

PUBLIC ACCOUNTS COMMITTEE

**INQUIRY INTO PROJECT PLANNING AND FUNDING APPLICATIONS
FOR MAJOR WESTERN AUSTRALIAN INFRASTRUCTURE PROJECTS**

**TRANSCRIPT OF EVIDENCE TAKEN
AT PERTH
FRIDAY, 18 JUNE 2010**

SESSION ONE

Members

Mr J.C. Kobelke (Chairman)
Mr J.M. Francis (Deputy Chairman)
Mr A. Krsticevic
Ms R. Saffioti
Mr C.J. Tallentire

Hearing commenced at 10.15 am**STALTARI, MR DOMINIC****Assistant Commissioner, Professional Standards, Western Australia Police,
examined:****ITALIANO, MR GREG****Executive Director, Western Australia Police,
examined:****LORD, MR JAMES GARY****Director, Asset Management, Western Australia Police,
examined:****WEBSTER, MR MICHAEL****Assistant Director, Land and Building Services, Western Australia Police,
examined:**

The CHAIRMAN: You are probably aware that we have some standard formalities that I need to go through before we can take evidence from you.

On behalf of the Public Accounts Committee, I would like to thank you for your interest and your appearance before us today. The purpose of this hearing is to assist the committee in gathering evidence for its inquiry into project planning and funding applications for major Western Australian infrastructure projects. You have been provided with a copy of the committee's specific terms of reference. I have already introduced you to the members of the Public Accounts Committee.

The Public Accounts Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal procedure of the Parliament and therefore commands the same respect given to proceedings in the house. Even though the committee is not asking witnesses to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of Parliament. This is a public hearing and Hansard will be making a transcript of the proceedings for the public record. If you refer to any documents during your evidence, it would assist Hansard if you could provide the full title for the record. Before we proceed with the questions that we have for you today, I need to ask you a series of questions. Have you completed the "Details of Witness" form?

The Witnesses: Yes.

The CHAIRMAN: Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

The Witnesses: Yes.

The CHAIRMAN: Did you receive and read the information for witnesses briefing sheet provided with the "Details of Witness" form today?

The Witnesses: Yes.

The CHAIRMAN: Do you have any questions in relation to being witnesses at today's hearing?

The Witnesses: No.

The CHAIRMAN: Okay. I ask if you would in turn please state your full name and the capacity in which you appear before the committee today.

Mr Staltari: My name is Dominic Staltari. I am an assistant commissioner with WA Police. My current position is assistant commissioner professional standards, but, for the sake of consistency, I maintain my position on the steering group for the construction of the Perth police centre because in my former role as assistant commissioner north metropolitan region that project was in my area of responsibility at the time.

The CHAIRMAN: Thank you.

Mr Italiano: My name is Greg Italiano. I am the executive director for the WA Police.

Mr Lord: My name is Gary Lord. I am the director of asset management. Land and buildings, fleet and equipment, and clothing, come under my responsibility.

Mr Webster: My name is Michael Webster. I am the assistant director of land and building services, WA Police.

The CHAIRMAN: Thank you, very much. I thank you for the submission that you have already given to us. Together with the information you provide today, your submission will form part of the evidence of this inquiry, and may be made public. Two issues arise from that: firstly, the general view of the committee is that your submission is quite detailed—we really appreciate that you have provided that much information; and secondly, that you have given us some numbers we understand need to be kept in confidence. Although there is no-one else in the room, this is a public hearing. The members of the committee are very conscious of the need not to breach that confidence in a way that may have a negative effect on the whole project. If we want to get into an area that is in confidence, we have the power to close the meeting; in which case that information would be kept in confidence. You will need to advise us if you think the line of questioning or the fulsomeness of an answer you may wish to give will provide information that you do not wish to have in the public arena at this stage.

Are there any issues arising in your submission that you wish to add to or vary the information about?

