



Government of **Western Australia**
Department of **Treasury and Finance**

Guidelines to the 2009-10 BUDGET STATEMENTS

Changes to Budget Paper No. 2 for 2009-10 Budget

Updated March 2009



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Introduction

Chapter 3 of Budget Paper No. 2 presents detailed information on income, expenses and performance by agencies. It covers all agencies receiving appropriations from the Consolidated Account, including all departments and the majority of other agencies in the general government sector. The capital works programs of public corporations such as the Water Corporation are also included.

Agency budgets are expressed in terms of funding provided to deliver services. These services are delivered to achieve Government goals and, at agency level, government-desired outcomes.

The format for Budget Paper No. 2 has been revised with effect from the 2009-10 Budget.

The revisions are largely a streamlining and re-focusing of existing information in order to provide:

- more focused strategic information at the agency level (rather than more operational information at the individual service level);
- greater explanation of movements in both financial and non-financial (i.e. performance) information;
- enhanced disclosure of expenditure across the forward estimates period (rather than just the budget year); and
- less discretionary text, with a consequent reduction in the number of pages.

These guidelines have been developed to assist agencies in providing information for inclusion in Budget Paper No. 2.

The Guidelines include a checklist for agencies ([Appendix 1](#)) and additional examples to assist agencies complete the revised section on 'Significant Issues Impacting the Agency' ([Appendix 2](#)). An example agency pro-forma based on the Western Australia Police (using 2008-09 Budget data) is also provided ([Appendix 3](#)).


Overview of Key Changes

Key changes to Budget Paper No. 2 are:

- The expansion of the Appropriation table to include key financial data – Total and Net Cost of Services and Cash Assets. Whilst the additional information is already provided by agencies elsewhere in the Budget Statements, the revised table provides an upfront overview of 'headline' financial data.
- The Resource Agreement Statement and table of Government Goals, Outcomes and Services, have been brought forward in the Budget Paper. These changes are intended to assist in providing the overall context for agency resource allocation.
- The Service Summary table is re-focused on the total cost of services for the budget year, and for the first time, the estimated annual cost of each service for each of the forward estimates.
- Significant Issues/Trends and Major Achievements/Initiatives have been combined under a new heading of 'Significant Issues Impacting the Agency'. It is intended that commentary will be at a strategic, agency level and be re-focused on demonstrating the impact of achievements, initiatives and issues and trends on Government desired outcomes and policies. Reference to low-level operational information is to be removed.
- New short-form or summary financial statements with a brief supporting commentary to assist in understanding and interpreting the agency's financial position.
- The expansion of expenditure estimates for capital works projects to the forward estimates.
- The removal of the three Administered Statements (where applicable) from the Budget Statements.
- Modification of the Major Policy Decisions table to accommodate inclusion of information on Royalty for Regions initiatives and agency measures to achieve the Government's 3 % efficiency dividend.
- The introduction of new Government Goals to reflect current Government priorities.

In addition, the following information will no longer be reported in Budget Paper No. 2:

- **Mission Statement** – the inclusion of an agency's mission statement provides an additional layer of information that can detract from the main focus, which is the achievement of desired outcomes that link to one or more of the Government goals. On this basis the reference to the mission statement has been removed. However, agencies still retain the discretion to publish it in their annual report.

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- **Significant Issues and Trends** – where appropriate, these will be reported under the new heading ‘Significant Issues Impacting the Agency’.
 - **Major Achievements/Initiatives** – where appropriate, these will be reported at agency level under the new heading ‘Significant Issues Impacting the Agency’.
 - **Administered Financial Statements** (where applicable) – details relating to the existing three administered statements, that is the Schedule of Administered Expenses and Income, Schedule of Administered Assets and Liabilities and Schedule of Administered Payments and Receipts are reported in the agency’s Annual Report. Furthermore, administered appropriation details are also reflected in the Appropriations, Expenses and Cash Assets table earlier in the Budget Statement. On this basis, the three administered statements have been removed from the revised Budget Statement No. 2.

Step-by-step Guidelines on Revised Budget Paper No. 2

This section provides step-by-step guidelines on Budget Paper No. 2. An example of each section is provided (based on the Western Australia Police's data for the 2008-09 Budget year) with changes from the existing statements highlighted in red.

1. Appropriations, Expenses and Cash Assets

Objective

To provide an overview of an agency's allocations in respect of both recurrent and capital appropriation, expenditure and cash assets.

Changes

The new Appropriations, Expenses and Cash Assets table incorporates information on expenses and cash assets previously reported in the Service and Appropriation Summary (cost of services) and the Cash Flow Statement.

Example

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 56 Net amount appropriated..	696,523	777,821	789,898	884,995	875,760	897,664	914,514
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(a)	2,918	2,837	2,903	2,924	3,002	3,092	3,185
Total appropriations for services.....	699,441	780,658	792,801	887,919	878,762	900,756	917,699
CAPITAL							
Item 142 Capital Appropriation	38,415	85,300	51,180	40,144	38,666	34,508	21,264
TOTAL APPROPRIATIONS	737,856	865,958	843,981	928,063	917,428	935,264	938,963
EXPENSES							
Total Cost of Services	731,826	813,850	836,085	899,974	917,593	935,426	952,569
Net Cost of Services ^(b)	700,866	791,567	803,396	862,898	893,728	911,206	928,349
CASH ASSETS ^(c)	60,810	76,545	34,877	51,264	46,169	45,309	46,809

(a) The recommendation by the Salaries and Allowances Tribunal of 4 April 2008 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and

Finance (Budget Paper No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2008-09 Budget.

- (b) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations for services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) As at 30 June each financial year.

2. Major Policy Decisions

Objective

To outline the major policy decisions impacting on the Agency's Income Statement since publication of the preceding year's Budget.

Changes

In line with the Government's commitment, measures being implemented by agencies to achieve the 3% efficiency dividend need to be fully disclosed in the major policy decisions table. Disclosure of the 3% efficiency dividend in Budget Paper No. 2 will reflect the **net** financial position (ie, inclusive of any adjustments to an agency's efficiency dividend target) and agreed measures. Adjustments to the original 3% efficiency dividend will be reflected in Budget Paper No 3, which is compiled by DTF.

For ease of disclosure it is now intended that the policy decisions will be split into Election Commitments, Royalties for Regions Initiatives, 3% Efficiency Dividend, Economic Audit and other categories

Example

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2007-08 Budget to Parliament on 10 May 2007 are outlined below.

	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Table amended for publication purposes.					
Election Commitments					
Western Australian Illicit Amphetamine Summit - Government Action Plan	760	1,360	1,400	1,443	1,443
Advertising - Recruitment Campaign	350	5,337	6,820	6,809	6,935
Royalties for Regions Initiatives					
Indigenous Safety Taskforce.....	-	5,337	6,820	6,809	6,935
123 Initiative	-	300	300	300	300

	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
3% Efficiency Dividend					
A Initiative	-10	-20	-40	-30	-30
B Initiative	-20	-40	-80	-70	-70
C Initiative	-30	-60	-120	-120	-120
<i>Total savings</i>	<i>-60</i>	<i>-120</i>	<i>-240</i>	<i>-220</i>	<i>-220</i>
Economic Audit					
ABC Initiative	-	-200	-	-	-
DEF Initiative	-	-	-300	-	-
Other					
GHI Initiative	-	400	-	-	-
JKL Initiative	400	-	-	-	-

3. Resource Agreement

Objective

To link the performance information with the relevant Resource Agreement.

Changes

Nil. However, the statement's location in the Budget papers has been brought forward.

Example

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

4. Outcomes, Services and Performance Information

a) Relationship to Government Goals

Objective

To demonstrate the link between the most appropriate high level government goal and the more specific agency level desired outcome(s). Agencies are funded to deliver services and achieve the desired outcomes, which ultimately contribute to meeting the high level government goals.

Changes

New Government Goals have been introduced to reflect current Government priorities. The table's location in the Budget papers has been brought forward.

Example

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between **the agency's services** and desired outcomes, and the government goal **it contributes to**. **The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.**

Government Goal	Desired Outcomes	Services
Outcomes Based Service Delivery Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Lawful behaviour and community safety.	1. Intelligence and Protective Services 2. Crime Prevention and Public Order 3. Community Support (Non-Offence Incidents) 4. Emergency Management and Coordination
	Offenders apprehended and dealt with in accordance with the law.	5. Response to and Investigation of Offences 6. Services to the Judicial Process
	Lawful road-user behaviour.	7. Traffic Law Enforcement and Management
	A safer and more secure community.	8. Implementation of the State Crime Prevention Strategy

b) Service Summary

Objective

To provide a summary of the total cost of services (expenditure) for each service identified in an agency's Outcome Based Management structure. Information on the estimated annual cost of each service covers the period up to the budget and across the forward estimates.

Changes

1. This information previously formed part of the Service and Appropriation Summary.
2. Expansion of service level expenditure estimates from the budget to the forward estimates.

Example

Service Summary

Expense	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Table amended for publication purposes.							
1. Intelligence and Protective Services.....	53,339	64,621	64,244	69,249	70,605	71,976	73,295
2. Crime Prevention and Public Order.....	59,428	86,188	81,552	85,822	87,502	89,202	90,837
3. Community Support (Non-Offence Incidents).....	68,137	88,306	77,287	83,894	85,536	87,199	88,797
Total Cost of Services	731,826	813,850	836,085	899,974	917,593	935,426	952,569

c) Significant Issues Impacting the Agency

Objective

To demonstrate the impact that significant issues and major achievements have had or will have on the delivery of Government desired outcomes, and the associated financial and non-financial (performance) targets.

Narrative should contain a concise explanation of the issue, achievement or challenge and explain what the agency has done/will do and the actual/potential impact on its performance. The information should be pitched at a strategic/agency level rather than an operational/service level.

This section of the Budget Statements should as a general rule not extend beyond one page.

Changes

A more strategic focus of information previously captured under the Major Achievements/Initiatives sections. In particular:

1. removal of low-level agency operational information; and
2. demonstration of the impact that major agency initiatives and achievements have at a strategic level on Government desired outcomes.

