2018-19 BUDGET

BUDGET STATEMENTS

Budget Paper No. 2

Volume 2

PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 10 MAY 2018

2018-19 Budget Statements
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2018-19 BUDGET

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CHAPTER 3

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Further information pertaining to the 2018-19 Budget Statements can be found in the associated Reader's Guide to the Budget Statements which can be accessed at the Western Australian State Budget website: http://ourstatebudget.wa.gov.au.

Part 7

Community Safety

Summary of Portfolio Appropriations

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Western Australia Police Force			
– Delivery of Services	1,336,527	1,309,928	1,372,186
– Capital Appropriation	29,451	36,093	18,582
Total	1,365,978	1,346,021	1,390,768
Justice			
– Delivery of Services	1,299,888	1,309,324	1,273,646
– Capital Appropriation	24,887	19,237	18,859
Total	1,324,775	1,328,561	1,292,505
Fire and Emergency Services			
– Delivery of Services	26,984	28,024	23,812
– Administered Grants, Subsidies and Other Transfer Payments	102,900	102,900	45,000
– Capital Appropriation	1,531	1,531	-
Total	131,415	132,455	68,812
Office of the Director of Public Prosecutions			
– Delivery of Services	37,269	38,203	39,786
Total	37,269	38,203	39,786
Corruption and Crime Commission			
– Delivery of Services	29,883	29,463	27,067
Total	29,883	29,463	27,067
Chemistry Centre (WA)			
– Delivery of Services	7,194	6,662	6,727
– Capital Appropriation	940	1,740	1,000
Total	8,134	8,402	7,727

Part 7

Community Safety

Summary of Portfolio Appropriations

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Office of the Inspector of Custodial Services			
– Delivery of Services	3,557	3,542	3,554
Total	3,557	3,542	3,554
Parliamentary Inspector of the Corruption and Crime Commission			
– Delivery of Services	732	707	697
Total	732	707	697
GRAND TOTAL			
– Delivery of Services	2,742,034	2,725,853	2,747,475
– Administered Grants, Subsidies and Other Transfer Payments	102,900	102,900	45,000
– Capital Appropriation	56,809	58,601	38,441
Total	**2,901,743**	**2,887,354**	**2,830,916**

Division 25 Western Australia Police Force[1]

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual [(a)] $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 57 Net amount appropriated to deliver services	1,303,670	1,331,702	1,305,103	**1,367,361**	1,322,042	1,329,044	1,347,298
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	4,825	4,825	4,825	**4,825**	4,825	4,825	4,843
Total appropriations provided to deliver services	1,308,495	1,336,527	1,309,928	**1,372,186**	1,326,867	1,333,869	1,352,141
CAPITAL							
Item 113 Capital Appropriation	53,531	29,451	36,093	**18,582**	19,337	54,914	17,497
TOTAL APPROPRIATIONS	1,362,026	1,365,978	1,346,021	**1,390,768**	1,346,204	1,388,783	1,369,638
EXPENSES							
Total Cost of Services	1,511,103	1,528,238	1,531,116	**1,555,086**	1,493,072	1,476,845	1,495,670
Net Cost of Services [(b)]	1,353,662	1,349,958	1,361,464	**1,385,544**	1,332,920	1,322,385	1,346,020
Adjusted Total Cost of Services [(c)]	1,409,425	1,462,360	1,446,921	**1,490,738**	1,436,893	1,441,920	1,460,649
CASH ASSETS [(d)]	107,420	72,203	63,073	**75,200**	92,767	131,225	156,118

(a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
(c) Adjusted Total Cost of Services excludes Road Trauma Trust Account grants for road safety initiatives delivered by other entities. These grants are considered on an annual basis and contribute to the variability in the Total Cost of Services recorded from 2018-19 to 2021-22. Further detail is provided in the Total Cost of Services - Reconciliation Table.
(d) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitment					
Senior Executive Service Reduction	(250)	(500)	(500)	(500)	(500)
Road Trauma Trust Account					
Alcohol Interlocks Assessment and Treatment Services	-	1,429	-	-	-
Automatic Number Plate Recognition Technology	397	280	171	176	180
Breath and Drug Bus Replacement	-	116	-	-	-
Data Linkage and Road Safety Analysis	-	3	6	9	13
Enhanced Speed Enforcement Administration Costs (Department of Transport)	-	(162)	-	-	-
Expansion of Automated Traffic Enforcement Strategy	-	2,801	-	-	-
Increased Impaired (Alcohol and Drug) Driving Detection	-	734	(1)	1	327

[1] 'Western Australia Police Force' includes persons appointed to the Police Force under Part I of the *Police Act 1892* and employees of the Police Service, which is the agency principally assisting the Minister for Police in the administration of the *Police Act 1892*. For the purposes of the 2018-19 Budget, Budget Paper No. 2 references to Western Australia Police Force are interchangeable with references to Western Australia Police in the Appropriation Bills.