Mr Italiano: No; thank you, Mr Chair.

The CHAIRMAN: Good. I do not know if you want to make any introductory comments—or just leave it to questions and answers.

Mr Italiano: I will comment very briefly, Mr Chair, if I may.

The CHAIRMAN: Yes.

Mr Italiano: I think, as you say, the submission is very comprehensive and hopefully addresses the questions put to us by the committee. Obviously, just to reiterate the point, the Perth police complex is a very significant building in the history of the WA Police. The needs that we hope it will address once completed are long standing. It will address primarily two issues; one being the standard of custody or care afforded to persons who are detained and held in our primary custodial facility, and the second being that it will address the very poor standard and the disparate nature of accommodation in the current central metropolitan district, which is obviously one of our major metropolitan districts with primary responsibility for the central business district and entertainment areas. It is very important building for us in our history as an organisation. I will just leave it at that.

The CHAIRMAN: Thank you.

If I can, I would like to get some clarification on the scope of the building being considered for construction. It was mentioned in your paper that Brisbane, I think, had a relatively new watch-house or central police station. I am wondering if you will comment about what were seen to be the

real gains with respect to the Brisbane building that you are seeking to take advantage of in replicating here.

Mr Italiano: Thank you, Mr Chair; I will ask Mr Staltari to address that. I think that he visited those premises. Dominic?

Mr Staltari: No; I did not visit them, but I know that Mike Webster is probably best placed to respond because he did visit them. The reason we went to a number of locations around Australia was to look at best practice watch-house design. The principal reason we looked at Roma Street was the effectiveness and efficiency gains that we want to take advantage of when we construct these premises. However, I think Mike would be best placed to comment on the nitty-gritty in terms of the answer.

Mr Webster: The Roma Street facility is essentially a central watch-house for Brisbane on the upper floor, with a series of courts on the ground floor. There is no police station as such within the facility. The WA Police has not built a large watch-house since the one that we are replacing was built. Hence, it was deemed appropriate to look at what is best practice around the policing jurisdictions, so that we could build on that—both from a building perspective and from an operational perspective. The Roma Street watch-house is the most modern watch-house in Australia; we visited it to try to learn from it.

[10.22 am]

The CHAIRMAN: Members of the committee are not necessarily aware of some of the operational requirements for a watch-house. Without taking a lot of time and being specific, what are some of the key issues for our current facility, which you have clearly indicated is out of date, in terms of efficiencies or standard improvements? What are the improvements in efficiencies and standards that you seek to gain with the new watch-house?

Mr Italiano: I might answer that and then turn to Mr Staltari on the operational side. I note to the committee that a very important aspect of the new watch-house relates to the safety of detainees, and the standards expected of the settings in which people are held in custody in respect of cell design, ventilation and safety are very important. The East Perth watch-house certainly has a number of issues in that regard. The cells are not what we would expect for that sort of facility today. One of the drivers is having a facility that actually addresses a standard of care in custody and a physical facility that provides that. That is in addition to straight operational efficiency gains, but that is an important matter.

Mr Staltari: The primary design concept is around detainee safety and security and the duty of care that comes with that. It is also about achieving efficiencies in processing detainees without officers having to wait there a long time, and minimising the number of officers we need in the watch-house by its very design, including glass fronts, rather than what we currently have. There are currently probably about 15 people in the watch-house because of its design. They have to walk down corridors and there are bars; there are a lot of risks there. The risks will be significantly reduced in the planned watch-house.

The CHAIRMAN: The information you just gave us on Roma Street in Brisbane is that it is just a watch-house and court system. Are there any other facilities around Australia that you have looked at where there is a major police station in the same building?

