

Department of Local  
Government and  
Regional Development

**Annual Report**  
**2003 - 2004**

**MINISTER FOR LOCAL GOVERNMENT AND  
REGIONAL DEVELOPMENT**

**Responsible Minister**

Minister for Local Government  
and Regional Development

Hon Tom Stephens MLC

**Accountable Authority**

Department of Local  
Government and Regional  
Development

Cheryl Gwilliam  
Director General

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# ANNUAL REPORT

## 2003 - 2004

In accordance with the Financial Administration and Audit Act 1985 (Section 66), I hereby submit for your information and presentation to Parliament, the Annual Report of the Department of Local Government and Regional Development for the financial year ending 30 June, 2004.

The Annual Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.



Cheryl Gwilliam  
**DIRECTOR GENERAL**

31 August, 2004

## Department Profile

The Department of Local Government and Regional Development maintains a vital role in guiding the quality of community life in Western Australia. It works to increase the capacity of our multicultural communities to develop good government, economic growth, social well-being and environmental sustainability.

The Department develops and reviews policy for the State Government and conducts research, analysis and strategic planning in relevant fields and fulfils a regulatory role.

Key stakeholders include the Minister for Local Government and Regional Development; Local, State and the Australian Government; regional development commissions; community groups; business organisations and the public.

This Annual Report provides an overview of the Department's activities for the 2003-04 financial year. It provides information on the strategic focus of the agency, issues and trends that will impact on its activities and future directions for the Department.

The Annual Report also provides audited financial statements and performance indicators for the Department's operations.

# Table of Contents

Director General's Overview .....	5
2003 – 04 at a Glance .....	7
Compliance .....	10
Strategic Focus .....	12
Vision .....	12
Principles .....	12
Service Standards .....	12
Strategic Objectives .....	12
Outcome .....	12
Outputs .....	12
Department Structure and Staff .....	13
Corporate Executive .....	14
Strategies and Legislation .....	15
Capacity Building .....	16
Governance and Statutory Support .....	16
Corporate Business Services .....	18
Operational Summary .....	20
Performance Against Output Measures .....	21
Contribution to the Strategic Planning Framework .....	25
Trends and Issues .....	28
Activities Against Output .....	32
Output 1: Implementation of Government Policy .....	32
Output 2: Improved Access to Services and Capacity for Development in Regional Communities .....	37
Output 3: Better Local Government .....	45
Report on Customer Outcomes .....	54
Report on Corporate Outcomes .....	56
Financial Statements .....	58
Notes to Financial Statements .....	65
Performance Indicators .....	87
Efficiency Indicators .....	89
Effectiveness Indicators .....	90

## Director General's Overview

There have been many opportunities for consolidating the work of the Department during 2003-04. A particular focus has been on the following outcome:

“An increased capacity of our multicultural communities to develop good government, economic growth, social well-being and environmental sustainability.”

In particular, the Regional Development Policy *Regional Western Australia – A Better Place to Live*, prepared by the Department and released by the Premier, Geoff Gallop in November, 2003 has provided a clear direction for all State agencies when providing services and assistance to non-metropolitan areas.

The focus of the policy has also been supported by the Department's work on the National Regional Development Council's paper *Attracting and Retaining Skilled People in Regional Australia*.

Further assistance to regional communities has been provided through the Government's Regional Investment Fund (RIF), which has provided \$9.8 million to support the construction of regional infrastructure and assist cross-regional projects. In 2003-04, two new programs were introduced under the RIF – the Indigenous Arts and Tourism Funding Program and the Indigenous Infrastructure Projects Program.

The Department also supports the activities of a network of over 100 telecentres throughout the State. These provide modern communication technologies which make doing business throughout regional Western Australia much easier.

The importance of good governance cannot be overstated and community leadership is a vital ingredient. I am pleased to note that the Department's WA Community Leadership Program has so far provided training and development opportunities for many people across regional Western Australia.

Issues relating to the provision of good leadership have also underpinned the activities of the Department in relation to its vital role in supporting local government. Many new councillors were elected at the May 2003 local government elections and the Department has helped to support those who were elected to the positions of Mayor or President for the first time.

The Department strongly encourages diversity in local government at both the council and administrative level. This year, the Department has looked at ways of encouraging young Indigenous people (through the development of the Young Indigenous Local Government Scholarship) and women (through the Advisory Committee on Women in Local Government) to participate in Local Government.

While the activities of the vast majority of local governments throughout the State are carried out in a highly professional manner, sometimes the actions of individuals and councils result in public concerns. This has led to the development of a model for dealing with the complaints of improper behaviour against individual elected members, which will be supported by the development of a uniform Code of Conduct for all local governments.

## Director General's Overview

In 2003-04, the administration of two councils was assumed by commissioners – the Shire of Wiluna (which was returned to elected government on 14 June, 2003) and the City of Joondalup, where councillors were suspended on 5 December, 2003. The City of Joondalup is still being administered by commissioners, while a Panel Inquiry considers whether they should be dismissed or reinstated.

The Department is also responsible for promoting positive relationships between State and Local Government. To this end, it has been involved in chairing and providing administrative support to the Partnership Steering Group. This group produced a Partnership Agreement on Communication and Consultation which was signed by the Premier, the Minister for Local Government and Regional Development and the presidents of both the Western Australian Local Government Association and Local Government Managers Australia (WA Division).

The Department is also responsible for administering the *Animal Welfare Act 2002*. Some 150 general inspectors have been appointed under this legislation which provides for a comprehensive coverage of animal protection throughout the State.

A review of the *Dog Act 1976* was also finalised, resulting in some 40 proposals for amendments to the legislation. These will be introduced to Parliament over the coming year.

I would like to thank the Minister for Local Government and Regional Development, the Hon Tom Stephens MLC for his clear strategic direction for the Department.

I would also like to thank my Directors and the individual officers of the Department for their efforts over the 2003-04 year. The scope and diversity of issues addressed by the Department is considerable and it would not be possible to offer such a comprehensive service if it was not for the dedication and support offered to me by my staff.



Cheryl Gwilliam  
**DIRECTOR GENERAL**

## 2003 – 2004 at a Glance

### OUTPUT 1 – IMPLEMENTATION OF GOVERNMENT POLICY

*To ensure that the Minister and the Government are provided with quality information and support.*

#### MAJOR ACHIEVEMENTS

- ❖ Prepared and released the Regional Development Policy, 'Regional Western Australia – A Better Place to Live'.
- ❖ Introduced into Parliament the *Local Government Amendment Bill 2003*, the third Amendment Bill for the *Local Government Act 1995*.
- ❖ Prepared drafting instructions for legislative change to the *Dog Act 1976* following a second round of extensive public consultation as part of a review of the Act.
- ❖ Implemented changes to Local Government Grants Commission methodology as determined by a review conducted in 2002-03.
- ❖ Prepared and released, for public comment, a discussion paper on the *Caravan Parks and Camping Grounds Act 1995*.
- ❖ Prepared the *Local Government (Official Conduct) Amendment Bill* White Paper on the proposed Bill for a new system of dealing with complaints of improper behaviour by elected members. The paper was released for public comment and submissions were reviewed. Drafting instructions, incorporating various changes, were then prepared reflecting comments received and revised positions.
- ❖ Introduced the *Ocean Gardens (Inc) Bill 2003* into Parliament to support the Ombudsman's findings relating to the management of the Ocean Gardens Retirement Village. The Bill passed both houses of Parliament.
- ❖ Prepared and released an 'Economic Perspective Overview' for the nine regions outside of the metropolitan area. The reports are significant economic summaries which contain a detailed economic overview, data on population, employment, unemployment, mining, agriculture, fishing and aquaculture, manufacturing, construction, commerce, tourism, Aboriginal economic development and infrastructure.
- ❖ Prepared a submission to the Australian Government on the Report of the House of Representatives Standing Committee on Economics, Finance and Public Administration entitled 'Rates and Taxes: A Fair Share for Responsible Local Government'.
- ❖ Prepared and released a major report on the attraction and retention of professionals in regional Australia on behalf of the National Regional Development Council.

## 2003 – 2004 at a Glance

### OUTPUT 2 – IMPROVED ACCESS TO SERVICES AND CAPACITY FOR DEVELOPMENT IN REGIONAL COMMUNITIES

*To enhance the social and economic development of communities through the provision of assistance, funding and leadership.*

#### MAJOR ACHIEVEMENTS

- ❖ Allocated funds for projects in regional Western Australia through the third year of the Government's Regional Investment Fund (RIF) including \$9.8 million to support the construction of regional infrastructure and assist cross-regional projects. The RIF also enabled two new funding programs to be established – the Indigenous Arts and Tourism Facilities Funding Program and the Indigenous Infrastructure Projects Program. A total of \$2.839 million was allocated specifically to assist with the development of infrastructure in Indigenous communities.
- ❖ Established and advertised the \$1million Regional Headworks Program (under the RIF), which is designed to encourage, promote and support the sustainable development of regional Western Australia by assisting with the costs of providing essential services (headworks) to eligible commercial or industrial projects.
- ❖ Provided grants to regional communities through the \$1million Community Facilities Grants Program and the \$7.3million Regional Collocation Scheme.
- ❖ Conducted regional investment tours for the Goldfields-Esperance, Pilbara, and Kimberley regions in partnership with regional development commissions.
- ❖ Continued to deliver improvements in access to information and service delivery opportunities for regional communities through the provision of telecentres, Modular Interactive Telecommunications Environments (MITES) and Telecentre Access Points (TAPS). Videoconferencing facilities were also provided for 71 telecentres.
- ❖ Eight Telecentre service and information facilities were established along with the sourcing of a satellite-based videoconferencing solution for remote Indigenous communities.
- ❖ Allocated funding and provided advice and assistance for projects through the \$1million Community Leadership Program. Completed the first 'Making Connections' leadership program designed to strengthen the collective skills of people, providing leadership and associated services to Indigenous communities.



## 2003 – 2004 at a Glance

### OUTPUT 3 – BETTER LOCAL GOVERNMENT

*Through advice, support and compliance monitoring, assist local governments to be more efficient and effective and to achieve good governance and be responsive to community needs.*

#### MAJOR ACHIEVEMENTS

- ❖ Implemented a program to facilitate improvement in the provision of local government services to Indigenous communities.
- ❖ Continued to provide support to local governments through the CEO Support Program, Peer Support Program and Mayors' and Presidents' Support Program.
- ❖ Continued the local government guideline series and produced new guidelines including 'Managing Public Question Time' and 'Council Forums'.
- ❖ Facilitated operational reviews at the City of Joondalup and Town of Bassendean along with a monitoring panel at the Shire of York.
- ❖ Established the Young Indigenous Local Government Scholarship, which provides six scholarships of \$10,000 each to local governments to provide 12-month work placements to young Indigenous people under 30 years.
- ❖ Allocated \$178.2 million in financial assistance grants and local roads grants to 142 local governments and provided advice to the Australian Government on the allocation of a further \$3.1 million to Indian Ocean Territories local governments.
- ❖ Completed an Inquiry into the City of Belmont, which resulted in 33 findings and 13 recommendations and assisted the City in implementing matters arising from the Inquiry. Produced 'Inquiry into the City of Belmont: Lessons for Local Government' publication to assist other local government authorities.
- ❖ Facilitated the appointment of commissioners following the suspension of the City of Joondalup council. A Panel of Inquiry was appointed on 8 April, 2004.
- ❖ Significant progress has been made to complete guidelines and a model contract for the employment of chief executive officers, prepared in response to the Parliamentary Inquiry into the City of Joondalup.

# Compliance

## STATEMENT OF COMPLIANCE WITH RELEVANT WRITTEN LAWS

### Legislation Administered by the Department (as at 30 June, 2004)

#### Acts

- *Caravan Parks and Camping Grounds Act 1995*
- *Cemeteries Act 1986*
- *City of Perth Restructuring Act 1993*
- *Control of Vehicles (Off-road Areas) Act 1978*
- *Dog Act 1976*
- *Local Government Act 1995*
- *Local Government Grants Act 1978*
- *Local Government (Miscellaneous Provisions) Act 1960 (except for parts 8 and 15)*
- *Animal Welfare Act 2002*
- *Regional Development Commissions Act 1993*
- *City of Fremantle and Town of East Fremantle Trust Funds Act 1961*
- *Ocean Gardens (Inc.) Act 2004*
- *Tamala Park Land Transfer Act 2001*

Regulations associated with these Acts are also administered.

#### Compliance with Written Laws

The Department complies with the following written laws:

- *Disability Services Act 1993*
- *Equal Opportunity Act 1984*
- *Financial Administration and Audit Act 1985*
- *Freedom of Information Act 1992*
- *Industrial Relations Act 1979*
- *Library Board of Western Australia Act 1951*
- *Minimum Conditions for Employment Act 1993*
- *Occupational Safety and Health Act 1984*
- *Public Sector Management Act 1994*
- *State Records Act 2000*
- *Public Interest Disclosure Act 2003*

## COMPLIANCE WITH PUBLIC SECTOR MANAGEMENT ACT SECTION 31(1)

I have complied with the Public Sector Standards in Human Resource Management, the Code of Ethics and the Department's Code of Conduct.

I have implemented procedures designed to ensure such compliance and conducted appropriate internal checks to satisfy myself that the statement made above is correct.

A total of 17 recruitment processes were completed during 2003-04.

# Compliance

The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Number lodged	Nil
Number of breaches found, including details of multiple breaches per application	Nil
Number still under review	Nil

## COMPLIANCE WITH ELECTORAL ACT 1907 SECTION 175ZE(1)

Any public agency required to publish an Annual Report under the FAAA or any other law is required under section 175ZE (1) to include a statement in the annual report setting out the details of all expenditure in relation to

- advertising agencies;
- market research organisations;
- polling organisations;
- direct mail organisations; and
- media advertising organisations

detailing the amount of the expenditure and in relation to each class of expenditure constituted by subsection (1) the amount of the expenditure for the class, and the name of each person, agency or organisation to whom an amount was paid.

In compliance with the above, the following is submitted:

Marketforce (for advertising)	\$41,411.49
Patterson Market Research	\$ 9,735.00

## COMPLIANCE WITH PUBLIC INTEREST DISCLOSURES ACT 2003 SECTION 23 (1) (F)

The Department has complied with its obligations under the Act (S 23 (1) (F)). A Public Interest Disclosures (PID) Officer has been appointed and internal procedures relating to obligations have been published.

No PIDs were received by the Department in 2003-04.



C GWILLIAM  
**ACCOUNTABLE OFFICER**

31 August, 2004

# Strategic Focus

## Vision

An increased capacity of our multicultural communities to develop good government, economic growth, social well-being and environmental sustainability.

## Our Principles

The Department has four guiding principles to help achieve its vision:

- to practice good communication and collaboration with clients and stakeholders;
- to provide quality advice;
- to develop quality services and products; and
- to foster balanced consideration of social, economic and environmental issues.

## Our Service Standards

The Department aims to ensure:

- prompt and efficient response to customer enquiries and requests for information;
- staff are honest, ethical and professional and maintain confidentiality;
- the delivery of appropriate services in a timely and helpful manner;
- consultation with our customers on all key projects;
- activities are refined based on industry feedback; and
- sensitive material is managed with care and consideration.

**T**he Department of Local Government and Regional Development supports the State Government's vision of creating a growing and diversified economy with strong and vibrant regions and safe, healthy and supportive communities.

In assisting the Government to achieve its vision, the Department has an important role in developing and implementing policies and strategies to improve the provision of services to regional communities and to ensure all communities throughout the State receive good governance.

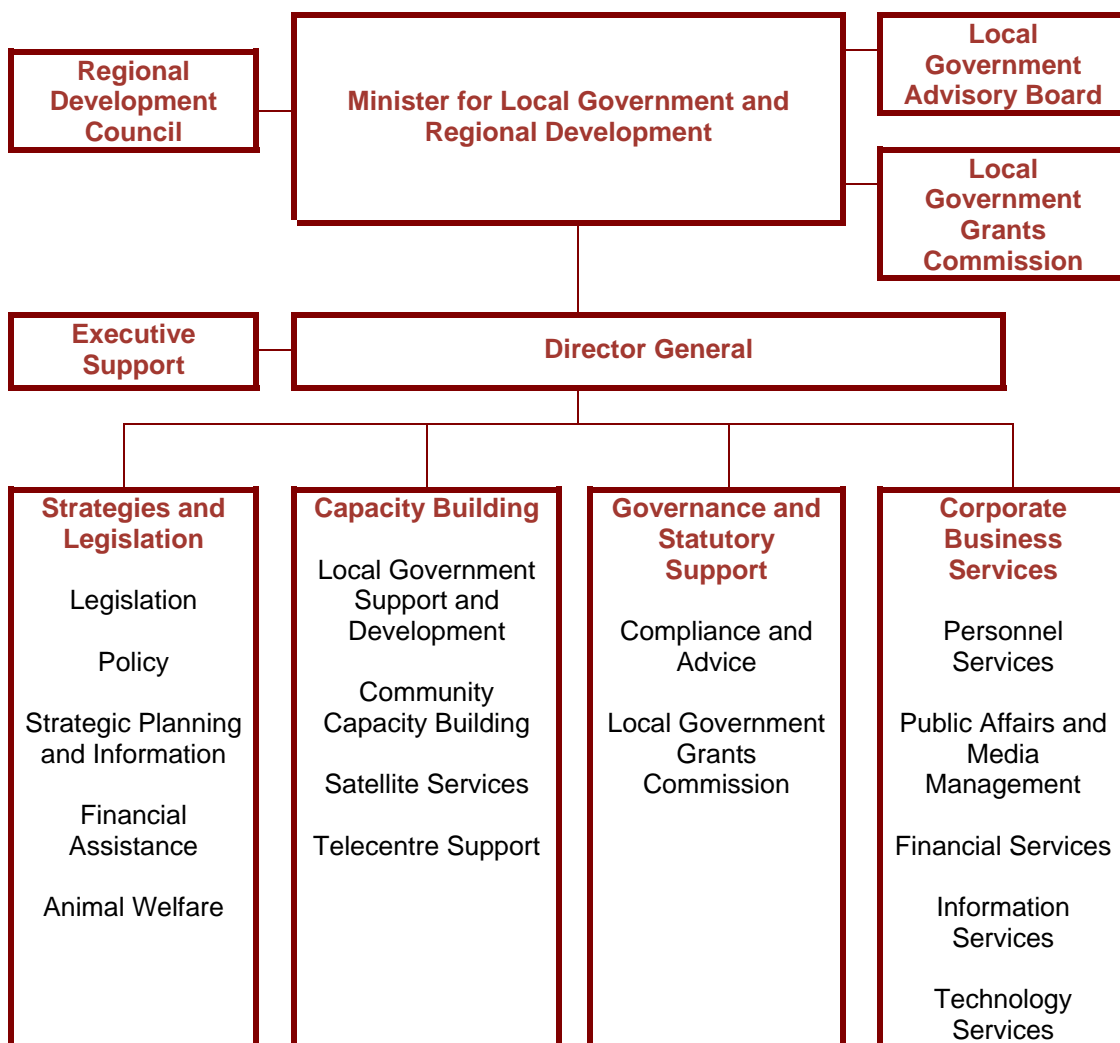
The relationship between the Department's three output areas and the Government's strategic objectives is outlined below.