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Metropolitan Intersection Crash Program	-	4,300	3,000	3,000	3,000
Road Aware Program (School Drug Education and Road Aware)	-	-	-	-	1,594
Road Safety Community Education and Behaviour Change Campaigns	-	7,000	7,000	7,000	7,250
Road Safety Data, Research and Evaluation	-	726	1,558	1,588	1,620
RoadWise Community Road Safety Program	-	(34)	-	50	102
Run-off Road Crashes Road Improvements	-	25,000	15,000	15,000	15,000
Rural Intersection Advanced Warning Signs	-	100	1,000	20	60
Safe Speed Enforcement Program	-	4,025	-	-	-
Safety Review - Indian Ocean Drive Improvements	-	10,000	10,000	-	-
South West Emergency Rescue Helicopter Service	-	-	4,650	4,650	4,650
Speed Monitoring Project	-	100	100	100	100
Towards Zero Road Safety Strategy Development	-	169	406	-	-
Wheatbelt Safety Review					
Great Eastern/Great Southern Highway	-	6,800	10,420	-	-
Toodyay Road Improvements	-	2,400	-	-	-
Other					
2018-19 Tariffs, Fees and Charges	-	(1,615)	(1,615)	(1,615)	(1,615)
Australia-New Zealand Counter-Terrorism Committee Exercise Outback	50	-	-	-	-
Countering Violent Extremism - Living Safe Together	180	-	-	-	-
Government Office Accommodation Reform Program	(422)	(432)	(388)	(346)	(304)
Government Office Lease Accommodation	(462)	143	192	242	115
Government Regional Officer Housing	(2,829)	(2,728)	(4,361)	(7,675)	(7,675)
Justice Architecture Model	250	-	-	-	-
Multifunctional Policing Facilities Air Conditioning Replacement	300	-	-	(300)	-
National Anti-Gangs Squad	953	422	-	-	-
National Automated Fingerprint Identification Services - Replacement and Integration Costs	300	-	-	-	-
National Domestic Violence Order Scheme	-	826	480	480	480
New Public Sector Wages Policy	(3,865)	(7,738)	(11,843)	(16,196)	-
Non-Government Human Services Sector Indexation Adjustment	-	(8)	(14)	(14)	-
Optus Stadium Police Deployment Centre	106	126	129	132	137
Policing at Major Events	881	1,776	1,802	1,829	1,829
Recovery Communications Project (State Emergency Project)	64	-	-	-	-
Regional Workers Incentive Allowance Payments	285	-	-	-	-
Review of State Forensic Services	205	240	170	-	-
State Fleet Policy and Procurement Initiatives	(238)	(733)	(784)	(856)	(870)
Voluntary Targeted Separation Scheme [(a)]	10,997	13,506	(3,206)	(3,242)	(3,294)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review. Figures include a separate voluntary separation scheme for police officers appointed under the *Police Act 1892*, under similar principles to the Government's Voluntary Targeted Separation Scheme.

Significant Issues Impacting the Agency

- The Western Australia Police Force aims to achieve a safe and secure environment for the community by collaborating with partners to pursue those who break the law; to protect those most vulnerable from harm; to prevent crime; and to manage and coordinate emergencies. Priority areas include:
  - targeting the supply of illicit drugs with a prime focus on methamphetamine;
    - it is estimated that 80% of property offenders within Western Australia have a significant history of drug use with methamphetamine driving users to commit robberies, burglaries, steal and arm themselves with weapons; and
    - the Methamphetamine Enforcement Taskforce, including the Meth Border Force, is enhancing the capacity to disrupt supply and reduce methamphetamine-related harms in Western Australia;
  - working with law enforcement and other partners to target serious and organised crime networks;
  - responding to and assisting with the prevention of family and domestic violence;
  - reducing Aboriginal offending and victimisation;
  - reducing youth offending;
  - enforcing traffic laws and targeting driver behaviour which contributes to fatal and serious crashes; and
  - enhancing critical incident management, emergency prevention and preparedness.