Mr Staltari: No, but the joined-up concept provides efficiency gains again. When we look at the number of officers who will be co-located in this particular building, by having the watch-house joined up with that facility, it again creates those efficiency gains in terms of the time to transport detainees to and from there. It will provide a very good service for Northbridge in terms of our ongoing operations on Friday and Saturday evenings. It will also provide some security by having the police establishment there. It will, in effect, provide security for the Perth watch-house. To have

a Perth watch-house on its own, the perimeter security would have to be rather extensive to protect it. Having a 24/7 police establishment actually achieves that without any real expense.

The CHAIRMAN: To follow up on that, what is the situation in terms of internal security, where clearly there would be separation issues between the police station and the watch-house?

Mr Staltari: The electronic security systems that will be incorporated in this building, not only from the watch-house perspective but also for the rest of the building, forms a very big part of the planning.

Mr Webster: We are reliant on electronic security and the ability to segregate that into different user classes to facilitate the separation of three effective components in the building, because we have the Magistrates Court, which provides its own security, the Perth Police Station, which has another level of security, and the watch-house.

The CHAIRMAN: I am still dealing with these issues of scope and I have one more question. The construction is targeting the accommodation of approximately 500 police officers and staff, and 72 persons in the watch-house. How does that benchmark against current numbers? What capacity is there for expansion or growth as Perth gets bigger? Are we just meeting current needs, or are we allowing for expansion?

Mr Staltari: No, we are allowing for expansion. I cannot remember the percentage.

Mr Webster: I think in terms of police staff, there will be growth of about 100 to reach 500; I think the current complement is about 400. The 72-bed capacity for the watch-house has factored in the changing of the business, in that there are more people being bailed and held for a shorter time, but it certainly builds in growth in terms of where detention facilities are going into the future.

The CHAIRMAN: What is the capacity of the current East Perth lockup?

Mr Staltari: The maximum would be 50. There are some real security and safety issues at 50.

Mr J.M. FRANCIS: Is that because you are putting too many people in the one holding cell?

Mr Staltari: It is basically because of its design. Our building code details what a safe cell should be. To convert the East Perth watch-house into safe cells would amount to an enormous amount of money; it would not be viable. One other comment I feel I should make in terms of that joined-up facility is that having a court in that building will create some efficiency gains for police and government. Currently, we have to transport prisoners from the watch-house to the court buildings. This facility will alleviate the need for that to occur.

[10.30 am]

Mr J.M. FRANCIS: I was going to ask that, and you have answered that already. Thank you.

Mr Webster: Just to clarify the capacity of the watch-house, the 72 is beds. If somebody does not require a bed, there is certainly a greater capacity to hold people for a short term. The 72 is purely sleeping capacity.

Mr Staltari: When you come in through the entry door, there is a whole series of holding pods there, so to speak—10 of them—so you can secure the people, and then you can bring them into the main area, where are beds. So in terms of actual capacity, it would be more than 72.

Mr J.M. FRANCIS: You will have to forgive me. I am trying to visualise it. The only exposure I have had to this was a show on, I think, Channel 7. The only lockup I have seen, other than the one at the law courts, was at Rangeview Detention Centre in my electorate. That is my entire exposure to these kinds of things.

Mr A. KRSTICEVIC: You are not speaking from personal experience!

Mr J.M. FRANCIS: No—not in Australia anyway!

Mr Italiano: I think a significant difference about a police custodial facility is that unlike a corrective services facility, you have got people coming and going. In many instances it is in the interests of all parties that the person be in custody for a minimum amount of time in terms of how they are dealt with. So there are some different settings in that respect.

Mr J.M. FRANCIS: Of course.

Mr Staltari: Agency-wide, we are trying to reduce the number of prisoner transport episodes across the state, and by having a court that actually provides a secure facility for a magistrate to sit perhaps out of hours into the future and determine a lot of these matters statewide through the use of video and audiovisual to determine matters of bail, that will minimise the need for transport.

Mr J.M. FRANCIS: It seems like a no-brainer, really.

Mr A. KRSTICEVIC: Just to get back to the current facility, there are 400 people in the current facility, and you are talking about that going up to 500. Are you are saying there are currently about 400 who will be moving into the new facility?