<b>Government Strategic Objectives</b>	<b>Desired Outcome</b>	<b>Outputs</b>
<p>To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.</p> <p>To ensure that regional Western Australia is strong and vibrant.</p>	<p>An increased capacity of our multicultural communities to develop good government, economic growth, social well-being and environmental sustainability.</p>	<p><b>1. Implementation of Government policy</b> Ensuring that the Minister and the Government are provided with quality information and support.</p>
		<p><b>2. Improved access to services and capacity for development in regional communities</b> Enhancing the social and economic development of communities through the provision of assistance, funding and leadership.</p>
		<p><b>3. Better local government</b> Through advice, support and compliance monitoring, assist local governments to be more efficient and effective and to achieve good governance and be responsive to community needs.</p>

# Department Structure and Staff

**T**he Department comprises four divisions:

- *Strategies and Legislation;*
- *Capacity Building;*
- *Governance and Statutory Support; and*
- *Corporate Business Services.*



# Department Structure and Staff

## CORPORATE EXECUTIVE

**Cheryl Gwilliam**, *Director General (B.A. (Politics); B.Ec; M. Industrial Relations)*

Ms Gwilliam has extensive experience in public sector management, including as former CEO of the State Supply Commission and executive positions with contracting and industry agencies.

**Ian Cowie**, *Director Strategies and Legislation (B.A. (Hons 1<sup>st</sup> Class); M. Sc. (Econs)*

Mr Cowie has a strong public sector policy background and been involved with many legislative reforms relevant to Local Government.

**Stephen Cole**, *Director Capacity Building (Assoc. App Geology; B.Ec)*

Mr Cole has extensive experience in Local Government operations. He also has been involved in the development of a significant number of projects relating to regional development initiatives including the Telecentre Network throughout the State.

**Quentin Harrington**, *Director Governance and Statutory Support (M. Sc. Agric.)*

Mr Harrington has a strong public sector policy background. He has also been extensively involved in industry and policy development in regional and non-regional areas.

**Andre Faulkner**, *Director Corporate Business Services (B. App Sc. Psych.; M. Psych.)*

Mr Faulkner has extensive experience in the corporate services area and has worked in a number of different organisations and agencies in varying financial, human resource and administrative roles.

# Department Structure and Staff

## STRATEGIES AND LEGISLATION DIVISION

The Strategies and Legislation Division reviews, develops and implements policy and legislation. It also ensures that the research, strategic planning and data needs for the work of the agency are met. The division manages key programs under the Government's four-year Regional Investment Fund and administers various other funding schemes for local governments and community groups. The division comprises five branches:

**Legislation** coordinates the preparation of legislation administered by the Department. It also monitors the statutory procedures and content of local laws being adopted by local governments. The Department is responsible for the *Local Government Act 1995* and other legislation principally relating to regional development commissions, dogs, caravan parks and camping grounds, off-road vehicles, animal welfare and cemeteries. The branch also provides advice on legislative matters to local governments and other government agencies.

**Policy** coordinates the Department's strategic policy development to meet the Government's policy commitments. It conducts reviews of relevant legislation and prepares policy recommendations and advice for the Minister. It also conducts relevant research and liaises with key industry stakeholders. The branch is also responsible for providing support for the State Regional Development Council and is an active partner with other government agencies in the development of whole-of-government policy and strategies that impact upon local governments and regional development such as the State Sustainability Strategy. The branch also supports relevant Ministerial councils.

**Strategic Planning and Information** is responsible for strategic planning, budget preparation (outputs, outcomes and targets) and agency performance reporting. It is also responsible for local government statistical information and the provision of statistical and economic data to assist regional development commissions and other organisations that promote regional development.

**Financial Assistance** is responsible for the management of the Department's grant programs. It is responsible for the development and ongoing implementation of the Regional Infrastructure Funding Program and the WA Regional Initiatives Scheme as part of the Government's major regional funding initiative - the Regional Investment Fund. Other programs administered by the branch include the Regional Collocation Scheme, Community Facilities Grants Program, Indigenous Arts and Tourism Facilities Funding Program, Indigenous Infrastructure Projects Program and Regional Headworks. It is also responsible for the management and delivery of regional investment tours.

**The Animal Welfare Branch** administers the *Animal Welfare Act 2002*, develops and implements animal welfare strategies in line with Government and departmental policies, and liaises with other Government and non-Government agencies and the community on animal welfare issues. In addition, the branch provides training to General Inspectors appointed under the Act. The branch manager is appointed as Scientific Inspector and has a statutory responsibility to monitor the use of animals by, and the supply of animals to, scientific establishments in WA. Licensing of these establishments is also performed by the branch.

# Department Structure and Staff

## CAPACITY BUILDING DIVISION

The Capacity Building Division supports and develops initiatives that provide Western Australian communities and organisations with the necessary infrastructure, including skills, resources, networks and information to allow them to pursue their own development. There are four branches within this division.

**Local Government Support and Development** provides advice and support to local government elected members and officers on the operation of the *Local Government Act (and regulations) 1995*, which assists local governments to function efficiently and effectively. The branch conducts programs, such as the Council Advice Program, CEO Support Program, Mayors' and Presidents' Support Program and Peer Support Team that provide assistance and advice and draw on the experiences of people in the industry to comment on council processes, recommend best practice and provide a mentoring role. The branch also develops guidelines and procedures to support local governments' operations.

**Community Capacity Building** provides advice, assistance and information to communities to enhance their economic and social development. It develops and implements cross-regional policies and strategies to develop skills and strengthen communities and is involved with the development of leadership programs.

**Satellite Services** through Westlink, provides communication services to more than 200 regional and remote communities using satellite technology. Facilities include broadcasting studio access for government agencies and private sector clients, videoconferencing and technical support for satellite receiving equipment.

**Telecentre Support** provides financial assistance and development support to the Western Australian Telecentre Network. Telecentres are established as not-for-profit community managed facilities that provide country residents with local access to Internet-enabled computers, two-way 128kb videoconferencing, photocopiers, facsimile machines, a wide range of information and referral services for government agencies and a satellite teaching service. Development support includes training, assistance in developing annual activities, assistance in attracting grants and help to establish community development projects.

## GOVERNANCE AND STATUTORY SUPPORT DIVISION

The Governance and Statutory Support Division oversees the understanding of, and compliance by, local governments with legislation administered by the Department. It offers guidance on the various Acts that the Department is responsible for and undertakes inquiries and investigations into breaches of these Acts. It also supports a range of commissions, boards and committees engaged in providing representation, advocacy and advice to government. There are two branches within this division.



## Department Structure and Staff

**Western Australian Local Government Grants Commission** is responsible for determining and distributing Australian Government general-purpose financial assistance grants to local governments. This is a requirement under the Australian Government's *Local Government (Financial Assistance) Act 1995*. The Grants Commission also produces a separate annual report of its operations which can be accessed from the Department's website at:

[www.dlgrd.wa.gov.au/localGovt/grantsComm/annualReports.asp](http://www.dlgrd.wa.gov.au/localGovt/grantsComm/annualReports.asp)

**Compliance and Advice** deals with compliance with the *Local Government Act 1995*. It reviews local government statutory compliance returns and auditor's reports and undertakes compliance audits on local governments. The branch is also responsible for dealing with complaints about local governments and investigations into local government. Other key roles include providing advice to the Minister on the operation of the *Caravan Parks and Camping Grounds Regulations 1997*, *Cemeteries Act 1986*, *Dog Act 1976* and *Control of Vehicles (Off-road areas) Act 1978*, processing appeals and approvals under relevant Acts and supporting several statutory boards and committees, including the Local Government Advisory Board.

**Local Government Advisory Board** considers proposals for changes to district boundaries, wards and representation of local governments. These proposals can originate from the Minister for Local Government and Regional Development, local governments and members of the public. After the Board has considered a proposal, a recommendation is made to the Minister who makes a decision about any proposed changes.

The Board comprises five members representing local government councillors, local government officers and State Government officers.

The Advisory Board also produces a separate annual report of its operations which can be accessed from the Department's website at:

[www.dlgrd.wa.gov.au/localGovt/advisoryBoard/annualReports.asp](http://www.dlgrd.wa.gov.au/localGovt/advisoryBoard/annualReports.asp)

# Department Structure and Staff

## CORPORATE BUSINESS SERVICES

Corporate Business Services provides a range of support services for the Department including:

- Personnel Services;
- Public Affairs and Media Management;
- Financial Services;
- Information Services; and
- Technology Services.

### ***Career and Personal Development***

The Department is committed to the development of its employees and providing a satisfying and rewarding working environment.

An example of this is the Workplace Development Program which was implemented this year. The program has facilitated a greater range of training and development options for staff with approximately 450 hours of training provided to employees.

In 2004-05, the Department will focus on enhancing the skills of mid-level management.

### ***Occupational, Health, Safety, Worker's Compensation and Rehabilitation***

No new workers compensation claims were lodged in 2003-04 and there were no employees undergoing rehabilitation.

The Department's Wellness Program has continued to bring many benefits to staff. The program aims to raise the profile of health issues as they apply to personal and work contexts to assist employees in gaining self-awareness and achieving a healthy and balanced lifestyle.

As part of the Department's positive approach to staff health, complimentary influenza vaccinations and a gymnasium membership were offered to all employees.

### ***Cultural Diversity and Language Services Outcomes***

The Department has implemented initiatives such as promoting the use of Translating and Interpreting Services and using multilingual staff within the Department, to address potential language barriers that impact on customer service.

### ***Staff Profile***

As at 30 June, 2004 the Department had 107 employees, 53 female and 54 male. The following table illustrates the gender ratio for salary ranges.

Of the total staff employed by the Department, 77.5% were employed on a full-time basis, 6.5% on a part-time basis and 16% on term contracts.

# Department Structure and Staff

Salary Range (\$)			
	Total	Women	Men
0 - 35,951	8	7	1
35,952 - 41,420	9	6	3
41,421 - 46,640	13	9	4
46,641 - 51,883	16	13	3
51,884 - 60,377	24	8	16
60,378 - 70,355	15	6	9
70,356 - 79,686	11	3	8
79,687 - 91,298	3	0	3
91,299 - 103,693	5	0	5
greater than 103,693	3	1	2
Total	107	53	54
Employment Type			
	Total	Women	Men
Permanent Full-time	83	35	48
Permanent Part-time	7	6	1
Fixed Term Full-time	14	9	5
Fixed Term Part-time	3	3	0
	107	53	54

## HUMAN RESOURCE FUTURE DIRECTIONS

### EEO Programs

The Department continues to encourage the recruitment of people with culturally diverse backgrounds, people with disabilities and youth. The strategies that have been developed are creating a more diverse workforce.

### Youth Employment and Training

The Department is committed to youth employment and training. In 2004-05, the Department will endeavour to contribute by employing two trainees; two graduates; up to three entry-level clerical officers to replace staff on leave/secondments; and up to five structured work experience placements from tertiary institutions.

### Job Exchange

The Department will be working to strengthen its relationships with local governments and regional development commissions by implementing a job exchange program.

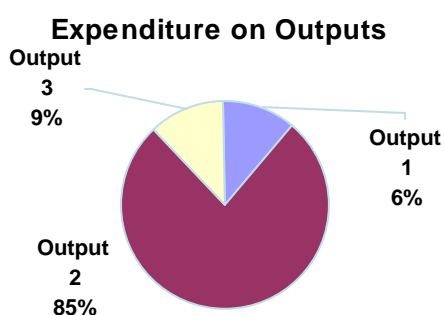
The exchanges will broaden the knowledge and skills of participants and are considered a positive approach to staff development. Such initiatives will also support the Department's understanding and awareness of the operational issues facing local governments and regional development commissions.

# Operational Summary

During 2003-04, the Department spent \$37.462 million to provide advice and services to its key stakeholders. A total of \$21.7 million was committed to projects through the Regional Investment Fund.

## Funding of Outcome and Outputs

Department of Local Government and Regional Development funding is allocated to support its three output areas as shown below. Output 2, 'Improved access to services and capacity for development in regional communities', accounts for 85% of the Department's expenditure.



OUTPUTS	Estimate \$,000	Actual \$,000
Output 1: Implementation of Government policy	2,081	2,327
Output 2: Improved access to services and capacity for development in regional communities	32,628	32,172
Output 3: Better local government	3,223	2,963
<b>TOTAL EXPENDITURE</b>	<b>37,932</b>	<b>37,462</b>

# Operational Summary

## Performance Against Output Measures

### Output 1: Implementation of Government Policy

#### Key Effectiveness Indicator

	2003-04 Target	2003-04 Actual	
Ministerial office satisfaction with policy and legislative advice .....	60%	86%	Previously shown as a numeric score from a 5-point rating scale. Now shown as a percentage rating from a 7-point rating scale.

#### Output Performance Measures

	2003-04 Target	2003-04 Actual	Reason for Significant Variations
<b>Quantity</b>			
Written advice requiring Minister's attention.....	1500	3,306	Underestimation of number.
Legislative amendments drafted.....	5	5	
<b>Quality</b>			
Minister's satisfaction with the quality of service delivered from the Department.....	60%	86%	Previously shown as a numeric score from a 5-point rating scale. Now shown as a percentage rating from a 7-point rating scale.
<b>Timeliness</b>			
Minister's satisfaction with the timeliness of the service delivered from the Department.....	60%	86%	Previously shown as a numeric score from a 5-point rating scale. Now shown as a percentage rating from a 7-point rating scale.
<b>Cost (Efficiency)</b>			
Average cost per piece of written advice requiring Minister's attention.....	\$1,168	\$626	Reflects lower than expected number of written advices.
Average cost of legislative amendments drafted.....	\$65,800	\$51,600	Underestimation of costs.

# Operational Summary

## Output 2: Improved Access to Services and Capacity for Development in Regional Communities

### Key Effectiveness Indicator

	2003-04 Target	2003-04 Actual
Client satisfaction with information and services.....	75%	86%

### Output Performance Measures

	2003-04 Target	2003-04 Actual	Reason for Significant Variations
<b>Quantity</b>			
Advice and information provided to clients.....	38,000	30,605	Overestimation of quantity target.
Applications for financial assistance evaluated. ....	390	501	
Local governments assessed for financial assistance. ....	144	144	
Satellite receiving sites installed and supported.....	231	241	
Applications funded for financial assistance.....	300	378	
<b>Quality</b>			
Survey results of client satisfaction with the level of quality of service delivered by the Department. ....	75%	82%	
<b>Timeliness</b>			
Client satisfaction with the Department's response time for dealing with service delivery and other issues.....	75%	84%	
<b>Cost (Efficiency)</b>			
Average cost per advice and information provided to clients. ....	\$80	\$96	
Average cost per application evaluated. ....	\$9,862	\$9,861	
Average cost per local government assessed.....	\$2,812	\$3,433	
Average internal cost per satellite site supported.....	\$7,294	\$6,283	
Average grant approved for local and regional communities.....	\$78,840	\$58,939	Value of grants distributed was lower than expected.

# Operational Summary

## Output 3: Better Local Government

### Key Effectiveness Indicator

	2003-04 Target	2003-04 Actual
Conclusions drawn from Departmental investigations are substantially accepted by the appropriate authority.....	80%	86%

### Output Performance Measures

	2003-04 Target	2003-04 Actual	Reason for Significant Variations
<b>Quantity</b>			
Building appeals .....	300	0	Transferred to Dept. of Housing and Works.
Telephone enquiries dealt with .....	22,000	9,504	Responsibility for <i>Dividing Fences Act 1972</i> transferred to Dept. of Housing and Works.
Inquires and investigations .....	300	332	
Items of Departmental correspondence (advice) prepared. ....	8,500	9,367	
Local governments monitored ..	144	144	
Applications for boundary change processed. ....	40	30	
<b>Quality</b>			
Ministerial Office satisfaction with the quality of inquiry and investigation reports.....	80%	86%	Previously shown as a numeric score from a 5-point rating scale. Now shown as a percentage rating from a 7-point rating scale.
Ministerial Office satisfaction with the quality of boundary changes reports.....	80%	100%	Previously shown as a numeric score from a 5-point rating scale. Now shown as a percentage rating from a 7-point rating scale.

