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Australian Government
Department of Home Affairs

Submission

For decision

PDMS Ref. Number MS18-009352

To Minister for Home Affairs

Subject Proceeds of Crime Act 2002 – Recommendation for funding for Neighbourhood Watch Australasia and costing approval for the National Retailer's Association

Timing At your convenience.

Recommendations

That you:

1. approve a grant of \$800,000 (plus GST) to Neighbourhood Watch Australasia and \$35,000 for administration costs using funds from the Confiscated Assets Account under section 298 of the *Proceeds of Crime Act 2002*
2. sign the instrument at **Attachment A** to authorise the release of funds
3. agree to the Department of Industry, Innovation and Science executing minor variations on your behalf, and
4. agree to the Department of Home Affairs formally requesting the Department of Finance to cost a proposal from the National Retailer's Association.

approved / not approved

signed / not signed

agreed / not agreed

agreed / not agreed

Minister for Home Affairs

Signature.....

Date:...../...../2018

RECEIVED

06 DEC 2018

Minister for Home Affairs

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Minister's Comments				
Rejected Yes/No	Timely Yes/No	Relevance <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	Length <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	Quality Poor 1.....2.....3.....4.....5 Excellent Comments:

Key Issues

1. This submission seeks your approval of a one-off grant to Neighbourhood Watch Australasia for \$800,000 (plus GST), to be funded from the Confiscated Assets Account under section 298 of the *Proceeds of Crime Act 2002*.
2. The Department has assessed Neighbourhood Watch Australasia's application against the merit criteria in the approved guidelines. The applications achieved the required minimum of at least 50 per cent against each of the three merit criteria, achieving 70 per cent for criterion one, 72.5 per cent for criterion two and 57.5 per cent for criterion three. The represents value for money and a proper use of Commonwealth resources, consistent with the *Public Governance, Performance and Accountability Act 2013* and the *Commonwealth Grant Rules and Guidelines* and as a crime prevention measure is consistent with the *Proceeds of Crime Act*.
3. s34
4. The Department recommends that you approve grant funding of up to \$800,000 (plus GST) for Neighbourhood Watch by signing the expenditure instrument at **Attachment A**.
5. In accordance with the Government's *Streamlining Grants Administration Program* initiative, the Department has engaged the Department of Industry, Innovation and Science's Business Grants Hub to administer the grant on our behalf. This is a fee-for-service arrangement. The Department recommends that you approve \$35,000 be provided to the Department to cover these costs by signing the expenditure instrument at **Attachment A**.
6. A summary of your key responsibilities under the *Public Governance, Performance and Accountability Act* and the *Commonwealth Grants Rules and Guidelines* is at **Attachment C**.

7. If the grant is approved, the Business Grants Hub will negotiate a funding agreement with Neighbourhood Watch. During the negotiation of a funding agreement, through to completion of the project, there may be requirements for variations to occur. This submission seeks your agreement for Department of Industry, Innovation and Science officials to approve minor variations, such as adjusting deliverables that continue to support the project's outcomes, moving funds between approved items, and adding items that are essential to the delivery of the project, that arise during negotiations and throughout project delivery. Any variation will not result in a cost that exceeds your approved amount.
8. On 28 September 2018 (MS18-004048 refers) you noted you wished to consider a proposal from the National Retailer's Association which seeks to leverage Australia's retail network to assist authorities in maximising public safety, particularly through the protection of crowded places, within a Proceeds of Crime Act grants program.
9. On 29 November 2018, your office requested that the proposal from the National Retailer's Association be considered sooner. This submission seeks your approval to have the Department of Home Affairs formally request the Department of Finance to cost a proposal from the National Retailer's Association, in accordance with your delegation under the Proceeds of Crime Act.