Example

Significant Issues Impacting the Agency

- Initiatives and strategies to attract and retain staff are being implemented, including:
 - continued targeting of international police officers as applicants for the Police Academy;
 - relaunching the Step Forward campaign which has resulted in a significant increase in the number of local police recruit applicants;
 - targeting future police recruits through the introduction of the Police Cadet Scheme, School-based Program and adult trainees; and
 - establishment of a specialist unit to develop and implement recruitment and advertising campaigns.
 - In response to the increased rate of child abuse incidents in regional Western Australia, Child Protection Squad Regional Response Teams are being deployed to deal with and apprehend offenders in accordance with the law.
 - In order to meet the requirements of the *Dangerous Goods Safety Act 2004*, the Licensing Enforcement Division has been expanded to effectively respond to alcohol and drug-related incidents.
 - To maintain national security, the Department is enhancing its counter-terrorism capabilities by:
 - establishing a Counter-terrorism Cadre of Commanders by conducting Australasian Inter-service Incident Management System (AIIMS) training within Department and across government agencies;
 - conducting and reviewing counter-terrorism exercises; and
 - building police command/forward command capability to respond effectively to terrorist incidents and acts.
-

d) Outcomes and Key Effectiveness Indicators

Objective

To provide meaningful performance management information. In this regard, outcomes are defined as the effect or impact on the community or target clients of government services. Key effectiveness indicators provide information on the extent to which outcomes have been achieved through the funding and delivery of agreed services. At least one audited key effectiveness indicator is required to be reported for each agency level desired outcome disclosed in the Budget Statements. Consistent information must be disclosed in agency annual reports.

Changes

Nil. However, the variances are no longer explained in a column in the existing table, but in a separate section below the table.

The following criteria provide general guidance for determining whether an explanation of variations between budget and actual results should be provided:

- 10% increase or decrease from Budget;
- a variance that arises from the implementation of new policy or existing policy, government decisions or actions;
- a variance that arises from other third party influences (e.g. Commonwealth, consumer trends, etc); or
- a variance that may be of public interest.

Example

Outcomes and Key Effectiveness Indicators ^(a)

	2006-07 Actual	2007-08 Budget	2007-08 Estimated Actual	2008-09 Budget Target	Note
Table amended for publication purposes.					
Outcome: Lawful behaviour and community safety.					
The community's level of satisfaction with services received during the most recent contact with police ^(b)	7.8	=> 7.8	7.7	=> 7.8	
Outcome: Lawful road-user behaviour.					
Percentage of drivers tested for drink-driving who are found to exceed the lawful limit.....	1.6%	=>1.6%	1.6%	=>1.6%	
Percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit.....	17.1%	=>20%	17%	=>20%	1

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

(b) Five response categories are assigned scores as follows: 'very satisfied' (10); 'satisfied' (7.5); 'neither satisfied nor dissatisfied' (5); 'dissatisfied' (2.5); and 'very dissatisfied' (0).

Explanation of Significant Movements

(Notes)

- The estimated increase in the percentage of vehicles monitored for speeding by speed cameras that are found to exceed the speed limit in 2008-09 (20%) compared to 2007-08 (17%) is due to several factors, including:
 - an increased focus on road safety in regional Western Australia, including the allocation of a greater proportion of camera hours to the regions;
 - the utilisation during the course of 2007-08 of speed cameras in a high-visibility, road safety approach instead of an enforcement approach; and
 - the discontinuation of placing speed camera warning signs, due to occupational health and safety concerns. As a result, drivers are no longer temporarily slowing down to avoid detection.

e) Services and Key Efficiency Indicators

Objective

To relate services to the relative level of resource inputs required to deliver them. The most common indicator is cost efficiency, however other indicators may focus on service productivity, the quality of service standards or even the timeliness in which services are delivered. Consistent performance information must be disclosed in agency annual reports.

Changes

The separate tables on service costs and efficiency indicators have been combined to further strengthen the link between financial and performance information relating to service delivery.

Also, the variances are no longer explained in a column in the table, but in a separate section below the table. Please refer to the section on Outcomes and Key Effectiveness Indicators for general guidance on when to provide an explanation of a variance.

Example

Service and Key Efficiency Indicators

1. Intelligence and Protective Services

Incorporating a range of specialist criminal intelligence analysis techniques and partnerships to target offenders and crime hotspots in order to ensure safety in the community, prevent and reduce crime. Activities include:

- using criminal intelligence analysis techniques to develop effective policing strategies targeting offenders and crime hotspots;
- providing specialist protective and security services to international and other protected persons, assets and infrastructure, airport security and witness protection; and
- participating in crisis situations.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service.....	53,339	64,621	64,244	69,249	1
Less Income	2,725	601	1,158	1,639	2
Net Cost of Service	50,614	64,020	63,086	67,610	
Employees (Full Time Equivalents)	479	535	528	546	
Efficiency Indicators					
Average cost (\$) per hour for providing intelligence and protective services	\$90	\$92	\$94	\$97	

Explanation of Significant Movements

(Notes)

1. The estimated increase in budgeted expenditure for 2008-09 of \$5 million or 7.8%, when compared to the 2007-08 estimated actual, reflects additional employees in specialist criminal intelligence, and protective and security services. The increase also reflects Enterprise Bargaining Agreement (EBA) and/or salary increases and general cost increases in service delivery.
2. The increase in estimated income for 2008-09 primarily reflects the allocated portion of a capital grant, which comprises the Commonwealth's contribution towards the establishment of three multifunctional policing facilities.

5. Asset Investment Program

Objective

To provide information on an agency's asset investment program for the budget year and projections for the forward estimates. The level of detail required in specifying what projects will occur in the forward estimates depends on the level of certainty in an agency's forward planning for capital expenditure.

Changes

1. Expansion of the capital expenditure estimates for each project from the budget to the forward estimates.
2. Integration of information concerning capital expenditure and funding into the one table.
3. Separate identification of Royalties for Regions funding.
4. Change of title to reflect the redefinition of capital works to comprise solely of purchase of fixed assets.

Example

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, a total of \$74.4 million is budgeted to be spent on capital works in 2008-09, including the following:

- completion of the provision of equipment for the new Mandurah Marine Operations Centre;
- commence construction on the Capability and Capacity Training and North West Deployment facilities; and
- completion of the new Traffic Support Facility at the Police Operations Support Facility at Midland.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-08 \$'000	2007-08 Estimated Expenditure \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Table amended for publication purposes.							
COMPLETED WORKS							
Police Facilities - Central Facilities							
Relocation Strategy:							
Police Operations Support Facility -							
Land Acquisition - Third							
Instalment.....	1,600	1,600	1,600	-	-	-	-
New and Replacement Police							
Facilities - Bidyadanga Police							
Station (Gordon Inquiry).....	2,934	2,934	320	-	-	-	-
WORKS IN PROGRESS							
Boat and Equipment Acquisition -							
Mandurah Marine Operations							
Centre	600	350	350	250	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-08 \$'000	2007-08 Estimated Expenditure \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
NEW WORKS							
Police Facilities Upgrades:							
Custodial Facilities Upgrade ^(a)							
Program 2011-12	-	-	-	-	-	3,000	-
Custodial Facilities Upgrade							
Program 2011-12	-	-	-	-	-	-	3,000
Total Cost of Asset investment							
Program.....	-	385,220	101,860	63,037	43,001	40,456	26,954
FUNDED BY:							
Capital Appropriation	-	-	51,180	40,144	38,666	34,508	21,264
Drawdowns from the Holding							
Account	-	-	24,009	1,922	1,740	3,181	5,400
Drawdowns from Royalties for							
Regions Fund ^(b)	-	-	-	-	-	-	-
Cash Holdings	-	-	26,671	20,971	2,595	2,767	300

^(a) Capital works funded from the Royalties for Regions Fund.

^(b) Regional Infrastructure and Headworks Account.

6. Financial Statements

Objective

To provide information on the net cost of the agency's activities, the agency's assets, liabilities and equity, and cash movements for each financial year.

A brief commentary on the three financial statements should be provided to assist readers with the interpretation and understanding of some of the key data in the statements. Agencies are required to publish full audited financial statements in their annual report in accordance with Australian Accounting Standards.

Changes

1. Streamlining the Income, Balance Sheet and Cash Flow Statements into short-form or summary financial statements, by combining a number of existing fields.
2. Inclusion of a brief commentary in support of the financial statements to provide some value-adding in terms of understanding and interpreting the agency's financial position.
3. Separate identification of income from the Royalties for Regions Fund.
4. (Where applicable) bringing forward the location of the Details of Controlled Grants and Subsidies table to directly follow the income statement. It should be noted that grant schemes funded through the Royalties for Regions Fund need to be identified as such.

Example

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the 2008-09 Total Cost of Services of \$63.9 million (7.6%), when compared to the 2007-08 Estimated Actual. This increase is mainly attributable to:

- Enterprise Bargaining Agreement (EBA) salary and wage increases (\$35.8 million);
- additional police officers and staff as part of the Government's commitment of additional 350-160 Programs (\$17.7 million); and
- Indigenous Safety Taskforce, which includes the creation of the Regional Response Teams and Alcohol and Drug Response Teams to address the safety of Indigenous people (\$5.3 million).

Income

Total income is estimated to be \$37.1 million for 2008-09. This represents an increase of \$4.4 million (13.4%) compared to the 2007-08 Estimated Actual. The increase is mainly attributable to one-off capital grants as part of the Commonwealth's commitment to fund the construction of three new multifunctional policing facilities at Blackstone, Burringurrah and Looma, and the relieving officers quarters at Bidyadanga.

Balance Sheet

The Department's total net asset position (total equity) is expected to increase by \$73.8 million (11.8%) between the 2007-08 Estimated Actual and the 2008-09 Budget. This reflects a projected increase in total assets of \$81.2 million (10.5%) and an increase in total liabilities of \$7.4 million (4.9%) over the same period.

The expected increase in assets is attributable to increased:

- property, plant and equipment (\$52.0 million), mainly as a result of the capital works program for the new and replacement Police Facilities program and Police Station Upgrade program;
- holding account receivables for approved future asset replacement (\$40.7 million); and
- cash assets of \$16.4 million due to the repositioning of 2006-07 supplementary funding for an EBA.