- To support some of the more vulnerable groups in the community, including to increase resilience and reduce re-victimisation, the Western Australia Police Force will:
  - continue to improve practices, capabilities and strategic partnerships to meet the challenges faced with family and domestic violence; and
  - work to reduce Aboriginal offending and victimisation, through working with partners and improving relationships with Aboriginal communities, including development of a Western Australia Police Force Aboriginal Policing Strategy and to enhance agency capability through improved cultural competence and engagement.
- Broad and complex social issues continue to contribute to people being offenders and victims. To strengthen crime prevention strategies, the Western Australia Police Force will:
  - consult and engage with the community to understand and address community priorities;
  - contribute to youth intervention programs to divert young people from entering the criminal justice system; and
  - develop strong alliances with government and non-government agencies.
- Domestic and international incidents reinforce the continuing need to enhance the capability and readiness to ensure community safety, manage emergencies and disasters, while addressing crime priorities through targeted operational police deployment by:
  - developing policing strategies which will focus on coordination, prevention, preparedness, response and recovery;
  - working with partners to ensure a robust and agile response to key priorities;
  - establishing a State Command Centre for the centralised coordination of operational police;
  - collaborating with national partners to share intelligence and remain vigilant to any threat against national security; and
  - implementing the metropolitan operational reforms.
- To respond to a changing and complex crime environment and continue to deliver quality policing services, the Western Australia Police Force requires an adaptive workforce. This will be achieved through:
  - effective workforce planning which ensures that policing services are delivered to the highest standard and meet the changing needs of the community;
  - the recruitment, retention and development of a diverse workforce committed to a positive and inclusive culture with high ethical standards;
  - achieving a workforce that is representative of the Western Australian population; and
  - the development of an Aboriginal Employment Policy.
- Road safety continues to be a shared responsibility for Government and the community. Trend data indicates that road safety programs are contributing to reducing serious road trauma but further change is required to reduce the number of people killed and seriously injured.
- Road trauma in Western Australia and other jurisdictions is as a result of people taking risks and making mistakes with serious consequences. Consistent with leading international practice, a safe system approach (under the Government's Towards Zero 2008-2020 Strategy) that includes efforts to improve road user behaviour through education and enforcement along with initiatives to manage for safe speed, safe vehicles and safe roads and roadsides is vital to continue to achieve better road safety outcomes. Regional communities and males continue to be disproportionately represented in the road toll. A variety of continuing and new initiatives will be supported to improve road safety outcomes.
- The Road Safety Commission will commence the development of a new State strategy beyond 2020 to reduce death and serious injury on the roads through a safe road transport system approach where:
  - the design and operation of vehicles, speeds and infrastructure guides road users to share and use roads safely;
  - there is increased forgiveness built into the system so that when crashes occur the outcomes are not so serious; and
  - new strategies necessary for a sustainable step change improvement in road trauma on urban and regional roads are developed.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Where practical, Key Performance Information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Contribute to community safety and security.	1. Metropolitan Policing Services 2. Regional and Remote Policing Services 3. Specialist Policing Services
	Improve coordination and community awareness of road safety in Western Australia.	4. Road Safety Commission

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Metropolitan Policing Services	553,095	572,253	559,156	577,211	556,036	558,116	565,337
2. Regional and Remote Policing Services	385,593	398,950	401,879	414,855	399,635	401,131	406,321
3. Specialist Policing Services	456,917	472,743	467,472	482,566	464,862	466,602	472,638
4. Road Safety Commission [(a)]	115,498	84,292	102,609	80,454	72,539	50,996	51,374
Total Cost of Services	1,511,103	1,528,238	1,531,116	1,555,086	1,493,072	1,476,845	1,495,670

(a) Road safety projects and programs delivered by the Western Australia Police Force and funded via the Road Trauma Trust Account have been eliminated from Service 4 - Road Safety Commission. Service 4 comprises external grants expenditure to other entities and the operational costs of the Road Safety Commission. Road safety projects funded via the Road Trauma Trust Account and delivered by the Western Australia Police Force are included in Service 3.

Total Cost of Services - Reconciliation Table

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Total Cost of Services	1,511,103	1,528,238	1,531,116	1,555,086	1,493,072	1,476,845	1,495,670
Less:							
Road Trauma Trust Account Grants to Other Entities [(a)]	101,678	65,878	84,195	64,348	56,179	34,925	35,021
Adjusted Total Cost of Services	1,409,425	1,462,360	1,446,921	1,490,738	1,436,893	1,441,920	1,460,649

(a) The Western Australia Police Force distributes Road Trauma Trust Account grants to other State Government agencies, local governments and non-government organisations. These grants are included in Service 4 in the Service Summary table.

Outcomes and Key Effectiveness Indicators [a]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Contribute to community safety and security:					
Rate of offences against the person (excluding family violence-related offences) per 100,000 people	797.8	810	800	810	1
Rate of offences against property (excluding family violence-related offences) per 100,000 people	6,170.6	6,200	5,800	6,200	1
Percentage of sworn police officer hours available for frontline policing duties	74.2%	75%	73%	75%	
Percentage of priority one and two incidents in the metropolitan area responded to within 12 minutes	81.6%	80%	83%	80%	
Percentage of priority three incidents in the metropolitan area responded to within 60 minutes	82.6%	80%	83%	80%	
Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within seven days	78.2%	75%	76%	75%	1
Percentage of offences against the person investigations finalised within 60 days	86.4%	85%	87%	85%	1
Percentage of offences against property investigations finalised within 30 days	90.3%	90%	90%	90%	1
Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences [b]	98.3%	90%	98%	90%	
The percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police	80.8%	82%	81%	82%	
The percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police	82.3%	85%	86%	85%	
Outcome: Improve coordination and community awareness of road safety in Western Australia:					
Effectiveness of road safety awareness campaigns	74%	70%	72%	70%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.
(b) 'Category A' offences include: driving under the influence of alcohol/drugs, careless/dangerous/reckless driving, non-speed camera speeding offences, no authority to drive/unlicensed vehicle, use of mobile phones whilst driving, and non-wearing of seatbelts/restraints/helmets.