## Operational Summary

	2003-04 Target	2003-04 Actual	Reason for Significant Variations
<b>Timeliness</b>			
Ministerial Office satisfaction with the timeliness of inquiry and investigation reports..... ..... .....	80%	86%	Previously shown as a numeric score from a 5- point rating scale. Now shown as a percentage rating from a 7-point rating scale.
Ministerial Office satisfaction with the timeliness of boundary changes reports ..... .....	80%	100%	Previously shown as a numeric score from a 5- point rating scale. Now shown as a percentage rating from a 7-point rating scale.
<b>Cost (Efficiency)</b>			
Average cost per building appeal .....	\$567	\$0	See note above.
Average cost per telephone enquiry.....	\$29	\$61	See note above.
Average cost per inquiry and investigation.....	\$1,364	\$1,421	
Average cost per item of correspondence (advice) prepared.....	\$145	\$120	
Average cost of monitoring each local government.....	\$4,116	\$4,656	
Average cost per dealing with an application for boundary change.....	\$3,346	\$3,872	



# Contribution to the Strategic Planning Framework, Better Planning: Better Services

Goals	Strategic Outcomes		Strategic Initiatives
<b>People and Communities</b> <i>To enhance the quality of life and well-being of all people throughout the State</i>	Safe and secure Western Australian communities  Enhances safety, security and wellbeing of the vulnerable within our community  Opportunities for health, participation and security are optimised in order to enhance the quality of life as people age	A society where Indigenous Australians have greater economic and social opportunities and the capacity to determine their own lives  Vibrant communities that enhance and promote safety, a sense of openness, walkability, our rich cultural diversity and the Western Australian lifestyle	Response to the Gordon Inquiry (participant) State Crime Reduction Strategy (participant) Regional Western Australia – A Better Place to Live (coordinator)
<b>Department Output</b> <b>Output 2:</b> Improved access to services and capacity for development in regional communities	Contributing factors to social and economic disadvantage in our community are addressed		<b>Department Programs</b> Telecentre Support Westlink Community Capacity Building Local Government Development and Support
<b>The Economy</b> <i>To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth</i>	New jobs and employment growth  Plentiful and diversified employment opportunities  Greater economic infrastructure that facilitates new development	An environment that encourages diversification, investment and exports for economic growth whilst ensuring that the community and global environmental and social goals are met.	Regional Western Australia – A Better Place to Live (coordinator)
<b>Department Outputs</b> <b>Output 1:</b> Implementation of government policy <b>Output 2:</b> Improved access to services and capacity for development in regional communities	Appropriate and competitive pricing regimes for land, infrastructure (roads, rail and ports), services and utilities	All Western Australians sharing the benefits of economic growth	<b>Department Programs</b> Policy Advice Legislation Local Government Grants Financial Assistance (particularly the Regional Investment Fund) Regional Headworks

# Contribution to the Strategic Planning Framework, Better Planning: Better Services

Goals	Strategic Outcomes		Strategic Initiatives
<p><b>The Environment</b> To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected</p>	<p>Effective contribution to global efforts to reduce Greenhouse emissions</p> <p>Supported management and sustainable development of Indigenous held land</p>		<p>Draft State Greenhouse Strategy (participant) Sustainable Energy Policy (participant) State Sustainability Strategy (participant)</p>
<p><b>Department Output</b> <b>Output 1:</b> Implementation of government policy</p>			<p>Department Programs Policy</p>
<p><b>The Regions</b> To ensure that regional Western Australia is strong and vibrant</p>	<p>Enhance government decision-making based on a thorough understanding of regional issues</p> <p>Planning in partnership for a sustainable future</p>	<p>Lifelong learning in the regions</p> <p>Effective health service delivery</p> <p>Safe and cohesive regional communities</p> <p>Enhanced quality of regional lifestyles</p>	<p><i>Regional Western Australia – A Better Place to Live</i> (coordinator)</p> <p>Community Leadership Plan (coordinator)</p>
<p><b>Department Output</b> <b>Output 1:</b> Implementation of government policy <b>Output 2:</b> Improved access to services and capacity for development in regional communities <b>Output 3</b> Better local government</p>	<p>Effective government service delivery to the regions that is responsive to the needs of diverse communities</p> <p>More skilled regional communities</p> <p>Improved regional infrastructure</p> <p>Diversified regional economies</p> <p>Enhanced regional investment</p> <p>Fair pricing for regional residents and businesses</p>	<p>Improved environmental management</p> <p>Sustainable natural resource management</p> <p>Conserved and restored natural and built heritage</p>	<p><b>Department Programs</b> Policy Telecentre Support Westlink Community Capacity Building Local Government Development and Support Financial Assistance Legislation Strategic Planning and Information</p>

# Contribution to the Strategic Planning Framework, Better Planning: Better Services

Goals	Strategic Outcomes		Strategic Initiatives
<b>Governance</b> To govern for all Western Australians in an open, effective and efficient manner	Coordinated, integrated, high quality service delivery to the community  Better opportunities for the community to participate in and make creative and effective contributions to government processes	Influence over Australian Government policy and resource allocation for the benefit of Western Australia  Increased use of information, communications and technology to provide better services	<i>Regional Western Australia – A Better Place to Live</i> (coordinator)  Partnerships with Local Government (coordinator)  Community Leadership Plan (coordinator)
<b>Department Outputs</b> <b>Output 1:</b> Implementation of government policy <b>Output 2:</b> Improved access to services and capacity for development in regional communities <b>Output 3</b> Better local government	Whole of Government approaches to planning, decision making and resource allocation  Sustainability considerations inform planning and decision making  Effective partnerships with Australian and local governments, the private sector and the wider community	An efficient government sector that provides value for money service delivery  Reduced red tape and compliance costs  Reduced incidence of corruption in all its forms  Appropriate and competitive pricing regimes	<b>Department Programs</b> Policy Local Government Development and Support Community Capacity Building Compliance and Advice Legislation Animal Welfare

# Trends and Issues

## DEMOGRAPHIC TRENDS

### Population distribution

Western Australia is characterised by a highly centralised population, with only 27% of the population living outside of the metropolitan area. Much of the non-metropolitan population resides in regional centres such as Mandurah, Bunbury, Albany, Geraldton and Kalgoorlie. This tendency is likely to continue. Based on population projections produced by the Department of Planning and Infrastructure, it is anticipated that Western Australia's population will have reached more than two million people by 2006. This is likely to be distributed in a similar manner but with a greater proportion of the State's population living in the Peel and South West regions.

Region	2001 (1)	%	2006 (2)	%
Perth	1,336,349	73	1,500,000	72
South West	127,698	10	222,000	11
Peel	56,926			
Great Southern	50,918	3	56,000	3
Wheatbelt	69,410	4	79,000	4
Goldfield – Esperance	52,763	4	68,000	3
Mid West	48,269	3	68,000	3
Gascoyne	9,889			
Pilbara	37,762	2	45,000	2
Kimberley	31,222	2	34,000	2
Total	1,823,206		2,074,004	

Source:

<sup>1</sup> Australian Bureau of Statistics Catalogue 2015.0

<sup>2</sup> Ministry for Planning (2000)

### Implications

*All regions should experience some population increase over the next few years. However, the rate of increase will be greater in the South West and Peel regions and this will place increasing pressure on services and infrastructure.*

*The continued dominance of the metropolitan area is likely to maintain questions about the equitable delivery of services to non-metropolitan areas.*

### Ageing population

Seniors over the age of 65 were the fastest growing age group during the inter-census period. However, some areas, in particular the South Eastern, Kimberley and Pilbara Statistical Divisions had significantly lower proportions of people over the age of 65. This reflects, in part, the nature of the industrial base of these areas.

### Implications

*The age structure of a community reflects the economically active population and thus the potential for economic growth. It has implications for both the potential for development and also the requirements for services and infrastructure.*

## Trends and Issues

<b>Percentage of Residents in 0-14 and 65+ Age Cohorts</b>				
<b>Statistical Division</b>	<b>1996<sup>1</sup></b>		<b>2001</b>	
	<b>0-14</b>	<b>65+</b>	<b>0-14+</b>	<b>65+</b>
Perth	21.5	10.8	20.6	11.2
South West	25.3	11.9	23.3	12.8
Upper Great Southern	25.5	10.6	23.8	11.6
Lower Great Southern	25.3	11.5	23.5	12.7
Midlands	25.3	10.0	23.9	11.6
South Eastern	24.3	5.3	24.2	6.1
Central	22.4	10.9	21.9	12.6
Pilbara	25.6	4.3	24.2	4.6
Kimberley	23.6	8.7	21.8	8.4
<b>Total</b>	<b>22.4</b>	<b>10.5</b>	<b>21.3</b>	<b>11.1</b>

Source:

<sup>1</sup> Australian Bureau of Statistics Catalogue 2015.0

### Access to Services

#### Indigenous communities

There is a need to develop capacity building and governance initiatives in remote Indigenous communities and to further develop the relationship between these communities and local government. With the decision to abolish ATSIC, there is widespread support for Indigenous policy and service delivery to be based on local and regional partnership approaches. The role of Local Government is a key issue in Indigenous policy.

#### Implications

The Department will be focusing on assisting in the development of:

- Indigenous community corporate governance and capacity building;
- local government services to Indigenous communities; and
- regional structures to support Indigenous community social and economic development.

#### E-government

There is a continuing need for government to ensure the co-ordination of service delivery by agencies into regional communities and to provide access to e-government information and services to improve service delivery to the community. There are currently 115 telecentres (including seven Modular Interactive Telecommunications Environments and eight remote Indigenous community telecentres) and 36 Telecentre Access Points. These provide an essential network that provides access to e-government information and services throughout regional Western Australia.

In 2004-05, the focus will be on supporting these services.

# Trends and Issues

## **Implications**

*The Regional Collocation Scheme will continue to provide capital works grants to assist with the development of appropriate infrastructure (eg. facilities known as multi-function outlets or community resource centres) for the collocation of government and non-government organisations involved in regional economic or community development.*

## **Attracting and retaining skilled people in the regions**

The attraction and retention of professional and skilled people to live and work in regional communities is a significant challenge in building sustainable regions.

## **Implications**

*The Department has overseen the production of a report on attraction and retention of skilled people to regional communities. This issue will also be a focus for the National Regional Development Council.*

## **Leadership**

There has been a strong commitment to empowering communities to take responsibility for determining the type of leadership development being offered. This has led to the need to develop a range of partnerships with local government, regional development commissions, Indigenous corporations and other agencies involved in service delivery to the community.

## **Implications**

*The Government has been actively involved in promoting leadership development throughout Western Australia. In line with this, the Department is supporting a series of leadership training programs in partnership with regional development commissions, local government and community organisations. The programs have a strong commitment to incorporating the needs of Indigenous community leaders.*

## **Partnerships**

There is a strong commitment in both State and Local Government to improve cooperation to enhance sustainable social, environmental and economic development of Western Australia. This, coupled with the understanding that both spheres of government have important roles to play in achieving sustainable outcomes, has resulted in the development of a partnership approach.

## **Implications**

*The signing of a consultation and communications partnership agreement between State and Local Government has paved the way to developing a range of agreements to address matters of common interest. The agreement will help ensure important decisions at both levels of government are based on best available information.*

# Trends and Issues

## Conduct of elected members

New legislation is proposed to provide a framework through which improper conduct by elected members can be dealt with. 2004-05 will see the introduction of legislation to create a two-tier system to deal with matters relating to the conduct of elected members. To support this process, a uniform Code of Conduct will be developed. Contraventions of this code will be referred to a Local Government Standards Panel. Serious contraventions of legislation may be referred to the Director General of the Department who may refer them to the new State Administrative Tribunal for assessment and imposition of penalties.

### **Implications**

*A Local Government Standards Panel will have the power to require an elected member to give a public apology or undertake a training course, and may publicly censure an elected member. The same sanctions will be available to the State Administrative Tribunal, plus the power to suspend an elected member from attending council or committee meetings, with no meeting fees to be paid, for up to six months, or disqualify an elected member for a period not exceeding five years.*

## Local government elections

In May, 2003 143 local governments held elections with 1,150 candidates standing for 803 positions - 659 non-metropolitan and 144 metropolitan.

Contested elections were held by 116 local governments and 27 were uncontested. Of the 803 vacant positions, 498 (62%) were contested by two or more candidates and 305 (38%) were uncontested. Of the contested positions, 80% were in the metropolitan area and 58% were in non-metropolitan areas.

Overall voter turnout Statewide was 26%. Voter turnout averaged at 25% in the metropolitan area and 29% in non-metropolitan areas.

### **Implications**

*Consideration is being given to strategies to improve candidacy and voter turnout for the May 2005 local government elections.*

# Activities Against Output

## OUTPUT 1: IMPLEMENTATION OF GOVERNMENT POLICY

### Output Description

*To ensure that the Minister and the Government are provided with quality information and support.*

### LEGISLATION

#### **Amendments to the *Local Government Act 1995* and associated regulations**

The Department finalised the *Local Government Amendment Bill 2003*, the first major Amendment Bill for the *Local Government Act 1995* following consultation with the WA Local Government Association and Local Government Managers Australia (WA). The Bill is principally designed to improve the efficiency of operations of Local Government and will incorporate many changes to the existing legislation including reducing red tape associated with various provisions, new requirements for audit committees, electoral amendments and increasing the powers of local governments to rectify nuisances on land. Proposals for amendments to finance, administration and audit regulations under the *Local Government Act 1995* were also completed.

#### **Improper Behaviour by Elected Members**

The Department has prepared the *Local Government (Official Conduct) Amendment Bill* White Paper, on the proposed Bill for a new system of dealing with complaints of improper behaviour by elected members. The paper was released for public discussion and submissions reviewed. Drafting instructions, incorporating various changes, were then prepared which reflected comments and revised positions.

The proposed Bill will provide for disciplinary measures for local government elected members who do not act in accordance with legislation and a uniform code of conduct. Contraventions of the code of conduct are to be referred to a Local Government Standards Panel.

This panel would have the power to require an elected member to give a public apology or undertake a training course, and may publicly censure an elected member. The same sanctions would be available to the State Administrative Tribunal for a legislative breach, including the power to suspend an elected member from attending council or committee meetings, with no meeting fees to be paid, for up to six months, or disqualify an elected member for a period not exceeding five years.

#### **Ocean Gardens Retirement Village**

Legislation to increase local government representation on the Board of the Ocean Gardens Retirement Village in City Beach was passed through both houses of State Parliament.

The *Ocean Gardens (Inc) Bill 2004* implemented the recommendations of an inquiry by the State Ombudsman into changes made in 1995 to the constitution of Ocean Gardens (Inc.)



# Activities Against Outputs

## **Animal Welfare**

The new *Animal Welfare Act 2002*, which has provisions including the licensing and monitoring of scientific establishments in relation to their use and supply of animals, has been implemented. This allows for improved animal welfare protection across the State.

Outside of the scientific area, the new legislation provides the State's 150 General Inspectors with increased powers to search and enter, as well as seize animals if they suspect animals are being treated in an inappropriate manner.

## **Caravan Parks and Camping**

The Department prepared, and released for public comment, a discussion paper on the possible deletion of Regulation 49 of the *Caravan Parks and Camping Grounds Regulations 1997*.

This regulation provides that a nature-based park or a transit park cannot be located 50 kilometres of the facility (a fully developed caravan park and camping ground) unless the Minister approves otherwise. This regulation was deemed to be anti-competitive under the National Competition Policy (NCP) review of the regulations.

The Caravan Parks and Camping Grounds Advisory Committee, established under the *Caravan Parks and Camping Grounds Act 1995*, decided that Regulation 49 should be deleted to satisfy NCP requirements, however, minimum standards would also need to be prescribed for nature-based parks.

Accordingly, the discussion paper (prepared by the Department) outlined proposals for a definition of a nature-based park, suggesting minimum standards and sought written submissions about any relevant matters. The document was distributed to a wide range of stakeholders for feedback and comments.

## **Dogs**

The Department prepared drafting instructions for legislative change to the *Dog Act 1976* following a second round of extensive public consultation. State Cabinet approved 40 proposals to amend the Act to encourage responsible and safe dog ownership. This means that owners of dogs declared dangerous and those of restricted breeds would face new requirements, including the need to have their dogs microchipped.

Changes to the Act would also see significant increases in penalties for dangerous dogs and more effective powers for local governments to manage nuisance dogs.

## **Vehicles (Off-Road Areas)**

The Department commenced a review of the *Control of Vehicles (Off-Road Areas) Act 1978*. An Issues Paper was publicly released in May, 2004 highlighting important issues involved in off-road vehicle use. Some of the key topics presented in the Paper included third party insurance; public liability; areas for the use of off-road vehicles; age limits; safety; and enforcement and penalties.

Following feedback from submissions on the Issues Paper, a Position Paper will be prepared, which will identify any recommendations for legislative change.

# Activities Against Outputs

## OTHER PROJECTS

The Department was involved in a range of non-statutory projects in 2003-04.

### **Women in local government**

The Advisory Committee on Women in Local Government produced the 'Strategies for achieving greater participation by women in the Western Australian local government sector' document, which was launched by the Minister for Local Government and Regional Development. The document identifies a number of specific actions and timelines, which aim to encourage greater participation by women in local government. The document is available on the Department's website: [www.dlgrd.wa.gov.au](http://www.dlgrd.wa.gov.au).

In addition, a framework for a mentoring program for women in management and decision-making positions in local government, and those aspiring to these positions, was developed. The program will be introduced in 2004-05 and conducted over a 12 to 18 month period.

### **Rates and taxes submission (Cost Shifting Inquiry)**

In March, 2002 the Australian Minister for Local Government announced an inquiry by the House of Representatives Standing Committee on Economics, Finance and Public Administration into 'local government and cost shifting'. The State Government subsequently made a submission to the Committee addressing the terms of reference. Following this, the Committee released a discussion paper in February, 2003 'At the crossroads'.

The Committee subsequently released in November, 2003 its final report 'Rates and Taxes: A fair share for responsible local government'. The report covered a wide range of issues including inter-governmental agreements, the payment of rates to local government and developing a new methodology for the distribution of financial assistance grants.