The above increases are estimated to be partially off-set by a decrease in intangible assets (\$25.7 million) resulting from the completion of the Delta Communication and Technology (DCAT) and Perth Metro Radio Network (CADCOM Stage 1C) projects.

The increase in liabilities (\$7.4 million) is mainly attributable to the estimated increase in employee provisions as a result of salary and wage increases and the employment of additional police officers and staff.

Cashflow Statement

The 2008-09 closing cash assets balance of \$51.3 million represents an increase of \$16.4 million in comparison to the 2007-08 Estimated Actual. The increase is primarily attributable to the repositioning of 2006-07 supplementary funding for EBA salary and wage increases, and reduced purchases of non-current assets in 2008-09 due to the completion of the Information Technology Infrastructure capital works program in 2007-08.

INCOME STATEMENT ^(a)
(Controlled)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	501,960	565,640	569,307	615,187	628,341	642,538	656,369
Grants and subsidies ^(c)	2,683	5,048	6,481	5,123	4,048	3,648	3,648
Supplies and services	152,562	163,526	177,233	183,753	179,408	181,872	182,082
Accommodation.....	21,931	23,481	23,894	32,438	34,708	36,896	38,965
Depreciation and amortisation	28,069	34,727	36,567	37,402	39,545	39,084	39,488
Other expenses.....	57,055	21,428	22,603	26,071	31,543	31,388	32,017
TOTAL COST OF SERVICES	764,290	813,850	836,085	899,974	917,593	935,426	952,569
Income							
Sale of goods and services	2,041	2,289	2,289	2,299	2,999	3,020	3,020
Regulatory fees and fines.....	13,487	12,524	15,024	13,661	14,200	14,600	14,600
Grants and subsidies	3,484	1,591	9,497	15,061	1,591	1,591	1,591
Other revenue.....	11,948	5,879	5,879	6,055	5,075	5,009	5,009
Total Income.....	30,960	22,283	32,689	37,076	23,865	24,220	24,220
NET COST OF SERVICES	733,330	791,567	803,396	862,898	893,728	911,206	928,349
INCOME FROM STATE GOVERNMENT							
Service appropriations	734,880	780,658	792,801	887,919	878,762	900,756	917,699
Resources received free of charge	2,779	1,408	1,408	1,408	1,408	1,408	1,408
Liabilities assumed by the Treasurer .	5,075	8,694	8,694	9,042	9,042	9,042	9,042
Royalties for Regions Fund ^(d)	-	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	742,734	790,760	802,903	898,369	889,212	911,206	928,149
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	9,404	(807)	(493)	35,471	(4,516)	-	(200)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The Full Time Equivalent (FTEs) for 2006-07 Actual, 2007-08 Estimated Actual and 2008-09 Estimate are 6,535, 6,819 and 7,054 respectively.

(c) Refer Details of Controlled Grants and Subsidies table below for further information.

(d) Regional Community Services Account.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Royalties for Regions initiative:							
Aboriginal Warden Scheme.....	118	500	500	500	500	500	500
Community Safety and Crime Prevention Partnership Fund.....	2,369	4,283	5,716	4,518	3,443	3,043	3,043
Other	196	265	265	105	105	105	105
TOTAL	2,683	5,048	6,481	5,123	4,048	3,648	3,648

BALANCE SHEET ^(a) (Controlled)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	54,108	69,483	26,656	41,156	34,164	31,397	30,897
Restricted cash.....	2,577	1,707	2,291	2,363	2,363	2,363	2,363
Receivables.....	10,135	7,013	10,135	10,135	10,135	10,135	10,135
Holding account receivables.....	24,009	1,922	1,922	1,740	3,181	5,400	-
Other	18,862	5,653	7,501	6,331	5,651	5,651	5,651
Total current assets.....	109,691	85,778	48,505	61,725	55,494	54,946	49,046
NON-CURRENT ASSETS							
Property, plant and equipment	480,868	402,123	464,916	516,943	594,983	619,906	685,358
Intangibles	61,293	61,250	64,229	38,491	24,757	13,257	13,257
Holding account receivables.....	27,281	69,226	71,216	112,402	153,394	191,706	235,822
Restricted cash.....	4,125	5,355	5,930	7,745	9,642	11,549	13,549
Other	50,598	116,493	119,349	118,015	57,166	45,115	(32,861)
Total non-current assets	624,165	654,447	725,640	793,596	839,942	881,533	915,125
TOTAL ASSETS.....	733,856	740,225	774,145	855,321	895,436	936,479	964,171
CURRENT LIABILITIES							
Payables ^(a)	5,223	3,003	5,223	5,223	5,223	5,223	5,223
Employee provisions	111,191	117,374	115,313	117,574	119,591	121,498	123,498
Other	2,484	2,426	2,581	2,653	2,653	2,653	2,653
Total current liabilities	118,898	122,803	123,117	125,450	127,467	129,374	131,374
NON-CURRENT LIABILITIES							
Employee provisions	20,893	31,155	27,866	32,944	37,572	42,200	46,828
Total non-current liabilities.....	20,893	31,155	27,866	32,944	37,572	42,200	46,828
TOTAL LIABILITIES.....	139,791	153,958	150,983	158,394	165,039	171,574	178,202

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
EQUITY							
Contributed equity	233,438	296,206	263,028	301,322	339,308	373,816	395,080
Accumulated surplus/(deficit).....	83,336	78,286	90,936	126,407	121,891	121,891	121,691
Reserves.....	277,291	211,775	269,198	269,198	269,198	269,198	269,198
Total equity.....	594,065	586,267	623,162	696,927	730,397	764,905	785,969
TOTAL LIABILITIES AND EQUITY.....	733,856	740,225	774,145	855,321	895,436	936,479	964,171

(a) Full audited financial statements are published in the agency's Annual Report.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	701,684	738,999	746,944	844,993	834,589	857,044	873,583
Capital appropriation	38,415	85,300	51,180	40,144	38,666	34,508	21,264
Holding account drawdowns	42,871	24,009	24,009	1,922	1,740	3,181	5,400
Royalties for Regions Fund ^(b)	-	-	-	-	-	-	-
Net cash provided by State Government	782,970	848,308	822,133	887,059	874,995	894,733	900,247
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(499,146)	(548,209)	(549,518)	(598,806)	(612,654)	(626,961)	(640,767)
Grants and subsidies	(2,698)	(5,048)	(6,481)	(5,123)	(4,048)	(3,648)	(3,648)
Supplies and services	(152,013)	(162,806)	(176,513)	(185,085)	(180,243)	(179,585)	(179,304)
Accommodation.....	(21,936)	(24,345)	(24,758)	(32,437)	(35,398)	(36,896)	(38,965)
Other payments.....	(80,186)	(39,594)	(40,769)	(43,075)	(48,426)	(52,082)	(52,662)
Receipts							
Sale of goods and services	1,673	2,189	2,189	2,199	2,899	2,920	2,199
Regulatory fees and fines.....	13,410	12,603	15,103	13,740	14,279	14,679	14,679
Grants and subsidies	2,939	1,591	9,497	15,061	1,591	1,591	1,591
Other receipts.....	32,300	25,715	25,715	25,891	24,911	24,845	24,845
Net cash from operating activities ..	(705,657)	(737,904)	(745,535)	(807,635)	(837,089)	(855,137)	(871,783)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(79,954)	(84,875)	(101,860)	(63,037)	(43,001)	(40,456)	(26,964)
Proceeds from sale of non-current assets.....	146	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Net cash from investing activities ...	(79,808)	(84,875)	(101,860)	(63,037)	(43,001)	(40,456)	(26,964)
NET INCREASE (DECREASE) IN CASH HELD							
Cash assets at the beginning of the reporting period.....	62,888	51,016	60,810	34,877	51,264	46,169	45,309
Net cash transferred to/from other agencies.....	417	-	(671)	-	-	-	-
Cash assets at the end of period	60,810	76,545	34,877	51,264	46,169	45,309	46,809

(a) Full audited financial statements are published in the agency's Annual Report.

(b) Regional Infrastructure and Headworks Account - \$x (2009-10), \$y (2010-11), \$z (2011-12), Regional Community Services Account - \$x (2009-10), \$y (2010-11), \$z (2011-12)

7. Reconciliation Relating to Major Functional Transfers and Accounting Policy Changes

Objective

Where applicable, to disclose material machinery of government changes and/or accounting policy changes. Note that the following example is not based on the Western Australia Police.

Changes

The previous reconciliation table for the removal of the Capital User Change has become a standard template for disclosing future material machinery of government changes and/or accounting policy changes.

Example

RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS AND ACCOUNTING POLICY CHANGES

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	25,635	31,109	43,457	44,123	127,811	56,565	40,814
Less Capital User Charge.....	-	-	-	-	-	-	-
Add Transfer from Department for Child Protection	2,527	4,315	-	-	-	-	-
Add Transfer from Department of the Premier and Cabinet.....	3,701	-	-	-	-	-	-
Add Notional Figure for Corporate Service Provided by Department for Child Protection.....	1,887	2,562	-	-	-	-	-
Adjusted Total Cost of Services.....	33,750	37,986	43,457	44,123	127,811	56,565	40,814
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services	27,059	30,065	38,165	41,069	124,814	53,051	37,276
Less Appropriation Capital User Charge.....	-	-	-	-	-	-	-
Add Transfer from Department for Child Protection	2,842	4,315	-	-	-	-	-
Add Transfer from Department of the Premier and Cabinet.....	3,116	-	-	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	33,017	34,380	38,165	41,069	124,814	53,051	37,276

8. Details of Administered Transactions

Objective

Where applicable, to provide summary information on appropriations provided for administered grants, subsidies and other transfer payments (reported in the new Appropriations, Expenses and Cash Assets table) and other administered transactions. Note that the following example is based on an agency that currently receives administered appropriations and not the Western Australia Police.

Changes

Replacement of the Details of the Administered Transactions Expenses and Income tables reported in the previous Budget Statements with summary information.

