <sup>2</sup>	✗
Delivery of a research report on the review of <i>G20 (Safety and Security) Act 2013</i> to the Commissioner of Police	Report completed	Report completed	✓

1. In 2015–16, 138 review matters were finalised within a median time of 13 days.

2. Due to the limited data available for analysis, the CCC Research Committee approved the extension of this project until 31 December 2016.

## Objective: An effective witness protection service

See pages  
58-61

**Performance indicator:** Responsiveness of service provided

Note: The performance indicator "Cost of protection per Queenslander" did not take effect in 2015-16.

SDS service standard	Target	Result	Status
Median time to conduct initial witness protection assessment	44 hours	23 hours <sup>1</sup>	✓

Other measures	Target	Result	Status
Percentage of protected persons whose safety is maintained	100	100	✓
Percentage of protected persons who meet their court commitments	100	100	✓

1. Target exceeded due to the closer geographical location of applicants, our operational workload allowing a more immediate response, and the increased capability of law enforcement to deliver applicants within shorter time frames.