In March, 2004 the Minister for Local Government and Regional Development, Hon Tom Stephens MLC forwarded a submission to the Australian Minister for Local Government, Senator Ian Campbell outlining the State's comments on the report's recommendations. The response from the Australian Government to the State's submission is still awaited.

## POLICY

### **Regional Development Policy**

The Department released the new Regional Development Policy, 'Regional Western Australia – A Better Place to Live'. The regional policy identifies how the State Government will work with regions and regional communities in assisting them to achieve their sustainable economic, social and environmental aims. A total of 99 submissions were received from a range of organisations and individuals from the public and private sectors before the final Regional Development Policy was prepared. The detailed policy contains 16 Outcomes, 111 Strategies and 86 Outcome Priorities.

## Activities Against Outputs

The Department is responsible for coordinating the implementation of the Regional Development Policy. It has developed an implementation and reporting strategy with the formation of a Regional Policy Implementation Group comprising representatives from key State agencies.

### **Pastoral rangelands**

The Department assisted with reviewing future directions for the management of the State's pastoral rangelands. The Report of the Pastoral Industry Pastoral Rating Working Group was prepared and presented at the Gascoyne Muster II, held in Carnarvon in October 2003.

Further to one of the recommendations of the report, an Information Package 'The Valuation and Rating of Pastoral Leases and Related Matters' was also prepared and widely distributed as a joint initiative with the Pastoral Lands Board. In response to a second recommendation, a model policy statement for use by local governments to explain their rating policy and processes is being finalised.

### **Cross-agency partnerships**

The Department continues to contribute to the cross-agency development of policy and implementation strategies for the Government's Early Years Strategy, the Active Ageing Strategy and the Drug and Alcohol Strategy through membership of the relevant senior officers' groups and is contributing to the implementation of the Strong Families initiative through representation on the Strong Families Monitoring Group.

## **PROVISION OF INFORMATION**

The Department released a number of publications including a major report on the attraction and retention of professionals in regional Australia on behalf of the National Regional Development Council.

'Attracting and Retaining Skilled people in Regional Australia – A Practitioner's Guide' will be a useful resource for a variety of government and non-government agencies in non-metropolitan areas. The guide is available from the Department's website: [www.dlgrd.wa.gov.au/general/\\_pubBin/Skilled\\_People\\_Guide.pdf](http://www.dlgrd.wa.gov.au/general/_pubBin/Skilled_People_Guide.pdf)

The research and collection of key economic and statistical information on behalf of regional communities, development commissions and other regional organisations continues to be a strong focus. A summary of these statistics is provided in two documents - 'Regional Trends and Indicators' and the 'Statistical Snapshot', located on the Department's website: [www.dlgrd.wa.gov.au](http://www.dlgrd.wa.gov.au)

Economic perspective publications for each of the State's nine regions were again produced. These publications are revised every two years and bring together the most recent economic and demographic data available on a regional basis, as well as information about regional economic activity, infrastructure and services. The publications are also available on the Department's website.

# Activities Against Outputs

## REGIONAL DEVELOPMENT COUNCIL

The Regional Development Council met four times during 2003-04. This included two meetings in regional Western Australia, which were held in the Goldfields-Esperance (September 2003) and Wheatbelt (November 2003) regions. The council also met twice with the Cabinet Standing Committee on Regional Policy (CSCRП).

Through its commitment to meet with the CSCRП twice a year, the council has established a strong policy dialogue with the Government and raised a number of key issues including skilled migration, sustainable regions, infrastructure funding and regional tourism.

The council has been active in making submissions or direct representation to the State and Australian governments. Generally, the council has been successful in ensuring that regional development issues and concerns have been integrated into strategic policy statements such as the State Industry Policy and the State Sustainability Strategy. The council has also supported the reform of the zone tax rebate system. The recommendations of the Australian Government's Keniry Report (Regional Business - A Plan for Action) reflected the council's view that zone tax rebates were well overdue to be restored in real value terms and were potentially an important tool for establishing and keeping a skilled workforce in regional and remote areas.

## Future Directions

In 2004-05, the Department will be focusing on a number of activities including:

- developing a policy framework for continued capacity building and governance development in remote Indigenous communities;
- preparing regulations following the enactment of legislation dealing with the conduct of elected members;
- preparing a position paper arising from public comments on the *Control of Vehicles (Off-road Areas) Act 1978*;
- introducing amendments to various regulations under the *Local Government Act 1995*;
- introducing an Amendment Bill to the *Dog Act 1976* and updating the associated regulations;
- preparing amendments to legislation, if required, following the review of the *Caravan Parks and Camping Grounds Act 1995*;
- continuing to promote local government as a career choice, with a particular focus on women and youth;
- continuing implementation and monitoring of progress of the Regional Development Policy, 'Regional Western Australia – A Better Place to Live'; and

## Activities Against Outputs

- preparing and releasing, subject to adequate information and assistance, updated publications, information and statistics for each region in Western Australia, including 'Economic Perspective Overviews', 'People and Populations' – a profile of the demographic trends for each region that forms a companion to the 'Economic Perspective Overviews', and 'Trends and Indicators' – a collection of social and economic statistics for each of the nine regions and for the metropolitan area.

### OUTPUT 2: IMPROVED ACCESS TO SERVICES AND CAPACITY FOR DEVELOPMENT IN REGIONAL COMMUNITIES

#### Output Description

*To enhance the social and economic development of communities through the provision of assistance, funding and leadership.*

#### FINANCIAL ASSISTANCE

##### REGIONAL INVESTMENT FUND (RIF)

Funds were allocated for projects in regional Western Australia in the third year of the Government's four-year, \$75million Regional Investment Fund (RIF).

The Regional Investment Fund comprises the:

- Regional Infrastructure Funding Program (RIFP);
- Western Australian Regional Initiatives (WARIS); and
- Regional Development Scheme (RDS).

Since the inception of the RIF, it has provided funding to nearly 600 applicants covering a wide range of activities including projects that supported regionally-based facilities such as the airport runway at Derby, the Geraldton foreshore redevelopment, housing for regional communities, main street upgrades, heritage trails and interpretive centres.

In 2003-04, RIF funding included \$9.8 million to support the construction of regional infrastructure and assist cross-regional projects. Two new funding programs were established; the Indigenous Arts and Tourism Facilities Funding Program and the Indigenous Infrastructure Projects Program (IIPP), of which a total of \$2.839 million was allocated to assist the development of infrastructure in Indigenous communities. Successful recipients for the IIPP will be announced in 2004-05.

Projects approved for the 2003-04 Indigenous Arts & Tourism Infrastructure Funding Program	
Baiyungu Aboriginal Corporation	Tourism Development Proposal - Bruboodjoo
Laverton Leonora Cross Cultural Association	Improved tourist access to Laverton Outback Gallery
Ngaanyatjarra Council	Women's Centre Upgrade - Mantamaru Community
Paupiyala Tjarutja Aboriginal Corporation	Spinifex Signage Project
Wongutha Birni Aboriginal Corporation	Wongutha Birni Aboriginal Cultural Centre
Canila Pty Ltd T/as Turkey Creek Roadhouse, Warmun Community	Caravan Park and Gija Visitor Centre Development
Kundat Djaru Aboriginal Corporation	Yaruman Arts and Culture Centre
Mamabulanjin Aboriginal Corporation	Vehicle for Dampier Peninsula Transport Service
Warlayirti Artists Aboriginal Corporation	Developing Glass Workshop Program

## Activities Against Outputs

<b>Projects approved for the 2003-04 Indigenous Arts &amp; Tourism Infrastructure Funding Program (Cont.)</b>	
Wunambal Gaambera Aboriginal Corporation	Ngauwudu Guiding Service Accommodation
Wila Gutharra Community Aboriginal Corporation	Regional and Community Arts Enterprise Development Project
Cheeditha Group Aboriginal Corporation	Cultural Enterprise Development
Ngurawaana Community	Ngurawaana Cultural and Tourism Project
Pilbara Arts Crafts and Designs Aboriginal Corporation	Renovations to the Courthouse Art Centre & Gallery / PACDAC
Western Desert Puntukurnuparna	Art and recreation equipment in a shed at Parnngurr

### Regional Infrastructure Funding Program

The RIFP provides financial assistance to major capital works projects designed to assist in attracting investment and increasing jobs in regional areas and to improve the access of regional communities to services.

A further \$8.66 million has been allocated for 2003-04 through a competitive application process to 14 applicants under the RIFP. These projects are outlined in the following table:

<b>RIFP Projects Approved Funding for 2003-04</b>	
<b>Applicant</b>	<b>Description of Project</b>
Department of Planning and Infrastructure	Construction of a 100m land-backed wharf at Carnarvon Boat Harbour
Shire of Dundas	Dundas Woodlands Discovery Trail
Shire of Leonora	Assist with Stage 3-5 of update of the main street in Leonora
St Mary's Industries Inc	Commercial recycling
Shire of Kojonup	Kojonup Tourist Railway
Broome Port Authority	Extension to Broome Wharf
Fairbridge Western Australia	Assist with three parts of the Fairbridge Redevelopment Program
Shire of Roebourne	Development of the historic town of Cossack
Shire of Donnybrook-Balingup	Donnybrook Pedestrian Suspension Bridge
Shire of Collie	Collie Entrance Tourism Precinct
Shire of Dalwallinu	Industrial land development
Shire of Gingin	Lancelin Sewerage Initiative
Gravity Discovery Centre Foundation Inc	Gravity Discovery Centre
Shire of Roebourne	Bulgarra Oval - addition of a recreation centre

### Western Australian Regional Initiatives Scheme

The WARIS supports non-capital works projects that will deliver benefits across more than one of Western Australia's nine regions. Approximately \$1.1 million was approved for 17 organisations under WARIS as outlined in the following table:

<b>WARIS Initiatives Approved Funding for 2003-04</b>	
<b>Applicant</b>	<b>Description Of Project</b>
Broome Aboriginal Media Association	Goolarri Family Concert Tour
Country Arts	Creative volunteering
CraftWest	Designing Futures - marketing regional innovation
Edith Cowan University	ECU - Institute of Service Professionals
Freefall Theatre Company	Journeys - Arts and Culture skills exchange program for youth
Heritage Council of WA	Regional Heritage Tourism Strategy
Indigenous Community Volunteers - WA	Indigenous Community Volunteers - WA
Kimberley Development Commission	North West Regions sustainable communities and industries development project
Mid West Development Commission	Pacific Flora 2004
Perth International Arts Festival	PIAF 2004 Regional Program
Perth International Arts Festival	PIAF 2005 Regional Activities Program
Pilbara Development Commission	Invest in the North West Promotion Officer



# Activities Against Outputs

<b>WARIS Initiatives Approved Funding for 2003-04 (Cont.)</b>	
South West Aboriginal Land and Sea Council	Noongar Corporate Governance Toolkit
Terra Australis	Baudin Busts in France
UWA - IRD	IRD Regional Resource Centre, Albany
WA Ballet	Community, Education and Assess Development
WA Indigenous Tourism Operators Committee	2004 Australian Indigenous Tourism Conference

## Regional Development Scheme

The RDS is the principal responsibility of the nine regional development commissions. A total of \$3.6 million was approved for the commissions in 2003-04.

## Community Facilities Grants Program

Approximately \$909,000 was made available to 63 successful applicants from local governments, community groups and Indigenous communities to assist with the cost of providing new public facilities in rural and remote communities. Projects as diverse as providing children's playgrounds, shade for swimming pools, information signs and litterbins were funded.

<b>Communities Facilities Grants Program Approved Funding for 2003-04</b>	
<b>Applicant</b>	<b>Project</b>
Balgo-Kutjungka Catholic Parish (Halls Creek)	Shelter, seating signage and bins in the Balgo park area
Bibelmen Mia Aboriginal Corporation (Yallingup)	Pavillion over the bush craft demonstration area
Bidyadanga Aboriginal Community La Grange Inc (Broome)	Playground equipment for the community public playground area
Billinue Community Aboriginal Corporation (Dandaragan)	Public toilets for the Billinue community
Boulder Promotion and Development Association	Shade sails for the BP&DA skate park
Bridgetown-Greenbushes (Shire of)	Community stall, disabled toilets and bench seats in the Bridgetown CBD
Broome (Shire of)	Shade structures at Town Beach Reserve, Cable Beach Reserve and Chippindall Park
Carnarvon Police & Citizens Youth Club	Provide a youth facility for the youth of Carnarvon
Chittering (Shire of)	Shade sails at Clune Park, Bindoon, Lower Chittering Playground and John Glenn Interpretive Centre, Muchea
Collie River Valley Marketing Inc	Two signs/billboards at a site within the Collie town area
Coolgardie (Shire of)	Gazebo and pedestal tables at Tommy Talbot Park
Cosmo Newberry Aboriginal Corporation (Ngaanyatjarra lands)	Playground equipment at the Cosmo Newberry playground
Cranbrook (Shire of)	Playground equipment at Frederick Square Playground
Cunderdin (Shire of)	Shade sails over playground equipment at O'Connor Park, Cunderdin
Cunderdin (Shire of) (on behalf of Meckering Action Group)	Shade sails at Apex Park, Meckering
Derby-West Kimberley (Shire of)	Playground equipment at Fitzroy Crossing
Djugarargyn Aboriginal Corporation (Broome)	Toilet system, bins and walkway at Djugarargyn community
Family Centre (project of Family Training Institute)	Playground equipment for a playground equipped for abled and disabled children
Friends of Foxes Lair (Narrogin)	Sign for information shelter and disabled access pathway to picnic area and information shelter.
Gairdner Progress Association	Undercover area in front of the Gairdner Community Hall
Gingin (Shire of)	Playground facilities at the Guilderton and Lancellin playgrounds
Greenough (Shire of)	Shade dome for Sehaven View playground
Greenough (Shire of)	Shade dome for Strathalbyn Park
Gumala Aboriginal Corporation (on behalf of Youngaleena Aboriginal Community)	Playground equipment for the Youngaleena community, East Pilbara
Harvey Mainstreet Inc	Disabled access at the Harvey Community Radio station and signage for South West Highway and Old Coast Road
Julbunj/Ngarramun Aboriginal Corporation (Broome)	Toilet system, signage and rubbish bins at Rumble Bay

# Activities Against Outputs

<b>Communities Facilities Grants Program Approved Funding for 2003-04 (Cont.)</b>	
Jurien Bay Progress & Tourism Association Inc	Playground equipment at Dobbyn Park, Jurien Bay
Kalbarri Development Association	Shelter for the picnic area on the Murchison River foreshore
Karratha Youth Housing Project Inc	Shade sail, seating and basketball court, backboard and hoop at the Karratha Youth House
Kimberley Land Council Aboriginal Corporation	Water supply and ablution block at Minyirr Park, Cable Beach
King River Horse and Pony Club (Inc)	Unisex shower recess and public toilet
Kondinin Progress Association	Gazebo, seating shade sails and paving as part of Kondinin Youth Space development
Lake Clifton Progress and Sporting Association	Playground equipment at the Lake Clifton community hall
Maddarr Aboriginal Corporation (Broome)	Shade sail, bins, pool fencing and signs for the Maddarr community
Mandurah (City of)	Shade structure at Billy Bowler Skate Park
Manjimup Volunteer Resource Centre	Volunteer Resource Centre disability access and toilet upgrade
Marble Bar Telecentre and Business Link Inc	Disabled toilet in the Marble Bar Telecentre
Mawarnkarra Health Service Aboriginal Corporation (Roebourne)	Shade sails, seating, plants, disabled access ramp and bins for the children's playground and cultural healing garden centre
Meekatharra (Shire of)	Lookout shelter and interpretive panels for the Meeka Rangelands Discovery Trail
Merredin (Shire of)	Shade shelter as part of the upgrade of Apex Park, Merredin
Mount Magnet (Shire of)	Public toilets at the Mount Magnet basketball courts
Mt Marshall (Shire of)	Shade sails and soft fall for park in Bencubbin
Mukinbudin (Shire of)	Shade sails at the Mukinbudin Aquatic Centre
Nannup Visitor Centre	BBQ, public toilets and information bay upgrade
Naremben (Shire of)	Nursing room on the main street of Naremben
Narrogin (Shire of)	Public toilets at the Highbury townsite.
Newman Mainstreet Project	Playground equipment, ramp access, seating, tables and signage at Ethel Creek Park
Newman Visitor Centre (Inc)	Gazebo, table, chairs and drinking fountain at the Visitor Centre
Ngaanyatjarraku (Shire of)	Shade structure, seating and drinking fountain at Ngururrkutjarra Park, Warburton
Northcliffe Community Development	Disabled toilets for Northcliffe parklands
Nungarin (Shire of)	Public toilets on Railway Avenue, Nungarin
Paupiyala Tjarutja Aboriginal Corporation	Roadside water stop and information signage on the Connie Sue Highway between Rawlina and Warburton
Plantagenet (Shire of)	Public toilets facilities on Lowood Road, Mount Barker
Ravensthorpe Hopetoun Area Promotions (Inc)	Self composting public toilet with disability access for Lee Creek rest area
Rotary Club of Pinjarra WA Inc	Playground equipment at Rotary Park, Pinjarra
Sandstone (Shire of)	10 rubbish bins at various locations within the Shire
Serpentine-Jarrahdale (Shire of)	Public toilet facilities in Mundijong
Shark Bay (Shire of)	Public toilets at the Denham Foreshore
Wila Gutharra Community Aboriginal Corporation (Geraldton)	Disabled toilet access and paving at the Wila Gutharra community shop and art gallery
Williams (Shire of)	Upgrade of playgrounds adjacent to the Williams hall and at the town precinct
Woodanilling (Shire of)	Playground equipment at Woodanilling Oval Recreation Ground
Wyalkatchem (Shire of)	Shade structure for the Flint Street playground
Yiyili Community Aboriginal Corporation (Halls Creek)	Tourist signage for Laari Gallery



# Activities Against Outputs

## OTHER PROGRAMS

### Regional Collocation Scheme

Grants were also made available to a range of communities under the \$7.3million Regional Collocation Scheme, which supports the construction or refurbishment of buildings to collocate various services in regional communities.