Example

DETAILS OF ADMINISTERED TRANSACTIONS

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
INCOME							
Taxation							
Conservancy Fees	285	295	295	306	316	327	338
Motor Vehicle Licence Fees	370,455	401,360	410,837	431,836	454,496	477,788	501,080
Motor Vehicle Recording Fees	31,579	34,134	34,134	40,204	41,571	42,984	44,446
Fines							
Speed and Red Light Fines	43,609	72,100	63,920	71,385	71,385	71,385	71,385
Final Demand Fees.....	1,146	1,084	1,600	1,200	1,200	1,200	1,200
Plate and Transfer Infringements	5,700	5,101	5,101	5,200	5,252	5,305	5,358
Appropriations	4,190	400	400	437	329	329	13,030
Other							
Motor Drivers' Licences	34,043	40,015	40,015	44,694	46,213	47,784	49,409
Forearm Licence Fees	3,827	2,885	2,885	2,986	3,088	3,204	3,320
Dealer Plates Annual Fees	-	40	223	247	255	264	273
Sale of Land	60,312	-	2,000	-	-	-	-
Profit on Disposal of Land	-	3,291	3,291	-	-	74,783	10,945
Sport and Recreation Athletics Facilities.....	6,700 16,400	3,402 5,430	4,402 7,768	2,728 5,666	- 5,400	- 5,576	- 6,018
TOTAL INCOME.....	578,246	569,537	575,871	606,889	629,505	730,929	706,802

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
EXPENSES							
Grants to Charitable and Other Public Bodies							
Town of Cambridge	-	-	-	-	-	-	50,000
Western Australian Coastal Shipping Commission	4,190	400	400	437	329	329	329
Receipts paid into Consolidated Account.....	553,456	593,919	597,915	628,224	643,343	669,788	696,336
Other							
Cost of Land Sold	60,312	-	-	-	-	-	-
Other	8,781	8015	5,579	18,452	9,855	7,015	3,217
TOTAL EXPENSES.....	626,736	602,334	603,894	647,113	653,527	677,132	749,882

9. Net Appropriation Determination

Objective

Where applicable, to outline the cash receipts as retained by the agency under a determination by the Treasurer pursuant to section 23 of the *Financial Management Act 2006*.

Changes

Nil.

Example

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the agency:

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000
Commonwealth-National Campaign Against Drug Abuse	325	146	146	146
Commonwealth-Police Recruit Training Program	519	490	490	490
Departmental Fees, Charges and Recoups	20,097	14,810	25,216	29,191
GST Input Credits	21,477	18,523	18,523	18,523
GST Receipts on Sales	1,445	1,388	1,388	1,388
Licences	5,420	5,466	5,466	5,603
Other	1,039	1,275	1,275	1,550
TOTAL	50,322	42,098	52,504	56,891

The moneys received and retained are to be applied to the agency's services as specified in their Budget Statements.

Appendix 1: Checklist

Significant Issues Impacting the Agency

- Does the information relate to strategic issues only (not operational)?
- Does it explain how the agency is addressing issues and challenges and the potential impact on performance?
- Does the information relate to the Government goals or desired outcomes?
- Is the information performance focused (e.g. does it relate to the agencies key performance indicators and/or targets)?
- Is the explanation of the issue, achievement or challenge concise?
- Has the information been kept to the one page maximum requirement?

Outcomes and Key Effectiveness Indicators

- Is there an explanation of why an indicator is significantly different than the target (i.e. 10% increase or decrease or any variance considered significant)?

Services and Key Efficiency Indicators

- Is there an explanation of why an indicator is significantly different than the target (i.e. 10% increase or decrease or any variance considered significant)?

Asset Investment Program

- Is the level of detail provided appropriate in relation to the level of certainty in forward planning for capital works expenditure?

Financial Statements

- Has the commentary on the Financial Statements been kept brief?
- Does the commentary focus on relevant movements in key data (i.e. total cost of services, income, assets, liabilities, equity and cash assets)?
- Has the information been kept to the one page maximum requirement?

Royalties for Regions Funding Arrangements

- Have projects wholly or partially funded by the Royalties for Regions Fund been identified in the Major Policy Decisions table?
- Have Capital Works programs that are wholly or partially funded by the Royalties for Regions Fund been identified in the Capital works table using footnotes?
- Have the Income and Cashflow Statements been adjusted to show funding from the Royalties for Regions Fund and appropriate footnotes included?
- Have grant schemes wholly or partially funded by the Royalties for Regions Fund been identified in the Details of Controlled Grants and Subsidies table?

3 % Efficiency Dividend

- Have agency measures to achieve the 3% efficiency dividend been fully disclosed in the Major Policy Decisions table?

Appendix 2: Significant Issues Impacting the Agency

The purpose of this section of the Budget Statements is to demonstrate the impact that significant issues have had or will have on the delivery of Government desired outcomes and associated financial and non-financial (performance) targets.

Narrative should contain a concise explanation of the issue, achievement and/or challenge and explain what the agency has done/will do and the actual/potential impact on performance. The information should be pitched at a strategic/agency level rather than an operational/service level.

Examples

The following examples have been developed to assist agencies in completing the revised section of Budget Paper No. 2 on Significant Issues Impacting the Agency. They have been developed for this purpose only and do not necessarily reflect actual issues impacting on the agencies involved and/or initiatives being undertaken.

Example 1

(Issue)

Global financial market instability and credit market tightening is a key risk to the State's economic and financial outlook and objectives.

(Response)

Support and advice to Government will focus on the effective management of the State's financial resources and the maintenance of Western Australia's Triple-A credit rating in the new economic climate. Key initiatives will include the development of a State Infrastructure Strategy White Paper scheduled for release in 2009 and the continued generation of savings through procurement reform, with predicted savings in this area expected to be well in excess of targeted savings.

Example 2

(Issue)

The international and national economic downturn is forecast to have a negative impact on the arts industry due to changes in discretionary spending. With significant reliance on revenue generation, this poses risk to the achievement of Department outcomes and the delivery of services, particularly in the area of venue management.

(Response)

The Department will review operations and budgets to identify and address maintenance infrastructure risk areas.

Example 3

(Issue)

The harvest of wild capture fisheries in WA and world-wide is generally at maximum sustainable levels.

(Response)

Consistent with the Government's desired outcome, the department is working with the sector to identify preferred sites for sustainable aquaculture and to develop strategies to maximise investment opportunities in the sector.

Example 4

(Issue)

Agricultural and pastoral land in the region suffers from high levels of landscape stress.

(Response)

The completion and implementation of accredited natural resource management strategies is expected to play an integral role in addressing such issues and contribute to the achievement of an environment that is conducive to balanced economic and social development.

Example 5

(Achievement)

XYZ Department implemented an on-line service delivery strategy in 2008-09 in response to community feedback.

(Response)

In line with Government's desired outcomes, this has improved the quality and accessibility of services through an improvement in customer response times of 20%.



Appendix 3: Example Agency Pro-forma

An example agency pro-forma has been drawn up to assist agencies. It is based on the Western Australia Police, using 2008-09 budget data.

WESTERN AUSTRALIA POLICE

PART 0 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION

DIVISION 0

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 0 Net amount appropriated	696,523	777,821	789,898	884,995	875,760	897,664	914,514
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(a)	2,918	2,837	2,903	2,924	3,002	3,092	3,185
Total appropriations for services	699,441	780,658	792,801	887,919	878,762	900,756	917,699
CAPITAL							
Item 0 Capital Appropriation.....	38,415	85,300	51,180	40,144	38,666	34,508	21,264
TOTAL APPROPRIATIONS	737,856	865,958	843,981	928,063	917,428	935,264	938,963
EXPENSES							
Total Cost of Services.....	731,826	813,850	836,085	899,974	917,593	935,426	952,569
Net Cost of Services ^(b)	700,866	791,567	803,396	862,898	893,728	911,206	928,349
CASH ASSETS ^(c)	60,810	76,545	34,877	51,264	46,169	45,309	46,809

- (a) The recommendation by the Salaries and Allowances Tribunal of 4 April 2008 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2008-09 Budget.
- (b) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations for services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) As at 30 June each financial year.

MAJOR POLICY DECISIONS ^(a)

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Election Commitments					
Western Australian Illicit Amphetamine Summit - Government Action Plan		1,360	1,400	1,443	1,443
Advertising - Recruitment Campaign		800	-	-	-
Implementation of Mandatory Reporting of Child Sexual Abuse		1,309	1,026	1,136	1,328
Office of Crime Prevention - State Graffiti Vandalism Reduction Strategy					
Office of Crime Prevention - Advertising for State Graffiti Strategy					

	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Royalties for Regions Initiatives					
Indigenous Safety Taskforce	-	5,337	6,820	6,809	6,935
3% Efficiency Dividend (list initiatives)					
Economic Audit (list initiatives)					
Other (list initiatives)					

- (a) Drafting note – Disclosure of initiatives funded from the Royalties for Regions Fund and savings measures from the 3% efficiency dividend is required in this table for the 2009-10 Budget. Please refer to guidelines for details.