Mr Webster: That is correct.

Mr A. KRSTICEVIC: So that is the current capacity where you are?

Mr Webster: That is at a number of facilities, not just in the one location.

Mr A. KRSTICEVIC: So you will be consolidating?

Mr Italiano: Yes. That is the reference to the central metropolitan district that I made. We have got some units of central metro at the police headquarters, like the district office, IMU and some support activities, and then we have got a number of officers on some floors of Curtin House, which forms the Perth Police Station. That does not work particularly effectively.

Mr C.J. TALLENTIRE: But in the interim you have got that ability to move people around to different facilities? Is that how it works?

Mr Italiano: Well, only by necessity. They are in locations that are not fit for purpose. I feel as though I am overusing the words “effectively” and “efficiently”, but they battle against those two words in their current facilities. This will be a purpose-built facility. Having a number of officers in that one location will actually create further efficiencies for us, because we can put more people out there. Police officers out on the road are what we want.

Mr Italiano: It does also facilitate the police vacating that parcel of land that is currently occupied by those central metropolitan resources that I spoke of, because the site obviously falls within EPRA’s redevelopment footprint, and the vacating of that site is obviously an essential aspect of moving forward with other uses for the site into the future.

The CHAIRMAN: If I can follow up on that, has any undertaking being given with respect to capturing the value on that land in East Perth when that building can be demolished because it is no longer needed?

Mr Lord: We have not really looked at the value at this stage. We have been working with EPRA with regard to the strategic accommodation master plan for that area, but at this stage they have not put a value around the whole facility. Our main headquarters is also there, and there is an intention to get us out of that building as well.

The CHAIRMAN: There has been for a long, long time.

Mr Italiano: Intention is right, Mr Chair.

Mr Lord: If I may add to that, with the consolidation of the new facility as well, it is a step forward to the new service delivery model and the accommodation hubbing. That is one of our first major facilities within the central metropolitan district. Naturally with the consolidation of that comes the

fact that you only need the one area for administration purposes. The entrance to the watch-house will be through the back so that we can keep that area isolated.

The CHAIRMAN: Just while you are speaking about that, can you give us some guidance in terms of which is the back and where the entrance will be, because there are three roads there?

Mr Italiano: We have some visual perspectives that we will hand out.

Mr Staltari: That perspective is taken from the corner of Roe and Fitzgerald Streets.

Mr Lord: And James Street.

Mr Staltari: James Street is at the top.

Mr Italiano: If you look at the pictorial, it is on the corner of Fitzgerald and Roe, and James Street runs along the back here, Roe Street is there, and Fitzgerald Street is there. That area that I am pointing to is the front of the police station, and this is the watch-house. The watch-house is around the corner on Roe Street.

Mr C.J. TALLENTIRE: And Runners World is just across the road.

Mr Italiano: Yes. I hope we will not have any runners!

The CHAIRMAN: It certainly does not have the standard watch-house look to it!

Mr Italiano: No. It is a little more visually welcoming from the outside than the current facility.

The CHAIRMAN: I have noticed that when you go to the big watch-house in Spencer Street in Melbourne, the cafe across the road is called the Breakout Cafe!

Mr Italiano: There is probably a marketing opportunity there!

Mr Staltari: This facility will incorporate the current district management team. Part of the structure of our districts is that they have got a district superintendent, and the inspectors currently are all dissected. This will bring them all together in the one facility.

The CHAIRMAN: If there are no other questions on the scope, I will ask some questions about the actual tendering and the development of the project. I thank you for setting it out so clearly. Currently we have got 9 June for tenders to close. I assume that date has been adhered to?

Mr Webster: It was extended for one week because there were a couple of addendums issued by building management and works to clarify some of the queries from builders, and it closed last Friday.