Some 19 projects have been approved for funding under the Regional Collocation Scheme. Communities approved for funding in 2003-04 included Walpole, Mingenew, Kalannie, Calingiri and Wundowie.

### Regional Headworks Program

The Regional Headworks Program, under the RIF, was launched in February 2004. This program is designed to promote and support the sustainable development of regional Western Australia.

Total funding of \$1 million will be provided for grants ranging from \$10,000 to \$100,000 for headworks projects involving the provision of water, electricity, telecommunications, gas, drainage and sewerage that will assist in attracting investment and increasing jobs in regional areas or improving the commercial and industrial activity in the region.

Eligible applicants include individual businesses, business groups, local government and community organisations. Some 40 applications have been received and are undergoing assessment. Successful grant recipients will be announced in 2004-05.

### Regional Investment Tours

The Department works in partnership with the State's regional development commissions to develop and promote regional investment tours. These tours provide a valuable opportunity for the regions' businesses to secure financial capital, which can generate increased employment and other benefits. Regional investment tours were held in the Goldfields-Esperance, Pilbara and Kimberley regions in 2003-04 and were led by State Government Regional Ministers.

The tours to date have been positively received and have resulted in nearly 100 private enterprise presentations being made with proposals funded via equity or loans totalling over \$80 million.

## COMMUNITY CAPACITY BUILDING

### Community Support

A number of regional communities received assistance for development from the Department through facilitation of community planning meetings and workshops and other specific development initiatives. These included a Communitywise audit undertaken for the Plantagenet community and support for community wind farm projects at Geraldton and Denmark.

# Activities Against Outputs

## Community Leadership

A range of leadership and capacity building initiatives were developed and undertaken during the year for the benefit of regional residents throughout the State.

The Department funded and/or conducted a number of community leadership support programs, which are consistent with the Government's response to the Gordon Inquiry. These place a priority on the development of leadership skills of Indigenous people. The programs were developed in line with key priorities identified in the WA Community Leadership Plan and include:

- ***Making Connections Leadership Program*** - a program designed to strengthen the collective skills of people providing leadership and associated services to Indigenous communities. This program was piloted in the Gascoyne region in 2003 for approximately 20 Indigenous and non-Indigenous community representatives, and resulted in the formation of strong community relationships and new partnerships between community and service providers.
- **WA Community Leadership Program** - a community leadership program for 83 leaders across Western Australia, held in 2003. Over half the participants in this leadership program were Indigenous with representatives from every region throughout the State. The program resulted in participants gaining a stronger and deeper understanding of their importance in their respective communities and how to better effect change and action as leaders.
- **Network of Support** – an initiative to support graduates of the Making Connections and WA Community Leadership programs. Assistance was provided in 2003-04 for graduates to undertake further personal development or to assist implementing various projects in their respective communities.
- **Indigenous Leadership Fund** - small grants to Indigenous communities for leadership initiatives.
- **Young Indigenous Local Government Scholarship** - the Department established the Young Indigenous Local Government Scholarship for the awarding of six scholarships of \$10,000 each to local governments to provide a 12-month scholarship to a young Indigenous person under 30 years. The aim of the scholarships is to give experience working within local government to young eligible Indigenous people from around the State. The scholarships were awarded to the Shires of Laverton, Cue, Wyndham-East Kimberley, Wiluna, Dundas and Carnarvon.
- **Building and Empowering Sustainable Communities Fund** - grants of up to \$5000 for programs which foster community leadership and the development of community leaders were available. \$50,000 was committed to community projects in 2003-04, ranging from youth leadership programs in the South West to Indigenous women's business and enterprise development projects in the Kimberley.

## Activities Against Outputs

- **Role Models WA**, a partnership arrangement with a number of notable sporting greats, which aims to foster leadership and personal development through hands-on mentoring for youth in remote and regional areas of WA.
- Further financial support, provided through the Community Leadership initiative for experiential leadership programs including the **Leadership WA** and **Australian Rural Leadership** programs, which aim to encourage regional and Indigenous participation.
- A valuable scholarship to participate on a course at the Australian Indigenous Leadership Centre in Canberra was also made available to a Western Australian future leader.

### **Rural, Remote and Regional Network**

The Rural, Remote and Regional (RRR) Women's Network, cofunded with the Department of Agriculture, seeks to bring together women to recognise, promote and expand the contribution they make to their communities.

The network expanded significantly over the year and now has 8000 members who receive the quarterly produced magazine, *Network News*.

### **TELECENTRES**

The network of over 100 established not-for-profit community owned telecentres continues to expand the range of government and community services offered to their communities. These telecommunication facilities have clearly established themselves as centres for the delivery of government and commercial sector information, services and training in rural and remote communities throughout Western Australia.

The Telecentre Network has provided opportunities and services to enable individuals, business and community groups in rural and remote parts of the State to reap the economic and social benefits offered by modern communication technologies, including videoconferencing and access to Broadband Internet. Over 500,000 people are utilising the services offered by telecentres each year.

In addition to these facilities, a further 37 small rural communities have established a Telecentre Access Point (TAP). These facilities assist people who do not have Internet access to information and services. These are essentially a smaller version of a Telecentre and are usually unstaffed.

### **Indigenous Initiatives**

The establishment of eight community-owned and operated Telecentres in Remote Indigenous Communities (TIRIC) facilities has commenced and these facilities will be operational by the end of 2005. They will provide their communities with the services offered by all other telecentres across the State, which will include the trialling of a satellite-based videoconferencing solution where terrestrially-based infrastructure cannot support this videoconferencing technology.

# Activities Against Outputs

These TIRIC telecentres will be located at:

Balgo	- 250kms south of Halls Creek
Burringurrah	- 300kms east of Carnarvon
Kalumburu	- 200kms north west of Wyndham
Looma	- 120kms south of Derby
Tjuntjuntjara	- 400kms east of Kalgoorlie
Warakurna	- 1000kms east of Kalgoorlie
Warburton	- 800kms east of Kalgoorlie
Yakanarra	- 100kms south of Fitzroy Crossing.

In addition, seven Modular Interactive Telecommunications Environments (MITES) have been established in seven predominantly Indigenous remote communities, which are:

- Djarindjin
- Jarlmadangah Burru
- Nookanbah
- Warmun
- Billiluna (Mindibungu)
- Wingellina (Irrunytju)
- Nullagine.

These modular facilities are complete with computers, Broadband Internet, training and meeting rooms, as well as office and videoconferencing equipment. They have the capacity to offer the full range of Telecentre services and to establish new services for these remote communities.

This brings the total network of Telecentre facilities in Western Australia to 115 plus an additional 37 TAPs. Included in this network are over 85 community videoconferencing sites.

## Future Directions

In 2004-05, the Department will be focusing on a number of activities including:

- continuing the allocation of funds through the fourth year of the government's RIF including the allocation of up to \$1 million in funding through the Regional Headworks Program. The Government has announced that funding for the Regional Investment Fund will be extended by \$80 million from 2005-06. This funding will continue to assist with the economic and social development of regional Western Australia and will improve the access of regional communities to a wide range of services.
- continuing to provide funding through the Community Facilities Grant Program to assist local governments and regional communities to improve facilities such as playgrounds and roadside rest areas in their regions;
- continuing the establishment of Telecentres, MITES and TAPS services and information provision facilities in regional areas;

# Activities Against Outputs

- continuing to allocate funding and assistance for projects through the Community Leadership Program; and
- establishing the Outer Metropolitan Community Program which will assist economic, social and community development along with environmental preservation in outer metropolitan areas of Perth. These areas often experience similar disadvantages to those experienced in regional areas but are ineligible to receive assistance through schemes such as the RIF.

## OUTPUT 3: BETTER LOCAL GOVERNMENT

### Output Description

*Through advice, support and compliance monitoring, assist local governments to be more efficient and effective and to achieve good governance and be responsive to community needs.*

### COMPLIANCE AND ADVICE

#### Investigations

The Department received 285 complaints about local governments in 2003-04 and completed investigating 224 of these complaints during this period. These complaints represented 377 separate allegations regarding local government and a breakdown of this information is detailed in tables 1 and 2.

In addition, more than 350 letters of concern were received by the Department relating to a variety of issues including local government rate increases, planning decisions, local services and facilities, the operation of cemeteries and other Acts administered by the Department.

#### City of Belmont Authorised Inquiry

The Department completed an inquiry into the City of Belmont, which resulted in 33 findings and 13 recommendations. The Department assisted the City in implementing improvements to processes arising from the inquiry and produced the 'Inquiry into the City of Belmont: Lessons for Local Government' publication to assist other local government authorities.

Following the Inquiry, the Minister on 3 November, 2004 accepted that the City had satisfactorily implemented the report's recommendations.

#### Joondalup Inquiry

The Department arranged the appointment of commissioners after the council of the City of Joondalup was suspended on 5 December, 2003 because of significant unresolved internal conflict. A Panel of Inquiry examining whether the council should be reinstated or dismissed was appointed in April 2004. The Panel comprises Greg McIntyre (who replaced Bill Ford) with Counsel Assisting, John Staude.

# Activities Against Outputs

Local Government Investigations 2003-04 (Table 1)

	Local Government Operations and Procedures			Complaints Against Individuals Associated with Local Governments							Miscellaneous	
	Procedures within Council or Committee Meetings	Tendering Processes	Other Processes and Procedures at an Administrative Level	Breaches of Financial Interest Provisions (Elected Members)	Breaches of Financial Interest Provisions (Employees)	Improper Use of Information (Elected Members)	Improper Use of Information (Employees)	Other Actions (Elected Members and Employees)	Processes and Procedures at an Elected Member Level Related to Planning Issues	Processes and Procedures at an Elected Member Level Related to Planning Issues		
Complaint unfounded	2		8	10	1			12	1	2	7	
Possible minor breach, warning issued				8				3				
No role for Department or Minister	1	1	11			1	2	19	7	4	14	
Referred to local government for action (Code of Conduct)	3					1		5				
Referred to local government for action (other)	1		6					8	3	1	6	
Referred to another agency	1			1				5	3	1	2	
Process improvement recommended	9		3					4			1	
No further action by Department	1	1	11	10	1	1		17		1	8	
Recorded for ongoing monitoring purposes	6		5	1	2	2		48	1	1	3	
Unsubstantiated	1		7	5				14	4		3	
<b>Allegations completed</b>	<b>25</b>	<b>2</b>	<b>51</b>	<b>35</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>135</b>	<b>19</b>	<b>10</b>	<b>44</b>	<b>Total 332</b>
<b>Number of Allegations</b>	<b>26</b>	<b>4</b>	<b>57</b>	<b>42</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>152</b>	<b>25</b>	<b>12</b>	<b>45</b>	<b>337</b>

# Activities Against Outputs

## Types of Inquiries 2003-2004 (Table 2)

Authorised inquiry into a financial interest matter	1
Assessed	216
Advice provided	59
Alternative measures	56
<b>Total Inquiries</b>	<b>332</b>

### Shire of Wiluna

In August, 2003 four of the seven elected council members of the Shire of Wiluna resigned. As a result, the three remaining elected member positions were declared vacant.

An extraordinary election followed the resignation of a majority of councillors and the appointment of Commissioner, Phillip Vincent, to oversee the council administration. On 14 June, 2004 a new council of seven members was elected.

## PARTNERING WITH LOCAL GOVERNMENT

The State Government is committed to partnering with Local Government. The Partnership Steering Group, a group of senior State and Local Government officers, supports the partnership process. In 2004, the Department has been responsible for chairing and providing administrative support to this group.

Two following two partnership agreements were signed in 2003-04:

- 1. Maddington – Kenwick Sustainable Communities Initiative** – an agreement between the City of Gosnells and the State Government that was signed by the Premier and the Mayor, City of Gosnells, in December 2003. It has the following objectives:
  - To develop and implement strategies for the sustainable community regeneration of Maddington and Kenwick, that is lead by the community's vision.
  - To develop alliances with Australian Government agencies, non-government organisations and the business community.
  - To actively involve the community in all aspects of the Initiative.
  - To contribute towards creating greater liveability of Maddington and Kenwick's urban form.
  - To contribute towards the economic development of Maddington and Kenwick.
  - To reduce the adverse environmental impacts of current activities and future developments within Maddington and Kenwick.
  - To investigate ways to improve the social well being of residents and to implement strategies to achieve this.
  - To contribute towards a greater sense of place within the communities of Maddington and Kenwick.
  - To document and assess the Initiative's progress and make this available, with a view to providing a model for other communities and organisations to learn from.



## Activities Against Outputs

2. **Communication and Consultation** – an agreement between State and Local Government signed by the Premier, the presidents of WALGA and the LGMA, in the presence of the Minister for Local Government and Regional Development, in June 2004. The objectives of the Consultation and Communication Partnership included:
- increasing understanding of what constitutes effective communication and consultation between State and Local Government;
  - encouraging a coordinated approach to consultation which facilitates input by the other sphere of government into policy development, legislation, projects and decision making that may impact on their operations or resources;
  - requiring formal reporting to Cabinet on the outcomes of the State/Local Government consultation process through Cabinet Submissions;
  - improving communication between State Government and Local Government on issues and initiatives to be included within the State Budget;
  - improving opportunities for discussion on Australian Government policy initiatives or legislation where there may be an impact on State and Local Government; and
  - Identifying opportunities for joint input when making submissions to the Australian Government or participating on intergovernmental councils or committees where there are implications for both spheres of government.

### LOCAL GOVERNMENT ADVISORY BOARD

Fifteen reports of reviews of ward boundaries and representation were received and assessed by the Board in 2003-04. Of the 10 local governments that proposed changes to ward boundaries and representation, four amended ward boundaries, three abolished wards and two reduced both the number of wards and the number of elected members. In addition, one local government decided to reduce the number of elected members only.

The Board also completed two formal inquiries into proposals for district boundary changes during 2003-04. The first inquiry was significant as it involved the first proposal to transfer an Indigenous community (Mugarinya Community) from one local government (East Pilbara) to another (Port Hedland). The Board concluded that it supported the proposal to transfer the Mugarinya Community and its associated lands from the Shire of East Pilbara to the Town of Port Hedland.

The other proposal was made by a number of electors from the Shire of Victoria Plains seeking to transfer land in the locality of Mogumber from the Shire of Victoria Plains to the Shire of Chittering. The Board concluded that it did not support the proposal and recommended that it be dismissed.

The Minister for Local Government and Regional Development accepted both recommendations.



# Activities Against Outputs

## LOCAL GOVERNMENT GRANTS COMMISSION

Financial assistance grants allocated to local governments for the 2004-05 financial year, comprised \$105.502 million in general purpose funds, and \$72.727 million in identified local road funding. This was a 2.8% increase on the 2003-04 allocation. State and Australian Ministers for Local Government approved grant allocations for local government in accordance with the requirements of the *Local Government (Financial Assistance) Act 1995*.

During the year, the Commission conducted public hearings with 30 local governments. Twenty-three submissions were received, comprising 71 claims on 27 different issues.

The grant allocation process for 2004-05 resulted in 28 local governments receiving a share of the equalisation funds based on the minimum grant provision. Together, these local governments account for \$22.02 million (20.9%) of the general-purpose funds and 69.8% of State's population. Therefore, nearly 80% of the funds are distributed to 114 councils with just over 30% of the State's population.

The Commission's record of calculations for the grant allocation process, the Balanced Budget Detailed Calculations, were again made available to local governments and accessed through the Department's website.

## SERVICES TO INDIGENOUS COMMUNITIES

The Department facilitated a number of initiatives to strengthen the relationship between local government and Indigenous communities and to improve the provision of services to Indigenous people.

An inaugural Indigenous councillor workshop was held in September 2003 to establish ways of providing support to, and improving the skills of, elected members. As a result of the workshop, a number of initiatives will be implemented in 2004-05 to

- increase numbers of Indigenous voters and councillors;
- increase training and support for Indigenous councillors;
- create a forum to discuss Indigenous related local government issues; and
- raise awareness and respect for the Indigenous culture.

These include a proposed partnership with the Australian Electoral Commission to enhance Indigenous interest and participation in local government elections and developing an Indigenous councillor support strategy. The Department is also examining a number of existing accords and agreements particularly the Albany Accord, an agreement between the City of Albany and its Indigenous community, as possible models for local governments elsewhere in the State.

The Department also worked with a number of local governments, particularly in the Kimberley, Pilbara and Midwest regions, to increase Indigenous representation and improve communication and service delivery.

# Activities Against Outputs

## **APPOINTMENT OF CEO AT CITY OF JOONDALUP - PARLIAMENTARY INQUIRY**

On 2 July, 2003 the Minister for Local Government and Regional Development requested the Public Administration and Finance Committee (a Committee of Parliament) to undertake an investigation into the events surrounding the appointment of the Chief Executive Officer of the City of Joondalup, Mr Dennis Smith. On 23 July, 2003 the Committee resolved to undertake the investigation and presented its report to Parliament on 12 December, 2003.

The Committee made 11 recommendations for the implementation of various best practice administrative procedures across local government in Western Australia, and for the amendment of the *Local Government Act 1995* to provide clearer direction for local governments. The Minister requested the Department to take immediate action to implement the recommendations of the Committee and it has made significant progress in implementing these recommendations. This includes legislative amendments, new regulations, the development of administrative guidelines and a model contract of employment for local government CEOs.

## **LOCAL GOVERNMENT SUPPORT AND ADVICE**

### **Advice on the provisions and operation of the *Local Government Act 1995* and its Regulations**

The Department has continued to provide advice to a range of stakeholders including the Minister for Local Government and Regional Development, local government elected members and employees, State Government agencies and members of the public on the provisions and operation of the Act.