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes Based Service Delivery Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Lawful behaviour and community safety.	1. Intelligence and Protective Services 2. Crime Prevention and Public Order 3. Community Support (non-offence incidents) 4. Emergency Management and Coordination
	Offenders apprehended and dealt with in accordance with the law.	5. Response to and Investigation of Offences 6. Services to the Judicial Process
	Lawful road-user behaviour.	7. Traffic Law Enforcement and Management
	A safer and more secure community.	8. Implementation of the State Crime Prevention Strategy

SERVICE SUMMARY

Expense	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Actual Estimated \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Intelligence and Protective Services.....	53,339	64,621	64,244	69,249	70,605	71,976	73,295
<i>Service 2:</i>							
Crime Prevention and Public Order	59,428	86,188	81,552	85,822	87,502	89,202	90,837
<i>Service 3:</i>							
Community Support (non-offence incidents)...	68,137	88,306	77,287	83,894	85,536	87,199	88,797
<i>Service 4:</i>							
Emergency Management and Coordination	15,753	18,738	22,383	25,407	25,905	26,408	26,892
<i>Service 5:</i>							
Response to and Investigation of Offences	271,716	295,939	322,360	347,908	354,719	361,614	368,241
<i>Service 6:</i>							
Services to the Judicial Process	81,971	89,951	85,461	87,248	88,956	90,685	92,347
<i>Service 7:</i>							
Traffic Law Enforcement and Management.....	174,040	161,780	171,712	190,166	193,889	197,657	201,279
<i>Service 8:</i>							
Implementation of the State Crime Prevention Strategy	7,442	8,327	11,086	10,280	10,481	10,685	10,881
Total Cost of Services	731,826	813,850	836,085	899,974	917,593	935,426	952,569

SIGNIFICANT ISSUES IMPACTING THE AGENCY

- Initiatives and strategies to attract and retain staff are being implemented, including:
 - continued targeting of international police officers as applicants for the Police Academy;
 - relaunched the Step Forward campaign which has resulted in a significant increase in the number of local police recruit applicants;
 - targeted future police recruits through the introduction of the Police Cadet Scheme, School-based Program and adult trainees; and
 - established a specialist unit to develop and implement recruitment and advertising campaigns.
- To assist having offenders apprehended and dealt with in accordance with the law, Child Protection Squad Regional Response Teams are being deployed to provide an effective response to child abuse incidents in regional Western Australia.
- Counter-terrorism capabilities are being developed through:
 - establishing a Counter-terrorism Cadre of Commanders by conducting Australasian Inter-service Incident Management System (AIIMS) training within Western Australia Police and across government agencies;
 - conducting and reviewing counter-terrorism exercises; and
 - building police command/forward command capability to respond effectively to terrorist incidents and acts.
- Changes to legislation and other initiatives such as the 'Hoon Legislation' (*Road Traffic Amendment Act 2007*), *Dangerous Goods Safety Act 2004*, *Prostitution Act 2000*, Western Australian Redress Scheme and mandatory reporting of child sexual abuse are placing increased demands on policing resources.
- The Licensing Enforcement Division has been expanded to target alcohol and drug-related incidents and meet the requirements of the *Dangerous Goods Safety Act 2004* and *Prostitution Act 2000*.
- The Sex Assault Squad Charter is being enhanced and expanded to provide a more effective response to the investigation of sexual assaults and the identification of serial offenders.
- The Australian National Child Offender Register (ANCOR) Unit is being expanded to more closely monitor high risk reportable offenders and address mandatory reporting requirements of child sexual abuse.

Outcomes and Key Effectiveness Indicators ^(a)

	2006-07 Actual	2007-08 Budget	2007-08 Estimated Actual	2008-09 Budget Target	Note
Outcome: Lawful behaviour and community safety.					
The community's level of satisfaction with services provided by police	6.6	=> 6.7	6.6	=>6.7	
The community's level of satisfaction with services received during the most recent contact with police ^(b)	7.8	=> 7.8	7.7	=> 7.8	
Extent to which the community thought each of the following was a problem in their own neighbourhood: ^(c)					
- Physical assault in a public place	2.3	<= 2.4	2.4	<= 2.4	
- Housebreaking	4.0	<= 4.0	4.0	<= 4.0	
- Motor vehicle theft	2.9	<= 3.0	2.8	<= 2.8	
- Illegal drugs	4.0	<= 4.1	4.2	<= 4.1	
- Louts or gangs	2.0	<= 2.0	2.1	<= 2.0	
- Drunken or disorderly behaviour	2.6	<= 2.5	2.7	<= 2.5	
- Speeding cars, dangerous or noisy driving	5.2	<= 5.0	5.3	<= 5.0	
State emergency management plans in place and current, and resources committed, where the Western Australia Police is the designated Hazard Management Agency, to prevent and minimise risk.....	6	6	6	6	

	2006-07 Actual	2007-08 Budget	2007-08 Estimated Actual	2008-09 Budget Target	Note
Number of police officers who have a key emergency-related qualification	3,507	2,870	3,707	3,550	1
Outcome: Offenders apprehended and dealt with in accordance with the law.					
Selected recorded offences against the person cleared:					
- Number cleared	27,557	=>27,000	27,000	=>27,000	
- Percentage cleared	80.4%	=>83%	80%	=>83%	
Selected recorded property offences cleared:					
- Number cleared	34,266	=>34,000	34,000	=>34,000	
- Percentage cleared	19.7%	=>20%	20%	=>20%	
Recorded drug-trafficking offences:					
- Number cleared	2,515	=>2,300	2,300	=>2,300	
- Percentage cleared	92.7%	=>93%	92%	=>93%	
Percentage of guilty pleas before trial	93.5%	93%	93%	93%	
Percentage of convictions for matters listed for trial	64.2%	65%	65%	65%	
Number of deaths in custody for which the Western Australia Police is culpable	nil	nil	nil	nil	
Number of escapes from police custody	2	nil	nil	nil	
Outcome: Lawful road-user behaviour.					
Percentage of drivers tested for drink-driving who are found to exceed the lawful limit	1.6%	=>1.6%	1.6%	=>1.6%	
Percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit	17.1%	=>20%	17%	=>20%	2
Percentage of drivers who have never driven when they felt they might be over the 0.05 alcohol limit in the last six months	83.7%	=>85%	84%	=>85%	
Percentage of drivers who have never driven without wearing a seat belt in the last six months	90.5%	=>91%	91%	=>91%	
Extent to which the community thought speeding cars, dangerous or noisy driving was a problem in their own neighbourhood	5.2	<=5.0	5.3	<=5.0	
Outcome: A safer and more secure community.					
Reported rate of home burglary per 1,000 residential dwellings	30.3	<=32.0	30.0	<=30.0	
Proportion of the community who feel 'safe' or 'very safe' at home alone after dark	79.2%	=>79%	78%	=>79%	
Proportion of the community who feel 'safe' or 'very safe' at home alone during the day	91.1%	=>91%	90%	=>91%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

(b) Five response categories are assigned scores as follows: 'very satisfied' (10); 'satisfied' (7.5); 'neither satisfied nor dissatisfied' (5); 'dissatisfied' (2.5); and 'very dissatisfied' (0).

(c) Three response categories are assigned scores as follows: 'major problem' (10); 'somewhat of a problem' (5); and 'not a problem' (0).

Explanation of Significant Movements

(Notes)

1. The estimated reduction in the number of trained police officers who have a key emergency-related qualification in 2008-09 (3,550) compared to 2007-08 (3,707) is largely a consequence of certain training courses, such as Chemical, Biological and Radiological Familiarisation, being delivered less generally and more specifically to key personnel. The Western Australia Police are in a transitional phase of adopting a more focused and competency-based approach to emergency management training. This is aimed at ensuring sufficiently qualified key personnel are available within districts to respond to any emergency situation and that their skills remain contemporary.
2. The estimated increase in the percentage of vehicles monitored for speeding by speed camera that are found to exceed the speed limit in 2008-09 (20 per cent) compared to 2007-08 (17 per cent) is due to several factors including:
 - a strategy to focus on road safety in Regional Western Australia which has resulted in a greater proportion of camera hours being allocated to regions;
 - the decision made during the first quarter of 2007-08 to utilise speed cameras in a high-visibility, road safety approach instead of an enforcement approach; and
 - placement of warning signs in front of speed camera locations. This resulted in drivers slowing down and not being detected for speeding. However as a result of occupational safety and health issues and abuse being directed towards camera operators, that practice has now been discontinued.

SERVICES AND KEY EFFICIENCY INDICATORS

Service 1: Intelligence and Protective Services

Incorporating a range of specialist criminal intelligence analysis techniques and partnerships to target offenders and crime hotspots in order to ensure safety in the community, prevent and reduce crime. Activities undertaken include:

- using criminal intelligence analysis techniques to develop effective policing strategies to target offenders and crime hotspots;
- providing specialist protective and security services to international and other protected persons, assets and infrastructure, airport security and witness protection; and
- participating in crisis situations.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	53,339	64,621	64,244	69,249	1
<i>Less Income</i>	2,725	601	1,158	1,639	2
Net Cost of Service	50,614	64,020	63,086	67,610	
Employees (Full Time Equivalents)	479	535	528	546	
Efficiency Indicators					
Average cost (\$) per hour for providing intelligence and protective services.....	\$90	\$92	\$94	\$97	

Explanation of Significant Movements

(Notes)

1. The estimated increase in budgeted expenditure for 2008-09 compared to the 2007-08 estimated actual (\$5 million or 7.8 per cent), reflects additional staff resources in specialist criminal intelligence and protective and security services. The increase also reflects Enterprise Bargaining Agreement (EBA)/salary increases and general cost increases in service delivery.
2. The increase in estimated income for 2008-09 primarily reflects the allocated portion of a capital grant to be received as part of the Commonwealth's contribution towards the establishment of three multifunctional policing facilities. Given that these facilities will benefit the majority of services across the Police sector, the additional Commonwealth revenue will also impact on the estimated revenue of other services.

Service 2: Crime Prevention and Public Order

Providing general support to the community including a visible police presence and crime prevention activities. Maintaining an adequate service and timely response to the needs of local communities at all times is a critical factor in achieving broader outcomes. The provision of this 24 hour service includes:

- liaising with the community, engaging in community education and raising awareness on crime prevention, and providing regulatory services;
- policing public events (including planning and debriefings); and
- engaging in programs/initiatives dealing with the media, schools, Local Government, community and business groups and government and non-government groups.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	59,428	86,188	81,552	85,822	
<i>Less Income</i>	7,559	11,323	14,191	13,390	
Net Cost of Service	51,869	74,865	67,361	72,432	
Employees (Full Time Equivalents)	534	729	687	711	
Efficiency Indicators					
Average cost per hour for providing crime prevention and public order services ^(a)	\$94	\$90	\$91	\$95	

(a) Calculated from internal police activity surveys.