Background

10. On 28 June 2018 (MS18-000394 refers), you indicated that you wished the Department to explore options for Neighbourhood Watch funding through the Safer Communities Fund. On 6 July 2018, the Department of the Prime Minister and Cabinet advised that this would not be possible.
11. A submission (MS18-002616) requesting approval of one-off guidelines and for the Department of Finance to cost the proposal was submitted to the then Assistant Minister for Home Affairs on 27 July 2018. The submission was returned on 29 August 2018, to be resubmitted for consideration by you when you assumed responsibility for the Proceeds of Crime Act.
12. The submission (MS18-002616) was resubmitted on 5 September 2018 and approved by you on 17 September 2018. On 20 September 2018, Neighbourhood Watch was invited to submit an application against the approved guidelines. The application was received on 5 October 2018. The Department assessed the application and sought legal advice.
13. On 12 October 2018, the Department requested that the Department of Finance cost the proposal. The Department of Finance provided costing agreement on 16 November 2018.
14. On 18 October 2018, the Department requested further clarifying information from Neighbourhood Watch. The final response to this request for information was received by the Department on 22 November 2018.

Consultation – internal/external

15. Legal Division, Finance Division (Chief Finance Officer cleared), Department of Industry, Innovation and Science and Department of Finance.

Consultation – Secretary

16. The Secretary was not consulted on the approach in the submission.

Client service implications

17. Nil.

Sensitivities

18. ^{s42}

19.

20. As Neighbourhood Watch has previously received Commonwealth funding for various projects, provision of further funding from the Confiscated Assets Account may lead to expectations that ongoing funding will be provided by the Commonwealth. Due to the unpredictable nature of funding into the Confiscated Assets Account, the Department and the Department of Finance do not consider that ongoing measures should be funded from the Confiscated Assets Account under section 298 of the Proceeds of Crime Act. To mitigate this risk, the production of a satisfactory exit strategy, clearly outlining diversification of funding options for Neighbourhood Watch, will be included as a deliverable within any negotiated Funding Agreement.

Financial/systems/legislation/deregulation/media implications

21. Section 298 of the Proceeds of Crime Act authorises you to approve spending from the Confiscated Assets Account for crime prevention, law enforcement, drug treatment and drug diversion measures. ^{s34}

^{s34}

22. ^{s34}

^{s34}

If you approve this grant and costs associated with its administration, the amount available in the Confiscated Assets Account will decrease by **\$835,000**. You have also indicated that you wish to consider several other proposals, including a range of law enforcement agency proposals. These proposals are at various stages of development and are summarised at **Attachment E**.

23. There are sufficient funds available in the Confiscated Assets Account for you to approve this expenditure. As at 31 October 2018, the balance of the Confiscated Assets Account was \$148.7 million. This includes \$30 million set aside for round three of the Safer Communities Fund, \$29.9 million set aside for existing commitments and \$3 million set aside for non-discretionary payments. There is \$85.8 million in distributable (available) funds.

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Attachments

- Attachment A** Expenditure instrument for Neighbourhood Watch one-off grant opportunity
- Attachment B** Assessment of Neighbourhood Watch's application against approved grant opportunity guidelines
- Attachment C** Ministerial responsibilities under the *Public Governance, Performance and Accountability Act 2013* and the *Commonwealth Grants Rules and Guidelines*
- Attachment D** Risk Assessment
- Attachment E** Minister approved and supported projects

Authorising Officer

Cleared by:

Marc Ablong
Deputy Secretary
Policy Group

Date: 6 December 2018
s47E(d)

Contact Officer Michael Burke, A/g First Assistant Secretary, National Security and Law Enforcement Policy Division,
Ph: s47E(d)

Through Chief Finance Officer

CC Secretary
Deputy Secretary Executive
Chief Financial Officer
General Counsel

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APPROVED PROGRAMS OF EXPENDITURE UNDER s298

PROCEEDS OF CRIME ACT 2002

Title	Total Funding	2018-19	2019-20	2020-21	2021-22	Recipient of funds
Neighbourhood Watch Australasia grant	\$800,000	\$225,000	\$575,000			Department of Home Affairs
Department of Industry, Innovation and Science administration costs	\$35,000	\$35,000				Department of Home Affairs

I, Peter Dutton, Minister for Home Affairs, approve this program of expenditure under s298 of the *Proceeds of Crime Act 2002* in accordance with s71 of the *Public Governance, Performance and Accountability Act 2013*.


 11/12/18.