Explanation of Significant Movements

(Notes)

1. This key effectiveness indicator has been affected by changes in crime recording and reporting practices.

Services and Key Efficiency Indicators

1. Metropolitan Policing Services

General policing services provided by districts within the metropolitan region including: crime prevention, maintaining public order, and responding to and investigating criminal and general incidents.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	553,095	572,253	559,156	577,211	
Less Income	12,396	12,157	13,543	13,650	
Net Cost of Service	540,699	560,096	545,613	563,561	
Employees (Full Time Equivalents)	3,855	3,923	3,781	3,734	
Efficiency Indicators					
Average Cost of Metropolitan Policing Services per Person in the Perth Metropolitan Area	$276	$280	$274	$281	

2. Regional and Remote Policing Services

General policing services provided by districts within regional Western Australia including: crime prevention, maintaining public order, and responding to and investigating criminal and general incidents.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	385,593	398,950	401,879	414,855	
Less Income	15,157	14,865	17,191	16,120	1
Net Cost of Service	370,436	384,085	384,688	398,735	
Employees (Full Time Equivalents)	1,950	1,985	2,026	2,001	
Efficiency Indicators					
Average Cost of Regional and Remote Policing Services per Person in Regional Western Australia	$711	$750	$742	$759	

Explanation of Significant Movements

(Notes)

1. The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual relates to a forecast increase in employee contributions for Government Regional Officer Housing.

3. Specialist Policing Services

Specialist policing services include: major crime, serious and organised crime, sex crime, commercial crime, licensing enforcement, forensic, intelligence, traffic enforcement, and counter terrorism and emergency response.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	456,917	472,743	467,472	482,566	
Less Income	24,255	26,605	26,426	24,430	
Net Cost of Service	432,662	446,138	441,046	458,136	
Employees (Full Time Equivalents)	2,734	2,783	2,801	2,767	
Efficiency Indicators					
Average Cost of Specialist Services per Person in Western Australia	$180	$184	$181	$185	

4. Road Safety Commission

The objective of this program is to improve coordination and community awareness of road safety in Western Australia.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	115,498	84,292	102,609	80,454	1,2
Less Income	105,633	124,653	112,492	115,342	3
Net Cost of Service	9,865	(40,361)	(9,883)	(34,888)	
Employees (Full Time Equivalents)	28	28	25	25	4
Efficiency Indicators					
Percentage of Road Safety Commission Projects Completed on Time	94%	90%	84%	90%	
Percentage of Road Safety Commission Projects Completed on Budget	100%	95%	84%	95%	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2017-18 Budget to the 2017-18 Estimated Actual is primarily due to the carryover of $9.4 million for Improving Safety Outcomes at Metropolitan Intersections projects and $8.9 million for various projects under the Improving Safety Outcomes for Regional Run-off Road Crashes program.

2. The decrease in Total Cost of Service from the 2017-18 Estimated Actual to the 2018-19 Budget Target is primarily due to the completion of one-off funding provided in 2017-18 for various road projects.

3. The decrease in income between the 2017-18 Budget and the 2017-18 Estimated Actual reflects lower than anticipated traffic infringement revenue from red light and speed cameras.

4. The reduction of Full Time Equivalent positions from the 2017-18 Budget to the 2017-18 Estimated Actual is due to the impact of the Voluntary Targeted Separation Scheme.

Asset Investment Program

To support the delivery of policing services in Western Australia, the planned Asset Investment Program (AIP) for 2018-19 is $57.3 million. Significant projects include:

- Helicopter Replacement - the Western Australia Police Force will commence the purchase of a helicopter to replace the existing BK117 helicopter. The new twin-engine medium class helicopter will be equipped with highly specialised mission role equipment, including night vision, to support frontline policing and contribute to the safe resolution of police pursuits. Helicopters provide vital support to policing operations and contribute to community and road safety and security. Their unique capability and manoeuvrability cannot be replaced by other means, assets or aircraft.
- Armadale Courthouse and Police Complex - the purpose of this project is to address the rapidly growing demand for services from the Western Australia Police Force and the Department of Justice in the new Armadale District. The design stage has commenced, and construction is expected to be completed in 2021-22.
- Capel Police Station - this project will meet the needs of the community of Capel, and contribute to policing the inland areas surrounding Bunbury. Site selection and procurement is scheduled for 2018-19.
- National Domestic Violence Order Scheme - new laws, based on model legislation, aim to hold domestic violence perpetrators accountable and better protect victims. Through these reforms and associated systems changes, the Western Australia Police Force is able to work more closely with interstate counterparts to target, monitor and reduce domestic violence offending through improved information sharing between the States and Territories.
- Multifunctional Policing Facilities Air Conditioning Replacements - Multifunctional Policing Facilities are located in remote communities in the north of Western Australia. These facilities co-locate officers from the police, courts and child protection services. Funding of $12.7 million has been allocated over two years for the replacement of failing air conditioning systems that are not suitable for remote locations. The five facilities most urgently in need of replacement are Warburton, Kalumburu, Blackstone, Warakuna and Warmun.
- Information and Communications Technology (ICT) Optimisation Program - the rolling ICT Optimisation Program is critical to the Western Australia Police Force delivering services across Western Australia. A total of $7 million has been brought forward to 2018-19 from 2021-22 to update the Radio Core and Telecommunications Intercept systems, and implement stronger Cyber Security measures.
- Breath and Drug Bus Replacement - replacement of a breath and drug operation bus will support increased impaired driver detection.