Service 3: Community Support (non-offence incidents)

Providing support to the community, which involves provision of general information over the telephone, counter or in person, responding to public inquiries, handling non-offence related matters and incidents to enhance the quality of life of all people in the community. Activities associated with this service include:

- assisting members of the community with personal issues such as restraint order inquiries;
- clarifying laws and witnessing official documents;
- compiling missing persons reports; and
- handling Crime Stoppers inquiries, etc.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	68,137	88,306	77,287	83,894	1
<i>Less Income</i>	1,953	822	1,394	1,986	2
Net Cost of Service	66,184	87,484	75,893	81,908	
Employees (Full Time Equivalents)	612	702	631	653	
Efficiency Indicators					
General calls for police assistance (not including '000' calls) answered within 20 seconds ^{(a) (b)}	81%	85%	77%	85%	3
Average cost per hour for providing community support (non-offence incidents) services ^(b)	\$93	\$95	\$94	\$98	

(a) General calls to the Police Assistance Centre (131444) not including emergency '000' calls or calls from security firms, education security, St John Ambulance, Fire and Emergency Services, Cab Alert and Western Power.

(b) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The estimated increase in budgeted expenditure for 2008-09 compared to the 2007-08 estimated actual (\$6.6 million or 8.5 per cent), represents additional staff resources in areas including the Police Assistance Centre, and EBA/salary increases and general cost increases in service delivery.
2. The increase in estimated income for 2008-09 primarily reflects the allocated portion of a capital grant to be received as part of the Commonwealth's contribution towards the establishment of three multifunctional policing facilities. Given that these facilities will benefit the majority of services across the Police sector, the additional Commonwealth revenue will also impact on the estimated revenue of other services.
3. The expected increase (improvement) in the percentage of general calls for police assistance answered within 20 seconds in 2008-09 reflects the provision of additional staff resources in areas including the Police Assistance Centre.

Service 4: Emergency Management and Coordination

Responding in timely and effective manner to a range of emergencies and disasters to increase public feelings of safety and security. A key role of the agency is to plan, coordinate and provide support programs to ensure readiness for major emergencies and disasters including terrorist incidents, natural disasters, search and rescue. Activities associated include:

- training officers and volunteers in emergency management and conducting training exercises involving other authorities;
- coordinating and controlling searches; and
- coordinating all combat authorities during major civil and technological disasters.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	15,753	18,738	22,383	25,407	1
<i>Less Income</i>	500	249	479	676	
Net Cost of Service	15,253	18,489	21,904	24,731	
Employees (Full Time Equivalents)	142	134	174	180	
Efficiency Indicators					
Average cost per hour of emergency management and coordination ^(a)	\$106	\$106	\$99	\$103	

(a) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The estimated increase in budgeted expenditure for 2008-09 compared to the 2007-08 estimated actual (\$3 million or 13.5 per cent), reflects additional resourcing for the coordination of training and emergency management. Expenditure relating to EBA/salary increases and general cost increases in service delivery have also contributed towards the movement.

Service 5: Response to and Investigation of Offences

Providing a timely response and effectively investigating offences to bring individuals who commit offences before the justice system. Activities associated with the response to and investigation of offences include:

- coordinating an initial response;
- gathering and securing evidence, collating and analysing intelligence;
- providing quality investigations, apprehending offenders; and
- preparing evidence and prosecution files and briefs.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	271,716	295,939	322,360	347,908	1
<i>Less Income</i>	8,121	2,755	5,812	8,235	2
Net Cost of Service	263,595	293,184	316,548	339,673	
Employees (Full Time Equivalents)	2,442	2,455	2,614	2,705	
Efficiency Indicators					
Emergency calls (000) for police assistance answered within 20 seconds ^(a)	91%	90%	87%	90%	
Average time taken to respond to urgent calls for police assistance in the metropolitan area from call received (entered) to arrival at scene ^{(b)(c)}					
- Priority 1-2 calls	9 mins	9 mins	9 mins	9 mins	
- Priority 3 calls.....	24 mins	25 mins	20 mins	25 mins	3
Average cost per response/investigation ^(d)	\$1,170	\$1,287	\$1,384	\$1,493	

- (a) Emergency calls to the Police Operations Centre ('000') not including general (131444) calls or calls from security firms, education security, St John Ambulance, Fire and Emergency Services, Cab Alert and Western Power.
- (b) Priority 1 tasks cover offences such as an armed hold-up in progress; armed offender incident in progress; and other life threatening incidents. Priority 2 tasks cover incidents where life or property is, or may be, in a state of threat or imminent danger. Due to the extremely small number of Priority 1 incidents (which are statistically insignificant), these are included with Priority 2 incidents to calculate a combined response time.
- (c) Priority 3 tasks cover incidents requiring immediate attention but are not life threatening at that time. Priority 3 incidents may involve the welfare of a person, the possible apprehension of offenders or the preservation of evidence. This requires the dispatch of the first available local/ district or other resource.
- (d) The number of responses/investigations is based on the total number of selected reported offences excluding receiving/illegal use, fraud and graffiti offences.

Explanation of Significant Movements

(Notes)

- The estimated increase in budgeted expenditure for 2008-09 compared to the 2007-08 estimated actual (\$25.5 million or 7.9 per cent), primarily reflects additional staff resources in areas including the expansion of the Police Assistance Centre to meet increased demand relating to the response and investigation of offences. The increase also reflects EBA/salary increases and general cost increases in service delivery.
- The increase in estimated income for 2008-09 primarily reflects the allocated portion of a capital grant to be received as part of the Commonwealth's contribution towards the establishment of three multifunctional policing facilities. Given that these facilities will benefit the majority of services across the Police sector, the additional Commonwealth revenue will also impact on the estimated revenue of other services.
- The increase in the average time taken to respond to urgent calls for police assistance is due to the increasing demand of calls to the Police Assistance Centre. The 2008-09 target reflects the Western Australia Police Service Delivery Standard.

Service 6: Services to the Judicial Process

Providing effective services to the judicial process is essential in bringing offenders before the criminal justice system. The successful prosecution of offenders is dependent upon the quality of investigations and the standard and presentation of evidence to courts. Activities associated with this service include:

- presenting evidence, brief handling, prosecution role, justice systems processes;
- providing custodial services;
- monitoring the quality of and timeliness of brief presentation to the relevant court; and
- providing custodial care of prisoners, administering bail and reporting processes and providing all types of escorts.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	81,971	89,951	85,461	87,248	1
<i>Less Income</i>	2,551	891	1,595	2,121	
Net Cost of Service	79,420	89,060	83,866	85,127	
Employees (Full Time Equivalents)	737	709	740	766	
Efficiency Indicators					
Average cost per hour of services to the judicial process ^(a)	\$91	\$96	\$89	\$92	
Average cost per guilty plea ^(b)	\$29	\$31	\$43	\$44	
Average cost per non-guilty plea ^(b)	\$235	\$247	\$342	\$349	

(a) Calculated from internal police activity surveys.

(b) Relates to matters (charges) that have been placed before the Magistrates Court and Children's Court throughout the State by the police.

Explanation of Significant Movements

(Notes)

- The increase in estimated income for 2008-09 primarily reflects the allocated portion of a capital grant to be received as part of the Commonwealth's contribution towards the establishment of three multifunctional policing facilities. Given that these facilities will benefit the majority of services across the Police sector, the additional Commonwealth revenue will also impact on the estimated revenue of other services.

Service 7: Traffic Law Enforcement and Management

Providing traffic management and road safety strategies contributes to the whole-of-government initiative of improving road-user behaviour and minimising road fatalities and injuries. The achievement of this outcome is dependent on the integrated approach to road safety involving partnerships with other government agencies and stakeholders. The strategies to assist in targeting behaviours identified as major contributors to road fatalities include:

- deterring and detecting alcohol and drug-related driving offences, including crashes;
- conducting stationary speed operations involving speed cameras and hand-held radar laser units;
- conducting targeted traffic law enforcement operations, such as random breath tests;
- attending and conducting investigations and follow up inquiries as required; and
- providing community education and raising awareness on road safety issues.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	174,040	161,780	171,712	190,166	1
<i>Less Income</i>	6,906	4,814	7,310	8,279	
Net Cost of Service	167,134	156,966	164,402	181,887	
Employees (Full Time Equivalents)	1,564	1,425	1,407	1,456	
Efficiency Indicators					
Average cost per hour of traffic law enforcement and management ^(a)	\$130	\$86	\$94	\$97	

(a) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

- The estimated increase in budgeted expenditure for 2008-09 compared to the 2007-08 estimated actual (\$18.5 million or 10.7 per cent), primarily reflects additional resources to address whole-of-government road safety strategies contributing towards improving road-user behaviour and minimising road fatalities and injuries. The increase also reflects EBA/salary increases and general cost increases in service delivery.

Service 8: Implementation of the State Crime Prevention Strategy

The Office of Crime Prevention implements the State Crime Prevention Strategy by:

- providing high level advice to the Government;
- conducting policy research and development to identify effective methods to reduce crime;
- establishing community safety and crime prevention partnerships and plans;
- communicating with key stakeholders and the community; and
- managing and evaluating projects supported by grant funding.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Target \$'000	Note
Total Cost of Service	7,442	8,327	11,086	10,280	
<i>Less Income</i>	645	828	750	750	
Net Cost of Service	6,797	7,499	10,336	9,530	
Employees (Full Time Equivalents).....	25	22	38	37	
Efficiency Indicators					
Average cost per community safety and crime prevention partnership managed	\$17,823	\$13,647	\$32,030	\$32,449	
Average cost per hour for research, policy development and support to the Community Safety and Crime Prevention council.....	\$106	\$128	\$132	\$128	
Average cost per \$1 million in grant funding administered.....	\$237,217	\$154,114	\$223,863	\$294,829	1

Explanation of Significant Movements

(Notes)

- The average cost per \$1 million in grant funding administered varies due to timing differences in the allocation of agreed grant expenditure from year to year. The value of grants estimated to be administered in 2007-08 (\$3.9 million) is significantly higher than the amount estimated in 2008-09 (\$3 million) due to the carry-over of funds from the 2006-07 financial year.

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, a total of \$74.4 million is budgeted to be spent on capital works in 2008-09, as outlined below.