The CHAIRMAN: So there is no concern in terms of any priority issues with the close of tenders and submissions?

Mr Webster: That is all being managed by building management and works, so I am not aware of any issues.

The CHAIRMAN: So does that suggest that the next schedule that you have there, which is July, for award of the tender, that there would be any variation to that, or does it look as though you will be on target for that?

Mr Webster: The assessment process is purely a building management and works process. But we have had nothing that indicates that there will be movement around that. I guess as they assess the tenders that come in, that could change.

Mr Lord: They may have to re-clarify or substantiate a few of the items that are put forward by the actual contractors, and that is something that we will not know until such time as they have had the initial look through the documentation.

The CHAIRMAN: Is there any potential issue that tenders may be non-confirming?

Mr Lord: I do not think there will be, because of the early expression of interest. I think people are very well aware now, because of that, and the reduction down to a preferred group—not preferred, but a selected group—so we are fully expecting them to have a clear understanding of the whole building itself and the requirements around it.

Mr Webster: The expression of interest went out, and 12 qualified builders put in an expression of interest. BMW short-listed that down to eight. They were issued with drawings. One withdrew because of other work. The remaining seven submitted a tender, and now it is just a question of assessing those.

Mr Staltari: I think it is fair to say we have no knowledge of anything that would put that at risk. It is as it is scheduled now, apart from that one week.

The CHAIRMAN: So is the view still—although I guess this is building management and works rather than police—that this is a good time to be in the marketplace in terms of getting value for money?

Mr Webster: Yes, it certainly is, for that size building.

Mr Lord: We are very confident in a positive outcome from the process.

Mr Staltari: And perhaps more so than two or three years ago.

The CHAIRMAN: The numbers that you have given us, which you wish us to retain in-confidence, when the tenders are actually awarded, can we then accept that these would no longer need to be held in-confidence?

[10.40 am]

Mr Webster: Yes.

The CHAIRMAN: So, we are really waiting for the finalisation of the award of tender?

Mr Webster: Yes.

The CHAIRMAN: In terms of trying to keep to budget, you have indicated that you no longer have the money for a refit in Curtin House when that is vacated as the police station. So, what are the options there for maximising the use of that building?

Mr Italiano: Certainly Curtin House is a significant concern for us, Mr Chair. The state of that building is poor. So we have engaged with government through the strategic asset management framework to lodge a business case for a specialist crime headquarters, which is the ultimate solution to the issues confronted at Curtin House. That is obviously a matter for government as to where that heads from there, but certainly if, as we hope, there will be opportunities from this project to revisit the scope that originally included a refurbishment of Curtin House, in particular those areas vacated by the Perth Police Station staff. Certainly the WA Police will be seeking to make submissions with respect to that because we still firmly believe that that refurbishment is very important.

The CHAIRMAN: I would like to take what you just said, Mr Italiano, and try to go a bit broader than the Perth police complex. Now with the Office of Strategic Projects being involved and looking at how you work up business cases, I would like to get a bit of a feel for some issues in that area. Are there any projects within the police that are of such complexity or cost that they are being supported by the Office of Strategic Projects?

Mr Italiano: Yes, there are. I suppose we look at almost three broad categories of building within the WA Police. The first category is, and I do not mean this term to oversimplify matters, your sort of garden-variety police station, 30 to 40 people, or down to a small country police station. We have been arguing for some time that we would like to deal with those facilities by way of a sort of rolling capital program of replacement, and we have offered a model under which that might occur. The second group of facilities is larger than that; say, like a hub-sized facility that has been

contemplated in the western suburbs and other places; and we deal with those really as more specific solutions in terms of how we engage with OSP because they involve more detailed planning issues and those sorts of things.

The CHAIRMAN: What are the current budget indications—\$30 million or \$40 million for one of those?