2018

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Australian Government
Department of Home Affairs

Submission

For decision
PDMS Ref. Number MS19-000289
RECEIVED

13 MAR 2019

To Minister for Home Affairs

Minister for Home Affairs

Subject Proceeds of Crime Act 2002 – Approval of Australian National Retailers Association grant and 2018-19 Commonwealth Agency Funding

Timing 22 March 2019, to allow approved projects to commence in April 2019.

Recommendations

That you:

1. **approve** a grant of \$800,000 (GST excl) in funding over two years to the Australian National Retailers Association and \$27,000 (GST excl) in associated administration costs by signing the relevant expenditure instrument at **Attachment A**;

approved / not approved

2. s22(1)(a)(ii)

indicated / please discuss

- 3.

approved / not approved

4. **indicate** which non-Commonwealth projects you wish to consider further for funding, and in which financial year (the Department recommends 2019-20), at **Attachment B**, and

indicated / please discuss

5. **note** that if you wish to consider funding non-Commonwealth projects in 2018-19 it is unlikely that funding recommendations will be made prior to **June 2019**.

noted / please discuss

Minister for Home Affairs

Signature.....

Date...../...../2019

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Minister's Comments				

Rejected Yes/No	Timely Yes/No	Relevance <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	Length <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	Quality Poor 1.....2.....3.....4.....5 Excellent Comments:

Key Issues

1. This submission seeks your decision on *Proceeds of Crime Act 2002* (the Act) funding initiatives. ^{s34} [REDACTED]
2. A summary of expenditure under section 298 of the Act this financial year is at **Attachment B**. This table also includes projects that are currently available for your consideration, totalling **\$43,695,040** (this exceeds the cap by \$25,910,700). Please indicate at **Attachment B** which projects you **approve** and sign the relevant expenditure instruments at **Attachment C** as appropriate.

Australian National Retailers Association – recommended for funding

3. The Australian National Retailers Association has sought a grant of \$800,000 (GST excl) over two years for their Protecting Crowded Places project to assist retailers to deter, detect, delay and respond to a terrorist attack. This includes developing education material, face to face support for retailers and investigating pilot software for instantly uploading images and videos which may be of interest to law enforcement.
4. The Department of Industry, Innovation and Science's Business Grants Hub has assessed the National Retailers Association's application with satisfactory scores against each of the three merit criteria. The application therefore represents value for money and a proper use of Commonwealth resources, consistent with the *Public Governance, Performance and Accountability Act 2013* and the *Commonwealth Grant Rules and Guidelines 2017*. As the project's objective is to prevent and reduce the harmful effects of crime, the proposal is consistent with the Act. The program guidelines and the Grants Hub assessment, including strengths and weaknesses, are at **Attachment D**.

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5. The Department of Home Affairs recommends you approve this grant by signing the expenditure instrument at **Attachment A**. In accordance with the Government's *Streamlining Grants Administration Program* initiative, the Department has engaged the Business Grants Hub to administer the grant on our behalf. The Department also recommends that you approve \$27,000 to be provided to the Department to cover these costs by signing the expenditure instrument at **Attachment A**.
6. A summary of your key responsibilities under the *Public Governance, Performance and Accountability Act 2013* and the *Commonwealth Grants Rules and Guidelines 2017* is at **Attachment E**.
7. The total amount available for all Commonwealth and non-Commonwealth agency projects, once the Australian National Retailers Association project has been approved, is **\$17,784,340**.

s34

s22(1)(a)(ii)

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Soldier On (Fortem Australia) and the National Police Memorial Company

19. Expressions of interest for funding under the Act have been received from Soldier On (on behalf of Fortem Australia) for \$1.884 million, the National Police Memorial for \$5 million and Crime Stoppers Australia for up to \$3.5 million. These amounts exclude any administration costs incurred due to the use of a Commonwealth grants hub. Please advise the Department of your preferred approach to each of these grants at Attachment B.
20. On 6 March 2019, the Department received a revised proposal from Fortem Australia that aims to provide trusted psychological and social engagement services to law enforcement and national security officers whilst reducing the stigma around mental health issues. The Department recommends that if you wish to consider this proposal, that it be considered from s34 [REDACTED]
21. The Department is yet to receive any formal direction from you regarding the National Police Memorial proposal of \$5 million over five years for a police mental health and wellbeing project. The proposal was provided to the Department with a request for a meeting brief (MB19-000225 refers) for a meeting with the Chief Executive Officer of the Police Federation of Australia on 18 February 2019.