- Continuation and completion of the provision of equipment for the new Mandurah Marine Operations Centre.
- Continuation of the Counter-Terrorism Multi-Agency Response initiatives. Construction to commence on the Capability and Capacity Training and North West Deployment facilities.
- Completion of the new Traffic Support Facility at the Police Operations Support Facility at Midland.
- The review of the redevelopment options for the Derby and South Hedland Police Stations will be completed.
- Completion of the new Kimberley District Police Complex.
- In accordance with the Commonwealth and State Government funding agreement, construction will continue on the new Multi-Functional Policing Facilities and Relieving Officers Quarters at Blackstone, Burringurrah and Looma, as well as the Relieving Officers Quarters at Bidyadanga.
- Building modifications under the Police Station Upgrade Program will continue.
- Building design to continue and site works to commence on the new Perth Police Complex.
- Planning and site preparation will continue on the replacement Carnarvon Police Station.
- Planning will continue on the replacement Stirling Police Station.
- Construction will continue on the new Pilbara District Police Complex at Karratha and the Rockingham Police Rail Unit facility.
- Construction to commence on the new Secret Harbour Police Station.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-08 \$'000	2007-08 Estimated Expenditure \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
COMPLETED WORKS							
Information Technology Infrastructure							
Delta Communications and Technology (DCAT)	110,025	110,025	24,658	-	-	-	-
Perth Metro Radio Network (CADCOM Stage 1C)	60,030	60,030	5,484	-	-	-	-
Other Capital Works Proposals	-	-	-	-	-	-	-
DNA Extraction Robot (Path Centre)	175	175	175	-	-	-	-
Genetic Analysis (Path Centre)	225	225	44	-	-	-	-
Small Robot Systems (Path Centre)	700	700	700	-	-	-	-
Police Facilities							
Central Facilities Relocation Strategy							
Police Operations Support Facility - Land Acquisition - Third Instalment	1,600	1,600	1,600	-	-	-	-
New and Replacement Police Facilities							
Bidyadanga Police Station (Gordon Inquiry)	2,934	2,934	320	-	-	-	-
Canning Vale Police Station	4,300	4,300	713	-	-	-	-
Dampier Peninsular Police Station (Gordon Inquiry)	3,200	3,200	482	-	-	-	-
Ellenbrook Police Station	3,080	3,080	24	-	-	-	-
Jigalong Police Station (Gordon Inquiry)	3,879	3,879	1,201	-	-	-	-
Kalumburu Police Station (Gordon Inquiry)	3,609	3,609	227	-	-	-	-
Operations Support Facility Stage 2 Traffic Support	22,415	22,415	8,686	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-08 \$'000	2007-08 Estimated Expenditure \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Police Operations Support Facility	42,056	42,056	266	-	-	-	-
Wanneroo Police Station.....	3,200	3,200	65	-	-	-	-
Warakurna Police Station (Gordon Inquiry)	3,872	3,872	313	-	-	-	-
Warmun Police Station (Gordon Inquiry)	3,323	3,323	257	-	-	-	-
Planning and Feasibility Studies							
Feasibility Study - Strategic Accommodation Plan	200	200	200	-	-	-	-
Upgrades							
Facility OSH Modifications	10,676	10,676	876	-	-	-	-
Police Station Upgrade Program.....	4,041	4,041	1,550	-	-	-	-
WORKS IN PROGRESS							
Boat and Equipment Acquisition							
Mandurah Marine Operations Centre	600	350	350	250	50	-	-
Counter-Terrorism Initiatives							
CT: Multi-Agency Response - Capability/Capacity – North West Deployment - Bomb Squad - Safety	14,649	12,031	6,807	2,618	100	-	-
Police Facilities							
Additions and Alterations to Existing Facilities							
Bidyadanga Remote Multi-Functional Policing Facility – Relieving Officers Quarters	520	35	35	485	20	-	-
South Hedland Police Station	14,665	5,052	4,826	9,413	200	-	-
Central Facilities Relocation Strategy							
Perth Police Complex.....	93,000	12,246	6,031	6,000	26,767	21,044	20,464
New and Replacement Police Facilities							
Blackstone Remote Multi-Functional Policing Facility	6,968	535	535	6,433	50	-	-
Burringurrah Remote Multi-Functional Policing Facility	6,374	961	961	5,413	-	-	-
Carnarvon Police Station	12,510	1,043	238	290	1,165	9,512	500
Derby Police Station	6,900	6,007	5,766	893	-	-	-
Harvey Police Station.....	3,600	3,400	2,846	200	-	-	-
Kimberley District Police Complex.....	13,450	10,905	9,370	2,545	-	-	-
Leonora Police Station	4,300	4,100	3,553	200	-	-	-
Looma Remote Multi-Functional Policing Facility	6,138	1,013	1,013	5,125	-	-	-
Pilbara District Police Complex.....	17,500	4,265	4,049	5,663	3,085	-	-
Rockingham Police Rail Unit	5,700	3,030	2,797	2,670	-	-	-
Secret Harbour Police Station	10,000	3,000	3,000	4,760	2,240	-	-
Stirling Police Station	9,750	68	41	2,440	3,622	3,400	-
Vincent Police Station.....	5,110	471	301	4,639	-	-	-
Upgrades							
Police Station Upgrade Program 2007-08 to 2009-12	7,500	1,500	1,500	3,000	3,000	-	-
NEW WORKS							
Police Facilities							
Upgrades							
Custodial Facilities Upgrade Program 2010-11					-	3,000	-
Custodial Facilities Upgrade Program 2011-12.....					-	-	3,000
Custodial Facilities Upgrades					2,702	-	-
Police Station Upgrade Program 2010-11					-	3,500	-
Police Station Upgrade Program 2011-12.....					-	-	3,000
Total Cost of Asset Investment Program	522,774	353,552	101,860	63,037	43,001	40,456	26,964
Funded By:							
Capital Appropriation			51,180	40,144	38,666	34,508	21,264
Drawdowns from the Holding Account			24,009	1,922	1,740	3,181	5,400
Drawdowns from Royalties for Regions Fund ^(a)	-	-	-	-	-	-	-
Cash Holdings.....	-	-	26,671	20,971	2,595	2,767	300

Estimated Total Cost \$'000	Estimated Expenditure to 30-6-08 \$'000	2007-08 Estimated Expenditure \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
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- (a) Drafting note – A footnote must identify source of funding at the sub account level – i.e., the Regional Infrastructure and Headworks Account. Capital works projects outlined in this table that are wholly or partly funded by Royalties for Regions must also be identified with appropriate footnotes.

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the Total Cost of Services of \$63.9 million (7.6 per cent) for 2008-09 compared to the 2007-08 Estimated Actual. This increase is mainly attributable to:

- EBA salary and wage increases (\$35.8 million);
- additional police officers/police staff as part of the Government's commitment of additional 350-160 Programs (\$17.7 million); and
- Indigenous Safety Taskforce which includes the creation of the Regional Response Teams and Alcohol and Drug Response Teams to address the Safety of Indigenous people (\$5.3 million).

Income

Total income is estimated to be \$37.1 million for 2008-09. This represents an increase of \$4.4 million (13.4 per cent) compared to the 2007-08 Estimated Actual. The increase is mainly attributable to one-off capital grants as part of the Commonwealth's commitment to fund the construction of three new multifunctional policing facilities at Blackstone, Burringurrah, and Looma, and the relieving officers quarters at Bidyadanga.

Balance Sheet

The Department's total net asset position (total equity) is expected to increase by \$73.8 million (11.8 per cent) between the 2007-08 Estimated Actual and the 2008-09 Budget. This reflects a projected increase in total assets of \$81.2 million (10.5 per cent) and an increase in total liabilities of \$7.4 million (4.9 per cent) over the same period.

The expected increase in assets is attributable to increased:

- property, plant and equipment (\$52 million), mainly as a result of the capital works program for the new and replacement Police Facilities program and Police Station Upgrade program;
- holding account receivables for approved future asset replacement (\$40.7 million); and
- cash assets of \$16.4 million due to the repositioning of 2006-07 supplementary funding for an EBA.

The above increases are estimated to be partially off-set by a decrease in intangible assets (\$25.7 million) resulting from the completion of the Delta Communication and Technology (DCAT) and Perth Metro Radio Network (CADCOM Stage 1C) projects.

The increase in liabilities (\$7.4 million) is mainly attributable to the estimated increase in employee provisions as a result of salary and wages increases and the employment of additional police officers/police staff.

Cashflow Statement

The 2008-09 closing cash assets balance of \$51.3 million represents an increase of \$16.4 million in comparison to the 2007-08 Estimated Actual. The increase is primarily attributable to the repositioning of 2006-07 supplementary funding for EBA salary and wage increases, and reduced purchases of non-current assets in 2008-09 due to the completion of the Information Technology Infrastructure capital works program in 2007-08.

INCOME STATEMENT ^(a)
(Controlled)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	501,960	565,640	569,307	615,187	628,341	642,538	656,369
Grants and subsidies ^(c)	2,683	5,048	6,481	5,123	4,048	3,648	3,648
Supplies and services	152,562	163,526	177,233	183,753	179,408	181,872	182,082
Accommodation	21,931	23,481	23,894	32,438	34,708	36,896	38,965
Depreciation and amortisation	28,069	34,727	36,567	37,402	39,545	39,084	39,488
Other expenses	57,055	21,428	22,603	26,071	31,543	31,388	32,017
TOTAL COST OF SERVICES	764,290	813,850	836,085	899,974	917,593	935,426	952,569
Income							
Sale of goods and services	2,041	2,289	2,289	2,299	2,999	3,020	3,020
Regulatory fees and fines	13,487	12,524	15,024	13,661	14,200	14,600	14,600
Grants and subsidies	3,484	1,591	9,497	15,061	1,591	1,591	1,591
Other revenue	11,948	5,879	5,879	6,055	5,075	5,009	5,009
Total Income	30,960	22,283	32,689	37,076	23,865	24,220	24,220
NET COST OF SERVICES	733,330	791,567	803,396	862,898	893,728	911,206	928,349
INCOME FROM STATE GOVERNMENT							
Service appropriations	734,880	780,658	792,801	887,919	878,762	900,756	917,699
Resources received free of charge	2,779	1,408	1,408	1,408	1,408	1,408	1,408
Liabilities assumed by the Treasurer	5,075	8,694	8,694	9,042	9,042	9,042	9,042
Royalties for Regions Fund ^(d)	-	-	-	-	50	-	-
TOTAL INCOME FROM STATE GOVERNMENT	742,734	790,760	802,903	898,369	889,212	911,206	928,149
SURPLUS/(DEFICIENCY) FOR THE PERIOD	9,404	(807)	(493)	35,471	(4,516)	-	(200)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The Full Time Equivalents (FTEs) for 2006-07 Actual, 2007-08 Estimated Actual and 2008-09 Estimate are 6,535, 6,819 and 7,054 respectively.