Local governments and other agencies can seek advice on the *Local Government Act 1995* to become more familiar with their rights and the responsibilities of local governments. The service also assists local governments to ensure that they maintain a high degree of legislative compliance.

### **Development of guidelines on operations and legislative requirements**

The Department has continued the local government guidelines series and produced new guides including, 'Managing Public Question Time' and 'Council Forums'.

### **Operational reviews**

The Department has facilitated operational reviews at the City of Joondalup and Town of Bassendean along with a Monitoring Panel at the Shire of York. The Department also assisted the Commissioner at the Shire of Wiluna to promote greater participation in local government in the district.

### **Financial management practice notes and interpretation of Accounting Standards**

Practice notes are prepared and distributed to all local governments so that those local governments that cannot attract qualified accounting staff have the capacity to prepare meaningful financial information for elected members. An interpretation is provided on all accounting standards released or reviewed by the Australian Accounting Standards Board.

# Activities Against Outputs

## **Department Newsletter: Local Government Update**

The Department continued to publish its periodical newsletter *Update*, which was distributed to all local governments and elected members, as well as a number of interest groups and individuals. The newsletter provides information and advice on a wide range of issues of general interest to local government. These include updates on legislative and other changes, as well as information on current local government activities and issues.

## **SUPPORT PROGRAMS**

The Department provides support and development to local government through its participation in a number of key programs including the Council Advice Program, Chief Executive Officer (CEO) Support Program, Mayors' and Presidents' Support Program and Peer Support Team. These programs assist local governments to overcome specific problems, review their method of operation and organisation and assist newly appointed Mayors, Presidents and CEOs.

### **Council Advice Program**

The Council Advice Program involves a panel visiting a local government to provide advice on how operations can be improved. Members of a panel include a senior Departmental officer, an experienced elected member and a CEO from another local government. The panel familiarises itself with the local government through a questionnaire, interviews and meeting with the council. It then draws on the combined experience of its members to make recommendations on possible improvements.

### **Chief Executive Officer Support Program**

The CEO Support Program is administered by the Department and provides assistance and peer support to newly appointed CEOs. It aims to encourage good practice and help to minimise potential difficulties.

A senior Departmental officer and a representative of LGMA (WA) visit the new CEO to discuss management issues. A report is made available to the CEO and the council, and can be used as a benchmark for future performance assessments. Mentoring relationships are often formed as a result of CEO Support Program visits.

During 2003-04, six new CEOs and their local governments were visited under this program. These included the Shire of Augusta-Margaret River, Shire of Menzies, Shire of Coolgardie, Shire of Meekathara, Shire of Bruce Rock and Shire of Coorow.

### **Peer Support Team**

The Department, in conjunction with WALGA and LGMA (WA), continued the work of the Peer Support Team in providing conciliation, negotiation and mediation support to councils that have identified issues of relationship conflict between councillors or between councillors and senior staff.

Since its introduction, the Team has provided conciliation, negotiation and mediation support to councils that have identified issues of relationship conflict between elected members, or between elected members and senior staff. A number of training programs in mediation are available for people involved in Local Government who wish to be involved in the scheme.

## Activities Against Outputs

The Team acts as a facilitator in driving the reform process and supports the council to secure agreed outcomes and resolutions. This process has significantly reduced the need for formal investigations or inquiries. A number of these programs were conducted during 2003-04.

### **Mayors' and Presidents' Support Program**

The Department offered a support program to provide guidance to newly elected Mayors and Presidents following the May 2003 Local Government elections. The aim of the program is that through the experience of a Mayor or President from another local government, the newly elected Mayor or President can discuss the role and overcome any initial problems or lack of knowledge.

The program covers areas such as chairing meetings, how to manage a full debate, liaising with the CEO, getting the best out of the media and public speaking.

Presidents of the following shires benefited from the program in 2003-04: Denmark; Kent; Lake Grace; Cunderdin; Moora; Mt Marshall; Koorda; Coorow and Chittering.

### **Local Government Financial Management Awards**

The Minister for Local Government and Regional Development's Financial Management Awards were presented during Local Government Week in 2003.

The Awards give recognition to local governments, which provide the most effective financial processes and reports throughout the year. The Awards are determined on an assessment of financial documents presented by local governments for presentation, content and effectiveness as a management and reporting tool; compliance with the *Local Government Act 1995* and associated regulations; and Australian Accounting Standards.

A total of 46 local governments throughout the State competed for awards in three categories. The highest ranked local government in each category received a Certificate of Excellence with runners up receiving a Certificate of Merit.

#### **Winners of the Awards by category were:**

##### ***Small Rural and Country Regional Local Governments with a budget of less than \$3 million:***

- Certificate of Excellence – Shire of Tambellup
- Certificate of Merit – Shire of Koorda and Shire of Leonora

##### ***Rural Local Governments with a budget of more than \$3 million:***

- Certificate of Excellence – Shire of Shark Bay
- Certificate of Merit – Shire of Capel and Shire of Exmouth

##### ***Metropolitan Local Governments:***

- Certificate of Excellence – City of Swan
- Certificate of Merit – City of Canning and City of Bayswater

# Activities Against Outputs

## INDIAN OCEAN TERRITORIES

The Department has a Service Delivery Arrangement with the Australian Department of Transport and Regional Services whereby it is required to provide the same level of support and advice to the Shires of Christmas Island and Cocos (Keeling) Islands as it provides to Western Australian local governments.

These local governments are Indian Ocean Territories, however, they operate under the auspices of the *WA Local Government Act 1995*. Under a special arrangement, the Australian Minister for Local Government and Territories is the designated Minister under that Act.

## Future Directions

In 2004-05, the Department will be focusing on a number of activities including:

- continuing the release of guidelines to assist local governments in carrying out their functions;
- undertaking a community awareness program to promote participation in the May 2005 Local Government elections by candidates and electors and providing support and training for newly elected councillors following these elections;
- supporting and assisting the completion of the Panel Inquiry into the City of Joondalup;
- continuing to provide assistance to a range of local governments through advisory and support services;
- implementing guidelines and amendments to the *Local Government Act 1995* following a report on the Act by the Legislative Council's Standing Committee on Public Administration and Finance. This report is a result of events in the City of Joondalup; and
- implementing an Indigenous enrolment strategy to increase the interest and participation of Indigenous communities in local government, and an Indigenous councillor support strategy to provide skills and support for existing councillors.

# Report on Customer Outcomes

## YOUTH INITIATIVES

The Department strongly focused on youth outcomes in 2003-04. Some of the initiatives for young people included:

### **Young Indigenous Local Government Scholarships**

The Department agreed to 16 scholarships (six in 2003-04, 10 in 2004-05) to local governments of \$10,000 each as a contribution to employ a young Indigenous person under 30 years within a local government for a one-year period.

### **WA Community Leadership Program**

This formed a major leadership initiative by the Department in 2003 where 83 people from across regional WA undertook a nine-day training course, including strong representation by young people under 25 years.

### **Making Connections**

Sixteen people undertook a pilot leadership program in the Gascoyne in 2003 where Indigenous leaders and training providers undertook a nine-day training course. Several of the participants were under 25 years.

### **Building and Empowering Sustainable Communities Fund**

This is a new program offering grants of up to \$5,000 for leadership initiatives. Funds of \$50,000 were allocated in 2003-04, and a number of the projects supported young people. Successful recipients included Fusion Australia - the Fund supported 60 young regional people to participate in a 10-day training and development pilgrimage from Perth to Uluru. Participants had the opportunity to meet with Indigenous leaders and experience their local culture and history.

### **Increasing youth employment in local government**

The Department, in partnership with Local Government Managers Australia (WA), promoted local government career options for young people through participating in a number of career expos and producing a range of publications suitable for students, teachers, career advisers and local governments. A number of schools and local governments have already made use of the material for their own local expos.

## FREEDOM OF INFORMATION

The Department's Freedom of Information Statement was revised. The statement is available on the Department's website at [www.dlgrd.wa.gov.au/aboutUs/FOI.asp](http://www.dlgrd.wa.gov.au/aboutUs/FOI.asp)

## WEBSITE

During the year, there was an ongoing review and enhancement of the Department's website.

Major improvements included:

- implementing a dynamic, online Local Laws Register; and
- releasing a Grants Directory as a separate website (<http://grantsdirectory.dlgrd.wa.gov.au>) which includes a search facility for easier public access.

## Report on Customer Outcomes

The Department's website was frequently accessed in 2003-04. The following table provides access statistics:

Program / Area	Number of Hits
<a href="#">Grants Directory</a>	11,494
<a href="#">Community Facilities Grants Program</a>	4,615
<a href="#">Regional Development Policy</a>	4,431
<a href="#">Animal Welfare</a>	2,359
<a href="#">WA Regional Initiatives Scheme</a>	1,140

In 2004-05, the Department will launch a new, content-managed website which will provide customers with easier access to information and allow staff to update specific areas of the website dynamically.



# Report on Corporate Outcomes

## EVALUATIONS

No formal evaluations within the scope of the *Public Sector Management Act (1994 S7(e))* were conducted during 2003-04. However, the Department seeks to regularly assess its performance to ensure it is effective.

## DISABILITY SERVICES

The Department actively supports and promotes disability access and inclusion of people with disabilities. A new Disability Services Plan was developed in 2003-04. Several initiatives were identified and will be fully implemented in 2004-05 to ensure the needs of people with disabilities are suitably met.

These include:

- the Department being represented on the tenants' committee of the building in which it has accommodation and endeavouring to ensure access to the building and facilities are improved;
- services undergoing review to ensure information is provided in formats that meet communication requirements of people with disabilities - an example of this is the complete redevelopment of the Department's website;
- a disability awareness training program for staff, management and Board members being developed in consultation with the Disability Services Commission; and
- public forums and consultations being held in locations that provide for access for people with disabilities where possible.

## ENERGY SMART

In accordance with the Energy Smart Government Policy, the Department is committed to attaining a 12% reduction in non-transport related energy use by 2006-07.

The Department has achieved a 37.6% reduction in energy costs since 2001-02. This exceeds the 12% Government requirement.

Energy Smart Government program	Baseline	2003-04	Variation %
Energy Consumption (MJ)	1185	739	-37.6
Energy Cost (\$)	52535	26089	-50.3
Greenhouse Gas Emissions (tonnes of CO <sub>2</sub> )	399	195	-51.1
Performance indicators MJ/sqm	320		-24.0
MJ/FTE	317		-21.0

During the year, the following energy saving initiatives were undertaken:

- Establishment of energy management action plans for facilities
- Modification to procurement policies to include energy efficiency criteria in new equipment purchases
- Implementation of energy audit recommendations.



# Report on Corporate Outcomes

## WASTE PAPER RECYCLING

The Department has a strong commitment to paper recycling and continues to make extensive use of recycling providers while actively encouraging staff to recycle paper. The process of moving to a fully electronic environment commenced in 2003-04 and this will continue to reduce the consumption of paper-based products.

## RECORD KEEPING

The Department of Local Government and Regional Development ensures best practice record keeping is achieved through compliance with principles and standards approved by the State Records Commission.

In accordance with the *State Records Act 2000*, the Department submitted its Record Keeping Plan and redeveloped its Retention and Disposal Schedule for approval to the State Records Commission in 2003-04. The State Records Commission approved the Plan on 3 June, 2004.

Redevelopment of the Department's Retention and Disposal Schedule was essential to address the additional functions acquired following the formation of the Department on 1 July, 2001.

All record keeping systems are reviewed on a regular basis to ensure record keeping within the Department continues to reflect best practice.

Record keeping induction programs are provided to all employees upon commencement with the Department, outlining roles and responsibilities to ensure compliance with the Department's Record Keeping Plan.

Several training sessions were also conducted throughout the year gaining positive feedback from participants.

### ***Performance Indicators for record keeping 2003-2004***

External Correspondence Registered	7,502
Internal Correspondence Registered	2,610
Ministerials Registered	3,306
New Files Created	3,550
Files sent to Permanent Archives / Repository	334

## COMPUTER UPGRADE

Sixty surplus computers from the Department were donated to Perth organisation Technical Aid to the Disabled WA Inc (TADWA). The computers were being replaced as part of an IT upgrade. Seniors and people with disabilities will benefit from the use of these used computers.



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

#### **Audit Opinion**

In my opinion,

- (i) the controls exercised by the Department of Local Government and Regional Development provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Department at June 30, 2004 and its financial performance and cash flows for the year ended on that date.

#### **Scope**

##### ***The Director General's Role***

The Director General is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Output Schedule of Expenses and Revenues, Summary of Consolidated Fund Appropriations and Revenue Estimates, and the Notes to the Financial Statements.

##### ***Summary of my Role***

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

D D R PEARSON  
AUDITOR GENERAL  
September 22, 2004

# Financial Statements

## Financial Statements

### CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

The accompanying financial statements of the Department of Local Government and Regional Development have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2004 and the financial position as at 30 June 2004.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



L Nagy  
Principal Accounting Officer  
Date: 15/8/2004



C Gwilliam  
Accountable Officer  
Date: 15/8/2004

# Financial Statements

**DEPARTMENT OF LOCAL GOVERNMENT & REGIONAL DEVELOPMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 30 June 2004

	Note	2004 \$000	2003 \$000
<b>COST OF SERVICES</b>			
<b>Expenses from ordinary activities</b>			
Employee expenses	4	6,738	6,913
Supplies and services	5	3,478	3,503
Depreciation expense	6	299	296
Administration expenses	7	408	436
Accommodation expenses	8	677	589
Grants and subsidies	9	25,199	16,306
Capital User Charge	10	526	290
Costs of disposal of non-current assets	12	51	2
Other expenses from ordinary activities	11	8	-
Total cost of services		<u>37,384</u>	<u>28,335</u>
<b>Revenues from ordinary activities</b>			
<i>Revenue from operating activities</i>			
Commonwealth grants	13	3,246	416
State grants		620	620
Satellite revenues		267	411
<i>Revenue from non-operating activities</i>			
Other revenues from ordinary activities		<u>568</u>	<u>762</u>
Total revenues from ordinary activities		<u>4,701</u>	<u>2,209</u>
<b>NET COST OF SERVICES</b>		<u>32,683</u>	<u>26,126</u>
<b>REVENUES FROM STATE GOVERNMENT</b>			
Output Appropriation	14	36,683	31,401
Liabilities assumed by the Treasurer		1	61
Resources received free of charge		<u>105</u>	<u>115</u>
Total revenues from State Government		<u>36,789</u>	<u>31,577</u>
<b>CHANGE IN NET ASSETS</b>		<u>4,106</u>	<u>5,451</u>
<b>Total changes in equity other than those resulting from transactions with WA State Government as owners</b>		<u>4,106</u>	<u>5,451</u>

The Statement of Financial Performance should be read in conjunction with the accompanying notes.

# Financial Statements

**DEPARTMENT OF LOCAL GOVERNMENT & REGIONAL DEVELOPMENT**  
**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2004

	Note	2004 \$000	2003 \$000
<b>Current Assets</b>			
Cash assets	23	11,790	7,170
Receivables	15	383	453
Amounts receivable for outputs	16	183	137
<b>Total Current Assets</b>		<u>12,356</u>	<u>7,760</u>
<b>Non-Current Assets</b>			
Restricted cash assets	17	222	174
Property, plant, and equipment	18	457	646
<b>Total Non-Current Assets</b>		<u>679</u>	<u>820</u>
<b>TOTAL ASSETS</b>		<u>13,035</u>	<u>8,580</u>
<b>Current Liabilities</b>			
Payables	19	1,237	856
Provisions	20	1,039	1,226
Other liabilities	21	201	149
<b>Total Current Liabilities</b>		<u>2,477</u>	<u>2,231</u>
<b>Non-Current Liabilities</b>			
Provisions	20	553	550
<b>Total Non-Current Liabilities</b>		<u>553</u>	<u>550</u>
<b>Total Liabilities</b>		<u>3,030</u>	<u>2,781</u>
<b>Equity</b>			
Contributed equity	22	236	136
Accumulated surplus		9,769	5,663
<b>Total Equity</b>		<u>10,005</u>	<u>5,799</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>13,035</u>	<u>8,580</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

# Financial Statements

**DEPARTMENT OF LOCAL GOVERNMENT & REGIONAL DEVELOPMENT  
STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004 \$000	2003 \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Output appropriations		36,683	31,401
Capital appropriations		100	-
<b>Net cash provided by State Government</b>		<u>36,783</u>	<u>31,401</u>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee costs		(6,870)	(6,651)
Supplies and services		(4,340)	(4,216)
Capital User Charge		(526)	-
Grants and Subsidies		(24,917)	(19,455)
<b>Receipts</b>			
Other receipts		4,699	2,263
<b>Net cash (used in) operating activities</b>	23(b)	<u>(31,954)</u>	<u>(28,059)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of non-current assets		(161)	(115)
<b>Net cash (used in) investing activities</b>		<u>(161)</u>	<u>(115)</u>
<b>Net increase in cash held</b>		4,668	3,227
Cash assets at the beginning of the financial year		7,344	4,117
<b>CASH ASSETS AT THE END OF THE FINANCIAL YEAR</b>	23(a)	<u>12,012</u>	<u>7,344</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Financial Statements

DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT  
 OUTPUT SCHEDULE OF EXPENSES AND REVENUES  
 FOR THE YEAR ENDED 30 June 2004

	Implementation of government policy		Improved access to services and capacity for development in regional communities		Better local government		Total	
	2004 \$000	2003 \$000	2004 \$000	2003 (\$'000)	2004 (\$'000)	2003 (\$'000)	2004 (\$'000)	2003 (\$'000)
<b>COST OF SERVICES</b>								
<b>Expenses from ordinary activities</b>								
Employee expenses	1,568	1,517	3,149	3,066	2,021	2,163	6,738	6,746
Supplies and services	270	631	2,884	2,138	324	786	3,478	3,555
Depreciation expense	76	45	130	198	93	53	299	296
Administration expenses	62	31	266	491	80	31	408	553
Accommodation expenses	171	112	300	315	206	162	677	589
Grants and subsidies	25	878	25,121	15,295	53	133	25,199	16,306
Capital User Charge	135	57	228	147	163	86	526	290
Costs of disposal of non-current assets	14	-	21	-	16	-	51	-
Other expenses from ordinary activities	3	-	3	-	2	-	8	-
<b>Total cost of services</b>	<b>2,324</b>	<b>3,271</b>	<b>32,102</b>	<b>21,650</b>	<b>2,958</b>	<b>3,414</b>	<b>37,384</b>	<b>28,335</b>
<b>Revenues from ordinary activities</b>								
Commonwealth grants	-	-	3,099	224	147	192	3,246	416
State grants	-	-	620	620	-	-	620	620
Satellite revenues	-	-	267	411	-	-	267	411
Other revenues from ordinary activities	34	266	515	447	19	49	568	762
<b>Total revenues from ordinary activities</b>	<b>34</b>	<b>266</b>	<b>4,501</b>	<b>1,702</b>	<b>166</b>	<b>241</b>	<b>4,701</b>	<b>2,209</b>
<b>NET COST OF SERVICES</b>	<b>2,290</b>	<b>3,005</b>	<b>27,601</b>	<b>19,948</b>	<b>2,792</b>	<b>3,173</b>	<b>32,683</b>	<b>26,126</b>
<b>REVENUES FROM STATE GOVERNMENT</b>								
Output Appropriations	9,406	6,137	15,940	15,972	11,337	9,292	36,683	31,401
Resources received free of charge	27	22	46	59	32	34	105	115
Liabilities assumed by the Treasurer	-	12	1	31	-	18	1	61
<b>Total revenues from State Government</b>	<b>9,433</b>	<b>6,171</b>	<b>15,987</b>	<b>16,062</b>	<b>11,369</b>	<b>9,344</b>	<b>36,789</b>	<b>31,577</b>
<b>Change in net assets before extraordinary items</b>	<b>7,143</b>	<b>3,166</b>	<b>-11,614</b>	<b>-3,886</b>	<b>8,577</b>	<b>6,171</b>	<b>4,106</b>	<b>5,451</b>
<b>Change in net assets</b>	<b>7,143</b>	<b>3,166</b>	<b>-11,614</b>	<b>-3,886</b>	<b>8,577</b>	<b>6,171</b>	<b>4,106</b>	<b>5,451</b>

The Output Schedule of Expenses and Revenues should be read in conjunction with the accompanying notes.