Mr Italiano: Yes, upwards of about \$30 million as a working number. Then the last category is our very complex specialised facilities, like a specialist crime headquarters, police headquarters. It is not currently on the radar but if you were to, for example, contemplate replacing some of the infrastructure at Maylands at some point in the future, those are quite specialised facilities; they have a certain set of requirements. So we have been engaging with OSP at all three levels and one of the things we have, I think, achieved through our engagements with OSP is they now well understand our service delivery model, particularly in the metropolitan area. They have certainly also embraced that. We also engaged early with them in the new framework with respect to the specialist crime headquarters and police headquarters. Police headquarters, of course, by and large, is an administrative building and in that sense it is not that distinct from other types of buildings, and certainly government now has a master plan with respect to how it wishes to deal with accommodation. The police headquarters is sort of in that framework of consideration. Mr Lord might be able to expand upon that. He has the primary relationship with OSP, but that is the general engagement.

Mr Lord: No; I think that was explained very well, Greg. We have engaged very early in the piece and now have a number of business cases that are available. Certainly in consolidating the crime portfolio, I think you are looking at figures of about 1 200 FTE. We have completed the business case there. It is working its way through different authorities within DTF, and we are hoping to submit that in this next budget round—the one for the police headquarters and the co-location of corporate services—because we have leases throughout the metropolitan area. We are hoping to co-locate those people at some stage. Again we have completed a business case through the Office of Strategic Projects, and that business case, again, is working its way through the authorities in DTF. We are also in discussions with BMW, the commercial component, which has just released the government accommodation strategy for comment. And we are hoping that within our corporate services we can fit within that plan, so we are working very closely with them. On top of that we did the western hub and the Cockburn hubs that have been approved through this last budget process. Those, again, were developed through consultation with the strategic planning department of DTF, the office of strategic planning, and we are now working on our next priority in the hub arena with them. As Mr Italiano said, in regional WA we have engaged a consultant who has helped us with our metropolitan plan, our strategic accommodation for the metropolitan, and we are working our way through regional WA to get a far firmer and clearer understanding of our needs in that area. So, we are hoping that will come to a conclusion very shortly, which will allow us time then to work with DTF on the business cases for those areas through the rolling program, which would be a much preferred model for us.

The CHAIRMAN: So the issue with the Office of Strategic Projects is that they are assisting you to know what the criteria are for assessment and how to meet them. They have not actually taken on any of your projects as one of their projects.

Mr Lord: Not as yet. Michael, you jump in whenever you want. We are certainly in discussions as well around the PPPs. So we are hoping at some stage that consideration might be given to WA Police, possibly grouping some of their facilities together, certainly in the hubs because they do have a threshold on the finances for PPPs. In that sense, we are working with them on that. But the two projects that we do have support from them on are the crime portfolio business case that we have developed with them, as well as the corporate services co-location of our corporate services.

The CHAIRMAN: Do you have a preferred site for that major building or buildings or is it still just a business case?

Mr Lord: No, which one, sorry, Mr Chair; corporate crime or corporate services?

The CHAIRMAN: One or the other or both.

Mr Lord: Michael, you can help me if you can. With our corporate services, we have not suggested that we have to be directly within the centre of the CBD. We would prefer to be on the periphery, if we were going out at all. Obviously there are some aspects to whether or not portions of that group would need to be right in the middle, but we have really given them a range of options that they can consider within their strategic accommodation planning, as opposed to trying to say, "Well, we have to be here." So, we have given that option to try to fit us within their accommodation plan and, as a matter of fact, we are meeting with them next week to actually consider the options that they have for us through that business case.

The CHAIRMAN: And that applies to both those projects?

Mr Lord: Yes.

Mr J.M. FRANCIS: If I may indulge just to go slightly off topic for 30 seconds, I do not want to miss the opportunity, and while you are here perhaps Mr Webster can answer this. I know you were not given notice of this, but the Cockburn hub is a project dear to my heart. Where are we at with the planning; have we identified land yet; have you any idea of the location?