The figures in the AIP table include project spending relating to asset investment activities only and exclude related recurrent project expenditure reflected in the Income Statement.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
ICT Infrastructure							
Community Safety Network - Regional Radio Network Replacement Program	52,782	52,309	9,340	473	-	-	-
ICT Optimisation Program 2017-2022	35,000	7,000	7,000	12,000	7,000	7,000	2,000
Police Facilities							
Additions and Alterations to Existing Facilities							
Election Commitment - Meth Border Force	6,378	5,000	5,000	911	467	-	-
Police Facilities Major Refurbishment and Upgrade Program 2015-16 to 2018-19	15,090	14,160	7,717	930	-	-	-
Boost to Police Resources - Accommodation Infrastructure Upgrades	41,506	40,711	8,214	795	-	-	-
Optus Stadium Deployment Centre	913	701	701	104	-	-	108
Police Radio Network - Commonwealth Legislated Radio Frequency Change	9,805	2,650	2,650	6,980	175	-	-
Road Trauma Trust Account							
Expansion of Automated Traffic Enforcement Strategy	9,196	8,698	2,730	498	-	-	-
Speed Camera Replacement Program	14,493	6,740	4,322	5,440	2,313	-	-

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Fleet and Equipment Purchases - New and Replacement							
CCTV Cameras for Hoons	128	128	102	-	-	-	-
Fleet and Equipment Replacement 2015-2018 Program	16,845	16,845	6,587	-	-	-	-
ICT Infrastructure							
Core Business Systems Development 2011-2015	34,658	34,658	1,024	-	-	-	-
Criminal Organisations Control Bill 2011 - ICT Systems	757	757	757	-	-	-	-
Replacement and Continuity 2013-2015	25,259	25,259	2,411	-	-	-	-
State-wide CCTV Network	2,374	2,374	2,225	-	-	-	-
Police Facilities							
Additions and Alterations to Existing Facilities							
Election Commitments							
24 Hour Police Stations	1,050	1,050	1,050	-	-	-	-
Extra Opening Hours at Police Stations	300	300	300	-	-	-	-
Westralia Square Accommodation	5,886	5,886	2,519	-	-	-	-
Boost to Police Resources - Ballajura Police Station	7,618	7,618	1,479	-	-	-	-
New and Replacement Police Facilities - Cockburn Central Police Station	17,840	17,840	1,726	-	-	-	-
Upgrades							
Custodial Facilities Upgrade Program 2015-2018	9,375	9,375	4,287	-	-	-	-
Police Station Upgrade Program 2015-2018	9,702	9,702	4,092	-	-	-	-
Road Trauma Trust Account - Automatic Number Plate Recognition - Technology Refresh	951	951	951	-	-	-	-
NEW WORKS							
Fleet and Equipment Purchases - New and Replacement							
Fleet and Equipment Replacement - 2018-2022 Program	28,215	-	-	7,200	7,200	7,200	6,615
Helicopter Replacement [(a)]	26,900	-	-	756	4,666	151	21,327
ICT Infrastructure - National Domestic Violence Order Scheme	2,024	-	-	2,024	-	-	-
Police Facilities							
New and Replacement Police Facilities							
Armadale Courthouse and Police Complex	73,646	-	-	2,248	12,270	48,314	10,814
Election Commitment - Capel Police Station	8,000	-	-	4,000	4,000	-	-
Upgrades							
Custodial Facilities Upgrade - 2018-2022 Program	10,560	-	-	2,640	2,640	2,640	2,640
Multifunctional Policing Facilities Air Conditioning Replacement	12,650	-	-	5,650	7,000	-	-
Police Station Upgrade - 2018-2022 Program	15,840	-	-	3,960	3,960	3,960	3,960
Road Trauma Trust Account - Breath and Drug Bus Replacement	656	-	-	656	-	-	-
Total Cost of Asset Investment Program	496,397	270,712	77,184	57,265	51,691	69,265	47,464
FUNDED BY							
Capital Appropriation			36,093	18,582	19,337	54,914	17,497
Asset Sales			-	30	-	-	25
Drawdowns from the Holding Account			13,530	19,669	17,093	14,294	21,838
Internal Funds and Balances			10,065	(5,000)	-	-	-
Other			8,003	6,881	4,086	57	8,104
Drawdowns from Royalties for Regions Fund			9,493	17,103	11,175	-	-
Total Funding			77,184	57,265	51,691	69,265	47,464

(a) Partially funded from the Road Trauma Trust Account.