# Financial Statements

**DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT**  
**Summary of Consolidated Fund Appropriations and Revenue Estimates**  
**for the year ended 30 June 2004**

	2004 Estimate \$000	2004 Actual \$000	Variation \$000	2004 Actual \$000	2003 Actual \$000	Variation \$000
<b>DELIVERY OF OUTPUTS</b>						
Item 54 Net amount appropriated to deliver outputs	36,358	36,535	177	36,535	31,253	-5,282
Amount Authorised by Other Statutes -Salaries and Allowances Act 1975	138	148	10	148	148	0
<b>Total appropriations provided to deliver outputs</b>	<b>36,496</b>	<b>36,683</b>	<b>187</b>	<b>36,683</b>	<b>31,401</b>	<b>-5,282</b>
<b>CAPITAL</b>						
Item 133 Capital Contribution	100	100	0	100	0	-100
<b>ADMINISTERED</b>						
Administered grants, subsidies and other transfer payments	3,230	300	-2,930	300	2,832	2,532
<b>Total administered appropriations</b>	<b>3,230</b>	<b>300</b>	<b>-2,930</b>	<b>300</b>	<b>2,832</b>	<b>2,532</b>
<b>GRAND TOTAL OF APPROPRIATIONS</b>	<b>39,826</b>	<b>37,083</b>	<b>-2,743</b>	<b>37,083</b>	<b>34,233</b>	<b>-2,850</b>
<b>Details of Expenses by Outputs</b>						
Implementation of government policy	2,081	2,324	243	2,324	3,271	947
Improved access to services and capacity for development in regional communities	32,628	32,102	-526	32,102	21,649	-10,453
Better local government	3,223	2,958	-265	2,958	3,415	457
Total Cost of Outputs	37,932	37,384	-548	37,384	28,335	-9,049
Less: total revenues from ordinary activities	1,368	4,701	3,333	4,701	2,209	-2,492
Net Cost of Outputs	36,564	32,683	-3,881	32,683	26,126	-6,557
Adjustments (1)	-68	4,000	3,994	4,000	5,275	1,275
<b>Total appropriations provided to deliver outputs</b>	<b>36,496</b>	<b>36,683</b>	<b>187</b>	<b>36,683</b>	<b>31,401</b>	<b>-5,282</b>
<b>Capital Expenditure</b>						
Purchase of non-current physical assets	132	161	29	161	77	-84
Adjustment for other funding sources	-32	-61	-29	-61	-77	-16
<b>Capital Contribution (appropriation)</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>-100</b>
<b>Details of Revenue Estimates</b>						
Revenues disclosed as Administered Revenues	3,230	300	-2,930	300	2,832	2,532

(1) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

The summary of Consolidated Fund Appropriations, variance to Budget and Actual should be read in conjunction with the accompanying notes. This summary provides the basis for the Explanatory Statement Information requirements of TI 945, set out in Note 26.



# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### **1. Departmental mission and funding**

The Department's mission is to provide an increased capacity of our multicultural communities to develop good government, economic growth, social well-being and environmental sustainability.

The Department is predominantly funded by Parliamentary appropriations. The financial statements encompass all Funds through which the Department controls resources to carry on its functions.

In the process of reporting on the Department as a single entity, all intra-entity transactions and balances have been eliminated.

#### **2. Significant accounting policies**

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

##### General Statement

The financial statements constitute a general-purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### Basis of accounting

The financial statements have been prepared in accordance with Accounting Standard AAS 29. The statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at fair value.

Administered assets, liabilities, expenses and revenues are not integral to the Department in carrying out its functions and are disclosed in the notes to the financial statements, forming part of the general purpose financial report of the Department. The administered items are disclosed on the same basis as is described above for the financial statements of the Department. The administered assets, liabilities, expenses and revenues are those which the Government requires the Department to administer on its behalf. The assets do not render any service potential or future economic benefits to the Department, the liabilities do not require the future sacrifice of service potential or future economic benefits of the Department, and the expenses and revenues are not attributable to the Department.

As the administered assets, liabilities, expenses and revenues are not recognised in the principal financial statements of the Department, the disclosure requirements of Accounting Standard AAS 33, Presentation and Disclosure of Financial Instruments, are not applied to administered transactions.

#### (a) Reporting Entity

The financial statements comprise the Department of Local Government and Regional Development. Consistent accounting policies have been employed in the preparation and presentation of the financial statements.

#### (b) Output Appropriations

Output Appropriations are recognised as revenues in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited into the Department's bank account or credited to the holding account held at the Department of Treasury and Finance.

#### (c) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities", transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### (d) Net Appropriation Determination

Pursuant to section 23A of the Financial Administration and Audit Act, the net appropriation determination by the Treasurer provides for retention of the following moneys received by the Department:

- proceeds from fees and charges;
- Commonwealth specific purpose grants and contributions;
- revenues derived from the sale of real property;
- one-off revenues with a value of less than \$10,000 derived from the sale of property other than real property; and
- other departmental revenue

In accordance with the determination, the Department retained \$4.7 million in 2004 (\$2.2 million in 2003). Retained revenues may only be applied to the outputs specified in the 2003/2004 Budget Statements.

#### (e) Grants and other contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Department obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

#### (f) Revenue Recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services, is recognised when the Department has passed control of the goods or other assets or delivery of the service to the customer.

#### (g) Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### (h) Depreciation of non-current assets

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated on the straight-line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

Plant and equipment	5 to 10 years
Computer Hardware	3 years

#### (i) Leases

The Department has entered into a number of operating lease arrangements for the rent of the office buildings and motor vehicles where the lessors effectively retains all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

#### (j) Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

#### (k) Accrued Salaries

The accrued salaries suspense account (refer note 17) consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (refer note 20) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a few days of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to the net fair value.

#### (l) Receivables

Receivables are recognised at the amounts receivable, as they are due for settlement no more than 30 days from the date of recognition. Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubt as to collection exists and in any event where the debt is more than 60 days overdue.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### (m) Payables

Payables, including accruals not yet billed, are recognised when the Department becomes obliged to make future payments as a result of a purchase of assets or services. Payable are generally settled within 30 days.

#### (n) Employee benefits

##### Annual Leave

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

##### Long Service Leave

Leave benefits are calculated at remuneration rates expected to be paid when the liabilities are settled. A liability for long service leave is recognised after an employee has completed four years of service. An actuarial assessment of long service leave undertaken by PricewaterhouseCoopers Actuaries in 2000 determined that the liability using the shorthand method was not materially different from the liability measured using the present value of expected future payments.

This method of measurement of the liability is consistent with the requirements of Accounting Standard 1028 "Employee Benefits".

##### Superannuation

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

(n) Employee benefits (continued)

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided by the Department in the current year.

A revenue "Liabilities assumed by the Treasurer" equivalent to \$926.00 is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The Department is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses.

(n) Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value, which can be reliably measured are recognised as revenues and as expenses as appropriate at fair value.

(o) Comparative Figures

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented in the current financial year.

i. Rounding of amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### **3. Outputs of the Department**

Information about the Department's outputs, and the expenses and revenues which are reliably attributable to those outputs is set out in the Output Schedule. Information about expenses, revenues, assets and liabilities administered by the Department are given in notes 34 and 35.

The three key outputs of the Department:

#### **Output 1: Implementation of government policy**

Review, develop and implement policy and legislation. Research and provide data to ensure stakeholders have access to information that facilitates their strategic and operational needs.

#### **Output 2: Improved access to services and capacity for development in regional communities**

Support and develop initiatives that provide communities and organisations with the necessary infrastructure including skills, resources, networks and information to facilitate their development.

#### **Output 3: Better local government**

Supports compliance and understanding of administered legislation and assists with the administration of statutory bodies and committees.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	<b>2004</b>	<b>2003</b>
	<b>\$000</b>	<b>\$000</b>
<b>4. Employee expenses</b>		
Salaries	6,082	5,877
Superannuation	609	447
Annual leave	(163)	41
Long service leave	(4)	233
Fringe Benefits Tax	87	84
Other employee related expenses (i)	127	231
	<u>6,738</u>	<u>6,913</u>

(i) These employee expenses include superannuation, workers compensation premiums and other employment on-costs associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee benefit liabilities at Note 20.

#### 5. Supplies and Services

Consultants	312	550
Resources received free of charge (i)	105	115
Legal	26	9
Travel	535	404
Satellite services	961	963
Materials	335	227
Printing and advertising	232	297
Insurance	75	65
Repairs and maintenance	45	125
Other	852	748
	<u>3,478</u>	<u>3,503</u>

(i) Relates primarily to legal services provided by State Solicitor's Office

#### 6. Depreciation expense

Furniture	87	92
Computer hardware	212	204
	<u>299</u>	<u>296</u>

#### 7. Administration expenses

Communication	240	272
Consumables	139	132
Other	29	32
	<u>408</u>	<u>436</u>



# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$000	2003 \$000
<b>8. Accommodation expenses</b>		
Lease	598	482
Other	79	107
	<u>677</u>	<u>589</u>
<b>9. Grants and subsidies</b>		
<u>Recurrent:</u>		
Community Security Program	-	955
Australian Building Codes Board	-	106
Regional Development Scheme, Western Australian Regional Initiatives Scheme and Regional Infrastructure Funding Program	20,935	9,451
Regional Development Commission (payments on their behalf)	-	2,865
Telecentre Programs	1,811	1,821
Community Facilities Grant Program	695	50
Other	1,758	1,058
	<u>25,199</u>	<u>16,306</u>
<b>10. Capital User Charge</b>	<u>526</u>	<u>290</u>
<p>A capital user charge rate of 8% has been set by the Government and represents the opportunity cost of capital invested in the net assets of the Department used in the provision of outputs. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.</p>		
<b>11. Other Expenses from ordinary activities</b>		
Bad debts expense	<u>8</u>	<u>-</u>
<b>12. Net profit/(loss) on disposal of non-current assets</b>		
Computer hardware	(28)	(2)
Furniture & Equipment	(23)	-
	<u>(51)</u>	<u>(2)</u>
<b>13. Commonwealth grants</b>		
Recurrent	<u>3,246</u>	<u>416</u>

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$000	2003 \$000
<b>14. Revenues from government</b>		
Appropriation revenue received during the year:		
-Output Appropriations (i)	<u>36,683</u>	<u>31,401</u>
Resources received free of charge have been determined on the basis of the following estimates provided by agencies (ii):		
-Office of the Auditor General	-	23
-State Solicitor's Office	105	91
-D.O.L.A.	<u>-</u>	<u>1</u>
	105	115
Liabilities have been assumed by the Treasurer (iii):		
-Superannuation	<u>1</u>	<u>61</u>

(i) Output appropriations are accrual amounts reflecting the full cost of outputs delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(ii) Where assets or services have been received free of charge or for nominal consideration, the department recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Department shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

Commencing with the 2003-04 audit, the Office of the Auditor General will be charging a fee for auditing the accounts, financial statements and performance indicators. The fee for the 2003-04 audit of \$24,500 will be due and payable in the 2004-05 financial year.

(iii) The assumption of the superannuation liability by the Treasurer is only a notional revenue to offset the notional superannuation expense reported in respect of current employees who are members of the pension scheme and current employees who have a transfer benefit entitlement under the Gold State Scheme.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	<b>2004</b>	<b>2003</b>
	<b>\$000</b>	<b>\$000</b>
<b>15. Receivables</b>		
Trade debtors	123	197
Less Provision for Doubtful Debts	(8)	-
GST receivable	268	256
	<u>383</u>	<u>453</u>
<b>16. Amounts receivable for outputs</b>		
Current	<u>183</u>	<u>137</u>
<b>17. Restricted Cash Assets</b>		
<b>Non Current</b>		
Accrued salaries suspense account (i)	<u>222</u>	<u>174</u>
<p>(i) Amount held in the suspense account is only to be used for the purpose of meeting the 27<sup>th</sup> pay in a financial year that occurs every 11 years.</p>		
<b>18. Furniture, Equipment and Computer Hardware</b>		
Furniture and equipment		
At cost	605	613
Accumulated depreciation	<u>(298)</u>	<u>(225)</u>
	<u>307</u>	<u>388</u>
Computer Hardware		
At cost	770	775
Accumulated depreciation	<u>(620)</u>	<u>(517)</u>
	<u>150</u>	<u>258</u>
Total of furniture, equipment and computer hardware	<u>457</u>	<u>646</u>

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### 18. Furniture, Equipment and Computer Hardware (continued)

Reconciliation of the carrying amounts of furniture, equipment and computer hardware at the beginning and end of the current and previous financial year are set out below.

	\$000 Furniture & Equipment	\$000 Computer Hardware	\$000 Total
<b>2004</b>			
Carrying amount at start of year	388	258	646
Additions	29	132	161
Disposals	(23)	(28)	(51)
Depreciation	(87)	(212)	(299)
Carrying amount at end of year	307	150	457

<b>19. Payables</b>	<b>2004 \$'000</b>	<b>2003 \$'000</b>
Trade payables	1,237	856

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$000	2003 \$000
<b>20. Provisions</b>		
Current		
Annual leave	477	563
Long service leave	562	663
Other (i)		
	1,039	1,226
Non Current		
Long service leave	553	550
Other (i)		
	553	550

- (i) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers compensation premiums. The liability for such on-costs is included here. The associated expense is included under Other Related Expenses (under Employee Expenses) at Note 4.

The Department considers the carrying amount of employee benefits to approximate the net fair value.

#### Employee Benefit Liabilities

The aggregate employee benefit liability recognised and included in the financial statements is as follows:

Provision for employee benefits		
Current	1,039	1,226
Non-Current	553	550
	1,592	1,776

#### **21. Other liabilities**

Accrued salaries	201	149
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# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	<b>2004</b>	<b>2003</b>
	<b>\$000</b>	<b>\$000</b>
<b>22. Equity</b>		
Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community.		
Contributed equity		
Opening balance	136	136
Capital contributions (i)	100	-
Closing balance	<u>236</u>	<u>136</u>

(i) From 1 July 2001, capital appropriations, termed Capital Contributions, have been designated as contributions by owners and are credited directly to equity in the Statement of Financial Position.