(c) Refer Details of Controlled Grants and Subsidies table below for further information.

(d) Drafting note – A footnote must identify income at the sub account level – i.e., the Regional Community Services Account.

Details of Controlled Grants and Subsidies

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Aboriginal Warden Scheme	118	500	500	500	500	500	500
Community Safety and Crime Prevention Partnership Fund	2,369	4,283	5,716	4,518	3,443	3,043	3,043
Other	196	265	265	105	105	105	105
TOTAL	2,683	5,048	6,481	5,123	4,048	3,648	3,648

BALANCE SHEET ^(a)
(Controlled)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	54,108	69,483	26,656	41,156	34,164	31,397	30,897
Restricted cash	2,577	1,707	2,291	2,363	2,363	2,363	2,363
Receivables	10,135	7,013	10,135	10,135	10,135	10,135	10,135
Holding account receivables	24,009	1,922	1,922	1,740	3,181	5,400	-
Other	18,862	5,653	7,501	6,331	5,651	5,651	5,651
Total current assets	109,691	85,778	48,505	61,725	55,494	54,946	49,046
NON-CURRENT ASSETS							
Property, plant and equipment	480,868	402,123	464,916	516,943	594,983	619,906	685,358
Intangibles	61,293	61,250	64,229	38,491	24,757	13,257	13,257
Holding account receivables	27,281	69,226	71,216	112,402	153,394	191,706	235,822
Restricted cash	4,125	5,355	5,930	7,745	9,642	11,549	13,549
Other	50,598	116,493	119,349	118,015	57,166	45,115	(32,861)
Total non-current assets	624,165	654,447	725,640	793,596	839,942	881,533	915,125
TOTAL ASSETS	733,856	740,225	774,145	855,321	895,436	936,479	964,171
CURRENT LIABILITIES							
Payables	5,223	3,003	5,223	5,223	5,223	5,223	5,223
Employee provisions	111,191	117,374	115,313	117,574	119,591	121,498	123,498
Other	2,484	2,426	2,581	2,653	2,653	2,653	2,653
Total current liabilities	118,898	122,803	123,117	125,450	127,467	129,374	131,374
NON-CURRENT LIABILITIES							
Employee provisions	20,893	31,155	27,866	32,944	37,572	42,200	46,828
Total non-current liabilities	20,893	31,155	27,866	32,944	37,572	42,200	46,828
TOTAL LIABILITIES	139,791	153,958	150,983	158,394	165,039	171,574	178,202
EQUITY							
Contributed equity	233,438	296,206	263,028	301,322	339,308	373,816	395,080
Accumulated surplus/(deficit)	83,336	78,286	90,936	126,407	121,891	121,891	121,691
Reserves	277,291	211,775	269,198	269,198	269,198	269,198	269,198
Total equity	594,065	586,267	623,162	696,927	730,397	764,905	785,969
TOTAL LIABILITIES AND EQUITY	733,856	740,225	774,145	855,321	895,436	936,479	964,171

(a) Full audited financial statements are published in the agency's Annual Report.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	701,684	738,999	746,944	844,993	834,589	857,044	873,583
Capital appropriation	38,415	85,300	51,180	40,144	38,666	34,508	21,264
Holding account drawdowns	42,871	24,009	24,009	1,922	1,740	3,181	5,400
Royalties for Regions Fund ^(b)	-	-	-	-	-	-	-
Net cash provided by State Government.....	782,970	848,308	822,133	887,059	874,995	894,733	900,247
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(499,146)	(548,209)	(549,518)	(598,806)	(612,654)	(626,961)	(640,767)
Grants and subsidies	(2,698)	(5,048)	(6,481)	(5,123)	(4,048)	(3,648)	(3,648)
Supplies and services	(152,013)	(162,806)	(176,513)	(185,085)	(180,243)	(179,585)	(179,304)
Accommodation.....	(21,936)	(24,345)	(24,758)	(32,437)	(35,398)	(36,896)	(38,965)
Other payments	(80,186)	(39,594)	(40,769)	(43,075)	(48,426)	(52,082)	(52,662)
Receipts							
Sale of goods and services.....	1,673	2,189	2,189	2,199	2,899	2,920	2,199
Regulatory fees and fines	13,410	12,603	15,103	13,740	14,279	14,679	14,679
Grants and subsidies	2,939	1,591	9,497	15,061	1,591	1,591	1,591
Other receipts	32,300	25,715	25,715	25,891	24,911	24,845	24,845
Net cash from operating activities.....	(705,657)	(737,904)	(745,535)	(807,635)	(837,089)	(855,137)	(871,783)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(79,954)	(84,875)	(101,860)	(63,037)	(43,001)	(40,456)	(26,964)
Proceeds from sale of non-current assets	146	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Net cash from investing activities.....	(79,808)	(84,875)	(101,860)	(63,037)	(43,001)	(40,456)	(26,964)
NET INCREASE (DECREASE) IN CASH HELD	(2,495)	25,529	(25,262)	16,387	(5,095)	(860)	1,500
Cash assets at the beginning of the reporting period	62,888	51,016	60,810	34,877	51,264	46,169	45,309
Net cash transferred to/from other agencies.....	417	-	(671)	-	-	-	-
Cash assets at the end of period	60,810	76,545	34,877	51,264	46,169	45,309	46,809

(a) Full audited financial statements are published in the agency's Annual Report.

(b) Drafting note – A footnote must identify cashflow at the sub account level – i.e., from the Regional Infrastructure and Headworks Account/Regional Community Services Account.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS AND
ACCOUNTING POLICY CHANGES**

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	764,290	813,850	836,085	899,974	917,593	935,426	952,569
Less Capital User Charge.....	32,464	-	-	-	-	-	-
Adjusted Total Cost of Services	731,826	813,850	836,085	899,974	917,593	935,426	952,569
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services ..	734,880	780,658	792,801	887,919	878,762	900,756	917,699
Less Appropriation Capital User Charge	35,439	-	-	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	699,441	780,658	792,801	887,919	878,762	900,756	917,699

DETAILS OF ADMINISTERED TRANSACTIONS ^(a)

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
INCOME							
Taxation							
Conservancy Fees	285	295	295	306	316	327	338
Motor Vehicle Licence Fees	370,455	401,360	410,837	431,836	454,496	477,788	501,080
Motor Vehicle Recording Fees.....	31,579	34,134	34,134	40,204	41,571	42,984	44,446
Fines							
Speed and Red Light Fines	43,609	72,100	63,920	71,385	71,385	71,385	71,385
Final Demand Fees	1,146	1,084	1,600	1,200	1,200	1,200	1,200
Plate and Transfer Infringements	5,700	5,101	5,101	5,200	5,252	5,305	5,358
Appropriations	4,190	400	400	437	329	329	13,030
Other							
Motor Drivers' Licences.....	34,043	40,015	40,015	44,694	46,213	47,784	49,409
Forearm Licence Fees.....	3,827	2,885	2,885	2,986	3,088	3,204	3,320
Dealer Plates Annual Fees	-	40	223	247	255	264	273
Sale of Land	60,312	-	2,000	-	-	-	-
Profit on Disposal of Land.....	-	3,291	3,291	-	-	74,783	10,945
Sport and Recreation Athletics Facilities	6,700	3,402	4,402	2,728	-	-	-
Other Revenue	16,400	5,430	7,768	5,666	5,400	5,576	6,018
TOTAL INCOME.....	578,246	569,537	575,871	606,889	629,505	730,929	706,802
EXPENSES							
Grants to Charitable and Other Public Bodies.....							
Town of Cambridge.....	-	-	-	-	-	-	50,000
Western Australian Coastal Shipping Commission	4,190	400	400	437	329	329	329
Receipts paid into Consolidated Account.....	553,456	593,919	597,915	628,224	643,343	669,788	696,336
Other							
Cost of Land Sold	60,312	-	-	-	-	-	-
Other.....	8,781	8015	5,579	18,452	9,855	7,015	3,217
TOTAL EXPENSES.....	626,736	602,334	603,894	647,113	653,527	677,132	749,882

(a) Drafting Note - This table is based on an agency that currently receives administered appropriations and not the Western Australia Police Service.

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS ^(a)**Forest Residue Utilisation Levy Special Purpose Account**

The Forest Residue Utilisation Levy Special Purpose Account is controlled through the Industry Development and Investment Facilitation service. It is utilised for the purpose of funding studies and programs which add value to forest residues. Funding was provided from moneys received under the *Wood Chipping Industry Agreement Act 1969*.

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000
Opening Balance.....	60	61	56	56
Receipts:				
Appropriations	-	-	-	-
Other.....	60	61	56	56
Payments.....	4	-	-	-
CLOSING BALANCE	56	61	56	56

(a) Drafting Note – This table is based on an agency other than the Western Australia Police Service.

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the agency:

	2006-07 Actual \$'000	2007-08 Budget \$'000	2007-08 Estimated Actual \$'000	2008-09 Budget Estimate \$'000
Commonwealth-National Campaign Against Drug Abuse.....	325	146	146	146
Commonwealth-Police Recruit Training Program.....	519	490	490	490
Departmental Fees, Charges and Recoups	20,097	14,810	25,216	29,191
GST Input Credits.....	21,477	18,523	18,523	18,523
GST Receipts on Sales.....	1,445	1,388	1,388	1,388
Licences	5,420	5,466	5,466	5,603
Other.....	1,039	1,275	1,275	1,550
TOTAL.....	50,322	42,098	52,504	56,891

The moneys received and retained are to be applied to the agency's services as specified in their Budget Statements.