Mr Webster: Our preferred location for the Cockburn hub is in Cockburn central, preferably close to the railway station.

Mr J.M. FRANCIS: Excellent!

Mr Webster: We currently own a block of land which is on the south side of the shopping centre.

Mr J.M. FRANCIS: Yes, I am aware of that one.

Mr Webster: Which was given to the agency as part of the subdivision of that land. We are yet to undertake an exercise to see whether that block is suitable, or whether we should go and purchase land close to the railway station.

Mr Lord: There is preference to be right near the railway station.

Mr J.M. FRANCIS: Absolutely! Visible from the freeway would be great too.

Mr Lord: We might be able to get some help on that.

Mr Staltari: In terms of the build infrastructure service delivery model, we prefer it to be in that type of location, right next to public transport. It is good for the community; it is good for our people. You are not having to provide parking, there are good public transport links and it brings us closer to the other people in those local communities that we often deal with.

[10.50 am]

Mr J.M. FRANCIS: Roughly—sorry, Mr Chairman; I do apologise—how long do you think the time frame will be to identify the actual location for that?

Mr Webster: Now that the project has been approved, although it is not funded until 2012, we will start definitive discussions with LandCorp in regard to what land may be available within the Cockburn central area and how we can fit within that.

Mr J.M. FRANCIS: Excellent. Thank you very much.

The CHAIRMAN: The last question I have goes to the development and prioritisation of business plans. As I have acknowledged, what you have already given us has been very much welcomed in terms of setting up those details. Given that the Perth central police complex has had a very long period of development, can you comment on where that sat in the priority of police major capital

spend? Because it has been so long in the making, it may have changed at various times. What were some of the issues around the decision making to get that to where it is now—in other words, the commitment that it will go ahead? How was a business case established and what were your own priorities within police? We are looking at the decision-making process across government for major infrastructure, and this is a major facility. Could you give us some background about how long it has been a priority? Perhaps it was the second or third priority. When did it become the first priority for such a large commitment of capital?

Mr Italiano: Others who have spent more time in the organisation are better qualified to comment on when the Perth watch-house was first thought of as a major priority for WA Police. I think it is deeply historical. I will allow others to speak to that in due course. When you sit down to evaluate the capital priorities in WA Police, as we do quite frequently, you find yourself at the centre of some very different demands in terms of how they impact on the organisation. We consider, for example, the IT needs of our organisation, which are very large and complex. We also consider the needs of our major fleet, which includes helicopters and boats, and the replacement of large vehicles et cetera. We consider the difficulties we have with some of the buildings, which are perhaps not critical with respect to the service delivery issues but may be very critical with respect to the current state of the buildings. Through our processes, we consider the impact of our exposure in terms of risk on some of these things. I mentioned earlier that the motivation around the watch-house involves a high degree of risk in terms of the custodial setting, but there are other risks associated with that. Police officer safety is a key risk that we take into account and, as I said, there are issues with service delivery. That is uppermost in our minds. You find yourself trying to deal with a very complex set of issues that require some very fine judgements to be made. We might have to decide how important it is to get a police helicopter compared with spending \$20 million worth of IT improvements in our organisation. They are very different things in terms of how they impact on policing but each has an argument behind it. Each addresses risk and a service delivery consideration. Inside the police executive, we document our business cases, including the risks, the benefits, the advantages and the costs. An executive process brings those together and considers those complex issues. That involves our formal executive meetings, our audit risk committee meetings and our capital oversight meetings, which we hold on a regular basis. I am not trying to give an imprecise answer but it is a very large set of considerations. When you get to the sharp end of the budget process, you are able to submit only a very limited amount of items at the top of that tree, and it is a very broad tree with a lot of needs. I invite my other colleagues to add to that. That is the nature of the task.