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The Income Statement shows an increase in the Total Cost of Services of $24 million (1.6%) in the 2018-19 Budget Estimate compared to the 2017-18 Estimated Actual. This increase is mainly attributable to the reflow of recurrent expenditure from 2017-18 to 2018-19 and a provision for increases in costs and funding provided for the Meth Border Force. This has been partially offset by a reduction of $22.2 million for road safety initiatives due to one-off projects completed in 2017-18.

The movement in the operating position from 2017-18 Budget to the 2017-18 Estimated Actual mainly relates to a reduction in estimated revenue ($11.9 million) and the carryover of grant expenditure ($18.2 million) from the Road Trauma Trust Account.

Statement of Financial Position

Total assets is increasing over the forward estimates period reflecting the purchase of fixed assets under the approved Asset Investment Program (offset by depreciation) as well as the accumulation of Road Trauma Trust Account cash balances not yet allocated to projects.

Statement of Cashflows

The net increase in cash held of $12.1 million in the 2018-19 Budget Estimate compared to the 2017-18 Estimated Actual is mainly due to an increase in service appropriation, offset by a reduction in capital appropriation.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	1,049,027	1,076,290	1,077,712	1,101,180	1,094,819	1,111,246	1,127,574
Grants and subsidies [c]	113,639	73,230	91,547	66,009	57,429	36,175	36,271
Supplies and services	167,191	168,457	165,496	163,142	133,356	125,871	129,012
Accommodation	53,856	67,630	56,746	69,125	65,630	64,984	64,899
Depreciation and amortisation	56,162	66,398	66,398	67,052	70,451	70,525	70,525
Other expenses	71,228	76,233	73,217	88,578	71,387	68,044	67,389
TOTAL COST OF SERVICES	1,511,103	1,528,238	1,531,116	1,555,086	1,493,072	1,476,845	1,495,670
Income							
Sale of goods and services	1,293	4,224	5,105	6,000	6,026	6,053	6,053
Regulatory fees and fines	16,868	18,088	18,088	16,473	16,473	16,473	16,473
Grants and subsidies	4,213	3,275	5,360	2,526	911	911	911
Road Trauma Trust Account revenue	102,080	121,950	110,092	112,643	104,020	98,297	93,487
Other revenue	32,987	30,743	31,007	31,900	32,722	32,726	32,726
Total Income	157,441	178,280	169,652	169,542	160,152	154,460	149,650
NET COST OF SERVICES	1,353,662	1,349,958	1,361,464	1,385,544	1,332,920	1,322,385	1,346,020
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,308,495	1,336,527	1,309,928	1,372,186	1,326,867	1,333,869	1,352,141
Resources received free of charge	2,573	4,264	4,264	4,264	4,264	4,264	4,264
Royalties for Regions Fund:							
Regional Community Services Fund	4,742	15,950	15,451	18,899	19,239	18,564	18,409
Regional Infrastructure and Headworks Fund	7,440	2,114	2,114	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,323,250	1,358,855	1,331,757	1,395,349	1,350,370	1,356,697	1,374,814
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(30,412)	8,897	(29,707)	9,805	17,450	34,312	28,794

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 8,567, 8,633 and 8,527 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CCTV Mandurah War Memorial Fund	-	-	-	350	-	-	-
CCTV Network Infrastructure Fund	2,946	2,145	2,145	-	-	-	-
Community Safety and Crime Prevention Partnership Fund	1,216	1,409	1,409	1,250	1,250	1,250	1,250
Countering Violent Extremism Intervention Process Fund	-	80	80	-	-	-	-
Emergency Alert Phase 4	-	642	642	61	-	-	-
Infrastructure Funding to PCYC	7,778	2,622	2,622	-	-	-	-
Local Projects Local Jobs Grant	-	454	454	-	-	-	-
Other Grants	21	-	-	-	-	-	-
Road Safety Initiatives							
Government Organisations	97,989	63,014	81,331	61,454	53,242	31,938	31,982
Non-government Organisations	3,689	2,864	2,864	2,894	2,937	2,987	3,039
TOTAL	113,639	73,230	91,547	66,009	57,429	36,175	36,271