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22. There are important processes to follow before these projects can be funded, including the creation of program guidelines or procurement documentation, an assessment of projects (including whether they are grants or procurement), advice from the Australian Government Solicitor, and costings being agreed with the Department of Finance.
23. The Department recommends that, if you wish to fund any, or all, of the proposals at **Attachment B** that they be considered from the 2019-20^{s34}
- [REDACTED]
- [REDACTED]

Background

24. Section 298 of the Act authorises you to approve the use of funds from the Confiscated Assets Account for the purposes of crime prevention, law enforcement, drug addiction and diversionary measures relating to illegal drug use. Section 71 of the *Public Governance, Performance and Accountability Act 2013* states that you must not approve a proposed expenditure of relevant money unless you are satisfied, after making reasonable inquiries, that the expenditure would be a proper use of relevant money and you must record this decision as soon as practicable after giving the approval. The Department considers these proposals to offer value for money.
25. ^{s34} [REDACTED]
- [REDACTED]

Consultation – internal/external

26. Centre for Counter-Terrorism Coordination, Critical Infrastructure Security Division, Finance Division, Legal Division, Department of Industry, Innovation and Science, Department of Finance, various Commonwealth agencies.
27. Media Operations were consulted on a previous submission for Crime Stoppers Australia.

Consultation – Secretary

28. The Secretary was not consulted on the approach in the submission.

Client service implications

29. Nil.

Sensitivities

30. The information contained in this submission is classified and should not be publicly released without the authority of the Department of Home Affairs. In accordance with our long standing practices, should you wish for unclassified media lines to be prepared in relation to this issue please contact the Home Affairs Media Coordination team – media@homeaffairs.gov.au.

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Financial/systems/legislation/deregulation/media implications

31. As at 31 January 2019, the balance of the Confiscated Assets Account was \$157.36 million. This includes \$30 million set aside for round three of the Safer Communities Fund, \$33.74 million set aside for existing commitments and \$3 million set aside for non-discretionary payments. There is \$90.61 million in distributable (available) funds.

32.

s42



33. On 6 February 2019, Crime Stoppers Australia issued a public statement acknowledging the partnership between Crime Stoppers Australia and the Commonwealth government, as well as the funding it receives. This statement was issued to counter media reporting about the lack of Commonwealth support of Crime Stoppers Australia.

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Attachments

Attachment A Expenditure Instrument – National Retailers Association

Attachment B Summary of expenditure and projects for consideration

Attachment C Commonwealth agency Expenditure Instruments (only relevant instruments should be signed)

Attachment D National Retailers Association assessment against guidelines

Attachment E Summary of Ministerial responsibilities

s22(1)(a)(ii)

Attachment G Details and assessment of Crime Stoppers Australia proposals

<p>Authorising Officer</p> <p>Cleared by:</p> <p>Marc Ablong PSM Deputy Secretary Policy</p> <p>Date: 13 March 2019 Ph: s47E(d)</p>
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Contact Officer Ciara Spencer, Assistant Secretary, Law Enforcement Policy Branch, s47E(d)

Through Chief Finance Officer – 5 March 2019
First Assistant Secretary, National Security and Law Enforcement Policy 7 March 2019

CC Secretary
Deputy Secretary Executive
Deputy Secretary Corporate
Chief Finance Officer
General Counsel

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APPROVED PROGRAMS OF EXPENDITURE UNDER s298

PROCEEDS OF CRIME ACT 2002

Title	Total Funding	2018-19	2019-20	2020-21	2021-22	Recipient of funds
Australian National Retailers Association crime prevention grant	\$800,000	\$400,000	\$400,000	-	-	Department of Home Affairs
Australian National Retailers Association Administration costs	\$27,000	\$27,000	-	-	-	Department of Home Affairs

I, Peter Dutton, Minister for Home Affairs, approve this program of expenditure under s298 of the *Proceeds of Crime Act 2002* in accordance with s71 of the *Public Governance, Performance and Accountability Act 2013*.



14 / 03 / 2019