Mr Staltari: It also has to be said that we have embarked on the Frontline First strategy. We are still on that road and will continue on that road because it is a very good strategy. Our primary business is delivering policing services to the community of Western Australia, and our priority is focused on that. We spend our money on whatever will make the biggest impact at the front end. The technology that we have at the fingertips of our police officers in their vehicles is world class. It is probably the best in Australia, from what I have seen. Of course, that makes an impact on the efficiency gains. In terms of the priority, it is not a yearly priority; it is a Frontline First priority, so to speak. We are on this road to delivering better policing services to Western Australia. That is what we are all about. All the technology investments we have made are all coming together, although we have a little way to go. We have got that right. It is only because we have the technology in place and because of the way we apply this technology that we can now build the infrastructure that we are building. The hub policing model creates efficiency in terms of not having a whole lot of little places. It is easier and cheaper to maintain but, more importantly, it allows us to deploy more police officers out on the road. I was a district superintendent for a lot of years and I know that people want a police station near them but, at the end of the day, it is a building. I use the analogy that if you are lying in bed at night and someone is trying to get into your house, a police station will not keep you safe; two police officers in a police vehicle will keep you safe. In effect, we have turned our police vehicles into mobile police stations.

Mr J.M. FRANCIS: With the technology, especially.

Mr Staltari: It keeps not only the community, but also our police officers safe.

Mr C.J. TALLENTIRE: How much consideration has been given to smart building design? I am thinking about the ongoing running costs. I am a bit concerned to see that a fair degree of glazing is west facing. What implications will that have on the energy running costs?

Mr Webster: Extensive work has been done on the west-facing facade of this building. Unfortunately, we have a large facade facing west. The architects spent a lot of time designing the sunscreening that will minimise the heating impact on the building while preserving some degree of outlook. We and the architects were very conscious of the sustainability of the design, and that has been applied to the building.

Mr Staltari: On that point, in terms of the building design, part of the building planning requirement is that we need to make a statement with this building. That serves us too because it will be a landmark for law and order as you approach Northbridge, which is a good thing. Correct me if I am wrong, Mike, but the City of Perth wanted us to make a statement with the building because of its location. Obviously, this building will have an effect within that particular location in terms of prompting other buildings to go up.

Mr C.J. TALLENTIRE: Whereabouts are you at in the planning and development approvals process?

Mr Staltari: It is done and dusted. We have already started work on site.

Mr C.J. TALLENTIRE: Did you have expedited treatment?

Mr Staltari: No, we went through the process.

Mr Webster: The government sector has a slightly different building approvals process from the private sector. Government is required only to seek planning approval and a committee within the Department of Planning, rather than the local government, grants the planning approval. However, the process is through the local government to the Central Perth Planning Committee. We have been given planning approval, and building management and works do not require a building licence to start construction.

The CHAIRMAN: Do you have any final comments?

Mr Webster: Can I just clarify something about the cost estimates once the tender is accepted? We do not see any problem with the breakdown that was in the letter, but we would prefer to keep in confidence the appendices that came with the letter.

The CHAIRMAN: I know exactly which one you are talking about.

[11.00 am]

Mr Webster: It is appendix 1, which is probably —

The CHAIRMAN: It says “commercial in confidence pre-tender call”.

Mr Webster: Yes. If we could keep the appendices confidential, but what was on page 4 of the letter, which was a summarised breakdown of it, is not an issue once the tender has been let.

Mr Staltari: Up until page 9 is okay, but all the material after page 9 is in confidence.

The CHAIRMAN: We will certainly take cognisance of that advice. Thank you for that.

The Witnesses: Thank you.

The CHAIRMAN: I have some formalities to finish. Thank you very much for your evidence before the committee today. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If the transcript is not returned within this period, it

will be deemed to be correct. New material cannot be added by these corrections and the sense of your evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration when you return your corrected transcript of evidence. Again, I thank you very much for being so helpful to the committee today.

The Witnesses: Thank you.

Hearing concluded at 11.02 am