Accumulated surplus		
Opening balance	5,663	212
Change in net assets	4,106	5,451
Closing balance	<u>9,769</u>	<u>5,663</u>

### 23. Notes to the Statement of Cashflows

#### (a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cashflows is reconciled to the related items in the Statement of Financial Position as follows:

Cash Assets	11,786	7,166
Restricted Cash	222	174
Cash on hand	4	4
	<u>12,012</u>	<u>7,344</u>

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	<b>2004</b>	<b>2003</b>
	<b>\$000</b>	<b>\$000</b>
<b>23. Notes to the Statement of Cashflows (Continued)</b>		
(b) Reconciliation of net cost of services to net cashflows (used in) operating activities		
Net cost of services (operating statement)	(32,683)	(26,126)
Non-cash items:		
-Grants and subsidies	726	629
-Depreciation	299	296
-Superannuation	-	61
-Resources received free of charge	105	115
-Costs on disposal of non-current assets	51	2
-Other expenses from ordinary activities	8	-
(Increase)/decrease in assets:		
-Current receivables	(2)	(23)
-Non-Current assets	-	214
Increase/(decrease) in liabilities:		
-Other liabilities	52	(90)
-Current provisions	(187)	225
-Current accounts payable	(326)	(3,366)
-Current prepayments	-	(3)
-Non-current provisions	3	7
Net cash (used in) operating activities	<u>(31,954)</u>	<u>(27,999)</u>

#### 24. Lease commitments

Commitments in relation to non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities are payable:

Within 1 year	545	542
Later than 1 year and not later than 5 years	1,920	1,949
Later than 5 years	1,895	2,369
	<u>4,360</u>	<u>4,860</u>

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$000	2003 \$000
<b>25. Remuneration of Senior Officers</b>		

#### Remuneration

The number of Senior Officers whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

\$	2004	2003
40,001 - 50,000	1	-
50,001 - 60,000	1	-
80,001 - 90,000	-	1
100,001 - 110,000	-	3
110,001 - 120,000	1	-
120,001 - 130,000	1	1
130,001 - 140,000	2	-
170,001 - 180,000	1	1

The total remuneration of senior officers is:	787	712
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No senior officers are members of the Superannuation and Family Benefits Act Scheme

#### **26. Explanatory statement**

The Summary of Consolidated Fund Appropriations and Revenue Estimates discloses appropriations and other statutes expenditure estimates, the actual expenditures made and revenue estimates and payments into the Consolidated Fund. Appropriations are now on an accrual basis.

The following explanations are provided in accordance with Treasurer's Instruction 945. Significant variations are considered to be those greater than 10% and \$100,000.



# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### 26. Explanatory statement (Continued)

##### (i) Significant variances between estimate and actual – Total appropriation to deliver outputs:

	2004	2004	
	Estimate	Actual	Variation
	\$000	\$000	\$000
Total appropriations provided to deliver outputs	36,496	36,683	187

The variance was due primarily due to supplementary funding provided for the City of Joondalup inquiry.

##### (ii) Significant variances between actual and prior year actual – Total appropriations to deliver outputs.

	2004	2003	
	Actual	Actual	Variation
	\$000	\$000	\$000
Total appropriations provided to deliver outputs for the year	36,683	31,401	5,282
Total revenues from ordinary activities	4,701	2,209	2,492

##### **Total appropriations provided to deliver outputs for the year**

The variance was due primarily to the increase in the Regional Investment Fund (RIF)

##### **Total revenues from ordinary activities**

The variance was due to recoupment from the Commonwealth for expenditure incurred with regards to Commonwealth and State initiatives.

##### (iii) Significant variances between estimate and actual – Capital Contribution: No significant variances

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### 26. Explanatory statement (Continued)

##### (iv) Significant variances between actual and prior year actual – Capital Contribution

2004	2003	
Actual	Actual	Variation
\$000	\$000	\$000
100	0	100

The variance was due to the Department of Treasury & Finance appropriating a one off capital contribution to assist the Department in replacing its ageing computers and office equipment.

##### (v) Significant variances between estimate and actual, and actual and prior year actual.

###### Total administered appropriations:

2004	2004	
Estimate	Actual	Variation
\$000	\$000	\$000
3,230	300	2,930

The variance was due to the Community Resource Centres-Regional Collocation Scheme being deferred to 2004/2005 financial year.

2004	2003	
Actual	Actual	Variation
\$000	\$000	\$000
300	2,800	2,500

The variance is due to the Community Resource Centres-Regional Collocation Scheme being deferred to 2004/2005 financial year.

##### (vi) Significant variances between estimate and actual, and actual and prior year actual

**Administered revenues:** No significant variance

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### 27. Additional Financial Instruments

##### (a) Interest Rate Risk Exposure

The Department's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments are:

	<b>Non interest bearing \$'000</b>	<b>Total \$'000</b>
<u>30 June 2004</u>		
<b>Financial Assets</b>		
Cash Assets	11,790	11,790
Restricted Cash Assets	222	222
Accounts Receivables	115	115
	<b>12,127</b>	<b>12,127</b>
<b>Financial Liabilities</b>		
Accounts Payables	1,237	1,237
Other Liabilities	201	201
Provisions	1,592	1,592
	<b>3,030</b>	<b>3,030</b>
<u>30 June 2003</u>		
<b>Financial Assets</b>	<b>7,541</b>	<b>7,541</b>
<b>Financial Liabilities</b>	<b>2,780</b>	<b>2,780</b>

##### (b) Credit Risk Exposure

There are no amounts owed by other government agencies. In respect of other financial assets the carrying amounts represent the Department's maximum exposure to credit risk in relation to those assets.

##### (c) Net Fair Values

The carrying amounts of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### 28. Contingent obligations

There were no contingent liabilities as at 30 June 2004.

#### 29. Events occurring after reporting date

There were no events occurring after reporting date that would cause the financial statements to be misleading in the absence of disclosure.

#### 30. Indian Ocean Territories

The Agreement, pursuant to Section 23A of the Financial Administration and Audit Act, between the Treasurer and the Accountable Officer provides for the retention of moneys received by the Department from the Commonwealth in respect of the Indian Ocean Territories. Revenue retained pursuant to this agreement is to be applied to the Department's outputs. Moneys received by the Department in respect of the services provided shall be credited to the Department's operating account.

	<b>2004</b>	<b>2003</b>
	<b>\$000</b>	<b>\$000</b>
Opening balances	-	(49)
Plus: Gross revenues	147	191
	<hr/>	<hr/>
	147	142
Less: Gross expenditures	134	142
Closing balances	13	-
	<hr/>	<hr/>

#### 31. Affiliated bodies

This Department is affiliated with the Western Australian Local Government Grants Commission.

#### 32. Write – Offs

During the financial year 2003/2004 there were no write –offs.

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$000	2003 \$000
<b>33. Administered Expenses and Revenues</b>		
<b>Expenses</b>		
Grants	802	1,006
<b>Total Administered Expenses</b>	<u>802</u>	<u>1,006</u>
<b>Revenues</b>		
Appropriations	300	2,832
<b>Total Administered Revenues</b>	<u>300</u>	<u>2,832</u>
<b>34. Administered Assets and Liabilities</b>		
<b>Current Assets</b>		
Cash Assets	3,258	3,723
<b>Total Administered Current Assets</b>	<u>3,258</u>	<u>3,723</u>
<b>Current Liabilities</b>		
Payables	37	-
<b>Total Administered Current Liabilities</b>	<u>37</u>	<u>-</u>
<b>35. Trust Expenses and Revenues</b>		
<b>Expenses</b>		
Local Government Scholarship Scheme Trust Fund	10	-
<b>Total Trust Expenses</b>	<u>10</u>	<u>-</u>
<b>Revenues</b>		
Local Government Scholarship Scheme Trust Fund	20	20
<b>Total Trust Revenues</b>	<u>20</u>	<u>20</u>
<b>36. Trust Assets and Liabilities</b>		
<b>Current Assets</b>		
Cash held in Trust Fund		
Local Government Scholarship Scheme Trust Fund	57	47
<b>Total Trust Current Assets</b>	<u>57</u>	<u>47</u>
<b>Current Liabilities</b>		
Cash to be paid from Trust Fund		
Local Government Scholarship Scheme Trust Fund	57	47
<b>Total Trust Current Liabilities</b>	<u>57</u>	<u>47</u>

# Financial Statements

## DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### **37. The Impact of Adopting International Accounting Standards**

The Department of Local Government and Regional Development is adopting International Accounting Standards in compliance with AASB1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS).

AASB 1047 "Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards" requires financial reports to disclose how the transition to Australian Equivalents to IFRS is being managed and information about the impacts of any changes in accounting policies in the transition period leading up to the adoption date.

The Department has established a working group to oversee the organisations readiness for implementation of International Financial Reporting Standards (IFRS). The Department is in the process of preparing the opening balance sheet for 1 July 2004.

The key potential implications of the conversion to IFRS on the Department are as follows:

- Long term employee benefits will be measured at present value
- Changes in accounting policies will be recognised by restating comparatives rather than making current year adjustments with note disclosure of prior year effects

The above should not be regarded as a complete list of changes in accounting policies that will result from the transition to Australian Equivalents to IFRS, as not all standards have been analysed yet. For this reason it is not yet possible to quantify the impact of the transition to Australian Equivalents to IFRS on the Department's financial position and reported results.



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2004

#### **Audit Opinion**

In my opinion, the key effectiveness and efficiency performance indicators of the Department of Local Government and Regional Development are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended June 30, 2004.

#### **Scope**

##### *The Director General's Role*

The Director General is responsible for developing and maintaining proper records and systems for preparing performance indicators.

The performance indicators consist of key indicators of effectiveness and efficiency.

##### *Summary of my Role*

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

D D R PEARSON  
AUDITOR GENERAL  
September 22, 2004

## Performance Indicators

### CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2004

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Local Government and Regional Development's performance, and fairly represent the performance of the Department of Local Government and Regional Development for the financial year ended 30 June 2004.



C Gwilliam  
Accountable Officer

Date: 15/8/2004



# Performance Indicators

## 1.1.1 DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

1.2 EFFICIENCY INDICATORS	2003-04 Target	2003-04 Actual	2002-03 Actual	Comments
<b>Output 1: Implementation of government policy</b>				
Average cost per piece of written advice requiring Minister's attention.....	\$1,168	\$626	\$951	Reflects higher than expected number of written advices.
Average cost of legislative amendments drafted.....	\$65,800	\$51,600	\$43,800	Overestimation of costs.
<b>Output 2: Improved access to services and capacity for development in regional communities</b>				
<b>Cost</b>				
Average cost per advice and information provided to clients....	\$80	\$96	\$59	
Average cost of grant approved for local and regional communities.....	\$78,840	\$58,939	\$136,788	Higher number of grant applications funded than expected.
Average cost per application evaluated. ....	\$9,862	\$9,861	\$6,749	
Average cost per local government assessed. ....	\$2,812	\$3,433	\$4,014	The corporate services costs incurred by Grants Commission was higher than estimated.
Average internal cost per satellite site supported. ....	\$7,294	\$6,283	\$6,996	Estimated expenditure was lower than expected.
<b>Output 3: Better local government</b>				
<b>Cost</b>				
Average cost per dealing with an application for boundary change. ....	\$3,346	\$3,872	\$2,439	The number of applications for boundary change was less than estimated.
Average cost per building appeal.	\$567	\$0	\$569	Transferred to the Department of Housing and Works
Average cost per inquiry and investigation.....	\$1,364	\$1,421	\$2,001	
Average cost per item of correspondence (advice) prepared. ....	\$145	\$120	\$131	Reflects higher than expected number of correspondence (advice) prepared.
Average cost of monitoring each local government. ....	\$4,116	\$4,656	\$4,700	Underestimation of costs
Average cost per telephone inquiry. ....	\$29	\$61	\$41	Responsibility for <i>Dividing Fences Act 1972</i> transferred to Department of Housing and Works.

# Performance Indicators

## EFFECTIVENESS INDICATORS

### **KEY OUTCOME**

*An increased capacity of communities to develop good government, economic growth and social well-being.*

The formation of the Department of Local Government and Regional Development on 1 July 2001 brought together a broad range of administrative, economic and social functions associated with local government, regional development and satellite communication services. This is reflected in the broad nature of the key outcome to be achieved.

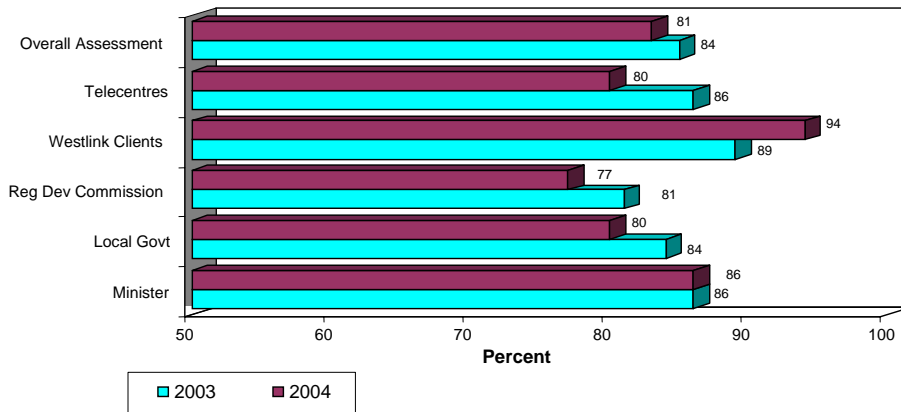
Appropriately, local governments, regional development commissions and communities have the role of establishing and maintaining good government at a local level together with the activities that foster economic development and social well being. Primarily the Department's role is to enhance the capacity of local governments and communities to fulfil their roles. It does this by developing policy and legislation, monitoring local government operations as well as providing advice, information and support services. The recipients of these services include nine Regional Development Commissions, clients of the Westlink satellite communication services, 94 Telecentres and 144 Western Australian local governments including, by agreement with the Commonwealth Government, the Indian Ocean Territories of Cocos (Keeling) and Christmas Islands.

Targets and measurements of capacity enhancement cannot be established objectively as many elements are subjective: information accessibility, confidence, quality of advice and the development of leadership skills being but a few examples. Consequently, any assessment of the effectiveness of the Department's services in enhancing community capacity must rely considerably upon the views and perceptions of the recipients of those services. Therefore, it was considered important to obtain the level of client satisfaction with both the quality and timeliness of verbal, written and in-person advice, plus their perceived value of the web site content together with any suggestions related to perceived shortcomings or potential improvements.

Figure 1 below shows the overall index score of satisfaction for the total population (all the groups averaged together) and the five separate audiences separately for the 2003 and 2004 survey reports. Overall, it shows a negligible difference in overall satisfaction with the Department's performance. The satisfaction index score is effectively the average assessment of those respondents who are able to make an assessment. That is, it has factored out survey participants who indicated that they were unable to judge a particular aspect of the Department's performance due to a lack of experience in the year in question. For convenience, this average figure has been indexed to a score out of 100.

# Performance Indicators

Figure 1 - Client Satisfaction Survey



THE SURVEY METHOD USED FOR WESTLINK SERVICES WAS SLIGHTLY DIFFERENT TO ALL OTHER TARGET GROUPS TO ENABLE CONTINUITY WITH THEIR DETAILED, HISTORICAL CUSTOMER SERVICE RATING ANALYSIS. CONSEQUENTLY, THE INDEX SCORE USED IN FIGURE 1 WAS CALCULATED BY TAKING THE AVERAGE OF 10 MEASUREMENTS TAKEN.

## Key Effectiveness Indicators

	2003-04 Target	2003-04 Actual
Ministerial office satisfaction with policy and legislative advice (a)	3	4
Client satisfaction with information and services	75%	81%
Conclusions drawn from Departmental investigations are substantially accepted by the appropriate authority	80%	86%

- (a) Value point along a continuum that ranges from 1 (well below expectations) to 5 (well above expectations) obtained from survey of the Minister's Office. The actual value was converted from a percentage basis proportionate to the value score.

## METHODOLOGY

The Department commissioned an independent consultant, Patterson Market Research, to undertake a customer satisfaction survey on its behalf.

For consistency in reporting the consultant used the survey questionnaires developed specifically for the 2002 survey period. The survey covered the target groups of:

*Government Administration (154):*

The Office of the Minister for Local Government and Regional Development (1).

Local Government CEOs (144).

Regional Development Commission CEOs (9).

*Technology Users (117):*

Major Westlink Clients (23).

Telecentres (94).

Letters were issued to all potential respondents by the consultant to inform them of the intent to conduct the survey, together with an outline of the survey content. Subsequently, (with the exception of the Minister's Office who were requested to provide a written response), each was contacted for a brief telephone interview or to arrange a more suitable time for such an interview to be conducted.

# Performance Indicators

Using this approach, survey results were obtained from 214 of the 271 clients approached.

All survey participants were requested to rate specific aspects of the Department's service delivery on a 7 point scale comprising "Very dissatisfied", "Dissatisfied", "Slightly dissatisfied", "Neither Satisfied nor Dissatisfied", "Slightly satisfied", "Satisfied" and "Very satisfied".

It was considered important that the survey reflect client attitudes towards service delivered in the 2004 financial year. Consequently, responses were elicited from those respondents that had experienced dealings with the Department in the preceding 12 months. Thus, respondents were afforded the opportunity to indicate whether comment on particular questions was "Not Relevant/Can't Say". This enabled the consultant to separate those who were neither satisfied nor dissatisfied from those to whom the question was not relevant or where an opinion could not be given. It also enabled the elimination of any potential bias that would arise from large numbers of "Not Relevant/Can't Say" responses and enabled a Satisfaction Index Score that focused entirely upon relevant responses.

**Figure 2 – Summary of Sample Response Rates and Survey Error**

<b>Target Group</b>	<b>Population</b>	<b>Achieved Sample</b>	<b>Response Rate</b>	<b>Resultant Survey Error</b>
Minister	1	1	100%	0%
Local Governments	144	105	73%	4.99%
Regional Development Commissions	9	9	100%	0
Westlink Clients	23	22	96%	4.45%
Telecentres	94	77	82%	4.77%
<b>Overall</b>	<b>271</b>	<b>214</b>	<b>79%</b>	<b>3.08%</b>

The final column shows the resultant survey error for each of the target populations at the 95% level of confidence.

Figure 3 shows the results for the 2003 financial year as a comparison.

**Figure 3 – Summary of Sample Response Rates and Survey Error**

<b>Target Group</b>	<b>Population</b>	<b>Achieved Sample</b>	<b>Response Rate</b>	<b>Resultant Survey Error</b>
Minister	1	1	100%	0%
Local Governments	144	106	74%	4.4%
Regional Development Commissions	9	7	78%	18.5%
Westlink Clients	32	24	75%	10.2%
Telecentres	96	78	81%	4.4%
<b>Overall</b>	<b>282</b>	<b>216</b>	<b>77%</b>	<b>3.2%</b>