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	36,865	23,934	12,845	16,534	15,661	15,661	15,661
Restricted cash - Road Trauma Trust Account	56,675	35,348	37,206	41,441	55,678	90,806	112,369
Restricted cash - other	9,677	4,515	4,616	4,616	4,616	4,616	4,616
Holding account receivables	6,530	14,200	19,669	17,093	14,294	21,838	14,200
Receivables	12,243	6,617	9,356	9,356	9,356	9,356	9,356
Other	10,806	10,651	10,806	10,806	10,806	10,806	10,806
Total current assets	132,796	95,265	94,498	99,846	110,411	153,083	167,008
NON-CURRENT ASSETS							
Holding account receivables	464,304	509,502	503,245	553,204	609,361	658,048	714,373
Property, plant and equipment	951,185	973,546	973,670	973,490	970,588	986,721	976,053
Intangibles	69,014	53,669	56,718	47,111	31,253	13,860	1,467
Restricted cash	4,203	8,406	8,406	12,609	16,812	20,142	23,472
Total non-current assets	1,488,706	1,545,123	1,542,039	1,586,414	1,628,014	1,678,771	1,715,365
TOTAL ASSETS	1,621,502	1,640,388	1,636,537	1,686,260	1,738,425	1,831,854	1,882,373
CURRENT LIABILITIES							
Employee provisions	159,980	154,655	159,192	159,192	159,192	159,192	159,192
Payables	21,806	4,558	21,806	21,806	21,806	21,806	21,806
Other	19,627	34,656	23,830	28,033	32,236	36,439	40,642
Total current liabilities	201,413	193,869	204,828	209,031	213,234	217,437	221,640
NON-CURRENT LIABILITIES							
Employee provisions	58,751	61,641	58,751	58,751	58,751	58,751	58,751
Other	44	54	44	44	44	44	44
Total non-current liabilities	58,795	61,695	58,795	58,795	58,795	58,795	58,795
TOTAL LIABILITIES	260,208	255,564	263,623	267,826	272,029	276,232	280,435
EQUITY							
Contributed equity	793,685	1,004,878	1,066,033	1,101,748	1,132,260	1,187,174	1,204,696
Accumulated surplus/(deficit) [b]	231,021	8,897	(29,707)	(19,902)	(2,452)	31,860	60,654
Reserves	336,588	371,049	336,588	336,588	336,588	336,588	336,588
Total equity	1,361,294	1,384,824	1,372,914	1,418,434	1,466,396	1,555,622	1,601,938
TOTAL LIABILITIES AND EQUITY	1,621,502	1,640,388	1,636,537	1,686,260	1,738,425	1,831,854	1,882,373

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The 2016-17 Actual Accumulated surplus of $231 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,244,383	1,270,129	1,243,530	1,305,134	1,256,416	1,263,344	1,281,616
Capital appropriation	53,531	29,451	36,093	18,582	19,337	54,914	17,497
Holding account drawdowns	7,856	13,530	14,318	19,669	17,093	14,294	21,838
Royalties for Regions Fund:							
Regional Community Services Fund	4,742	15,950	15,451	18,899	19,239	18,564	18,409
Regional Infrastructure and Headworks Fund	18,094	11,607	11,607	17,103	11,175	-	-
Receipts paid into Consolidated Account	(160)	(3,662)	(3,662)	-	-	-	-
Net cash provided by State Government	1,328,446	1,337,005	1,317,337	1,379,387	1,323,260	1,351,116	1,339,360
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,042,989)	(1,072,087)	(1,074,297)	(1,096,977)	(1,090,616)	(1,107,043)	(1,123,371)
Grants and subsidies	(106,117)	(73,230)	(91,547)	(66,009)	(57,429)	(36,175)	(36,271)
Supplies and services	(163,648)	(161,003)	(158,038)	(155,626)	(125,704)	(118,208)	(121,421)
Accommodation	(53,228)	(67,630)	(56,746)	(69,125)	(65,630)	(64,984)	(64,899)
Other payments	(116,702)	(105,757)	(102,745)	(118,199)	(101,184)	(97,852)	(97,125)
Receipts [b]							
Regulatory fees and fines	17,035	18,088	18,088	16,473	16,473	16,473	16,473
Grants and subsidies	4,135	3,275	5,360	2,526	911	911	911
Sale of goods and services	1,345	4,224	5,105	6,000	6,026	6,053	6,053
GST receipts	38,509	29,911	32,798	29,911	29,911	29,911	29,911
Road Trauma Trust Account receipts	102,962	121,950	110,092	112,643	104,020	98,297	93,487
Other receipts	31,802	27,166	27,430	28,358	29,220	29,224	29,224
Net cash from operating activities	(1,286,896)	(1,275,093)	(1,284,500)	(1,310,025)	(1,254,002)	(1,243,393)	(1,267,028)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(85,427)	(68,141)	(77,184)	(57,265)	(51,691)	(69,265)	(47,464)
Proceeds from sale of non-current assets	1,736	-	-	30	-	-	25
Net cash from investing activities	(83,691)	(68,141)	(77,184)	(57,235)	(51,691)	(69,265)	(47,439)
NET INCREASE/(DECREASE) IN CASH HELD	(42,141)	(6,229)	(44,347)	12,127	17,567	38,458	24,893
Cash assets at the beginning of the reporting period	149,561	78,432	107,420	63,073	75,200	92,767	131,225
Cash assets at the end of the reporting period	107,420	72,203	63,073	75,200	92,767	131,225	156,118

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Western Australia Police Force. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Regulatory Fees and Fines							
Licenses	10,621	10,653	10,653	10,017	10,017	10,017	10,017
Departmental	6,414	7,435	7,435	6,456	6,456	6,456	6,456
Grants and Subsidies							
Departmental	2,055	2,604	2,855	401	401	401	401
Commonwealth – Other	2,080	671	2,505	2,125	510	510	510
Sale of Goods and Services							
Departmental	1,345	4,224	5,105	6,000	6,026	6,053	6,053
GST Receipts							
GST Input Credits	32,126	27,523	30,410	27,523	27,523	27,523	27,523
GST Receipt on Sales	6,383	2,388	2,388	2,388	2,388	2,388	2,388
Other Receipts							
Departmental	24,436	22,555	23,919	25,269	26,290	26,291	26,291
Commonwealth - Other	2,418	2,111	2,111	1,889	1,930	1,933	1,933
TOTAL	87,878	80,164	87,381	82,068	81,541	81,572	81,572

(a) The moneys received and retained are to be applied to the Western Australia Police Force's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Fines							
Firearms Licensing Infringements	58	100	100	100	100	100	100
Minor Infringement Penalties	726	710	710	710	710	710	710
Other							
Sale of Lost, Stolen and Forfeited Property	716	600	600	600	600	600	600
TOTAL ADMINISTERED INCOME	1,500	1,410	1,410	1,410	1,410	1,410	1,410
EXPENSES							
Other							
Receipts Paid into the Consolidated Account	1,409	1,160	1,160	1,160	1,160	1,160	1,160
All Other Expenses	91	250	250	250	250	250	250
TOTAL ADMINISTERED EXPENSES	1,500	1,410	1,410	1,410	1,410	1,410	1,410

Division 26 Justice

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual [a] $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 58 Net amount appropriated to deliver services	1,172,671	1,195,808	1,205,244	**1,177,286**	1,167,422	1,150,506	1,129,255
Amount Authorised by Other Statutes							
- Children's Court of Western Australia Act 1988	405	405	405	**405**	405	405	406
- Criminal Injuries Compensation Act 2003	38,210	40,707	40,707	**31,817**	31,817	31,817	31,817
- District Court of Western Australia Act 1969	12,210	12,602	12,602	**13,098**	13,098	13,098	13,133
- Judges' Salaries and Pensions Act 1950	11,137	10,836	10,836	**10,836**	10,836	10,836	10,862
- Salaries and Allowances Act 1975	33,027	33,027	33,027	**33,701**	33,763	33,763	33,867
- Solicitor General Act 1969	647	594	594	**594**	594	594	595
- State Administrative Tribunal Act 2004	5,088	5,878	5,878	**5,878**	5,878	5,878	5,899
- Suitor's Fund Act 1964	38	31	31	**31**	31	31	31
Total appropriations provided to deliver services	1,273,433	1,299,888	1,309,324	**1,273,646**	1,263,844	1,246,928	1,225,865
CAPITAL							
Item 114 Capital Appropriation	43,406	24,887	19,237	**18,859**	13,684	17,604	18,965
TOTAL APPROPRIATIONS	1,316,839	1,324,775	1,328,561	**1,292,505**	1,277,528	1,264,532	1,244,830
EXPENSES							
Total Cost of Services	1,468,853	1,507,777	1,510,450	**1,472,098**	1,459,187	1,442,398	1,422,220
Net Cost of Services [b]	1,301,568	1,339,937	1,343,238	**1,302,521**	1,292,565	1,274,412	1,253,404
CASH ASSETS [c]	63,996	47,394	58,174	**59,441**	62,140	64,922	67,704

(a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
Law Reform Initiatives - Civil Litigation Reform	427	815	-	-	-
Senior Executive Service Reduction	(1,000)	(2,000)	(2,000)	(2,000)	(2,000)
Other					
Cost and Demand Forecasts	(1,486)	410	36	(2,410)	9,211
Court and Tribunal Security Checkpoint Workforce	-	1,609	1,251	1,251	1,251
District Court - Technology Upgrade	-	-	1,331	1,860	1,860
Enhanced Fines Enforcement Team	-	2,035	-	-	-
Family Court - Commonwealth Grant	282	278	445	486	486
Government Office Accommodation Reform Program	(445)	(615)	(609)	(603)	(596)
Government Regional Officer Housing	2,364	(941)	1,611	(618)	(194)

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Integrated Courts Management System	(399)	1,142	424	-	-
Legal Aid					
Cost and Demand Forecasts	3,761	3,203	-	-	-
New Public Sector Wages Policy	(173)	(337)	(507)	(684)	-
Non-Government Human Services Sector Indexation Adjustment	-	(21)	(36)	(37)	-
State Fleet Policy and Procurement Initiatives	(23)	(50)	(56)	(61)	(64)
Voluntary Targeted Separation Scheme [(a)]	784	(634)	(638)	(643)	(650)
Magistrates Court - Additional Judicial Resources	-	994	1,050	1,053	1,057
New Public Sector Wages Policy	(1,809)	(4,803)	(7,947)	(11,134)	-
Non-Government Human Services Sector Indexation Adjustment	-	(204)	(346)	(354)	-
Regional Workers Incentive Allowance Payments	179	-	-	-	-
Regional Youth Justice Services - Kimberley and Pilbara	-	5,289	5,343	5,397	5,462
Resolution of Native Title in the South West of Western Australia (Settlement)	-	190	-	-	-
State Fleet Policy and Procurement Initiatives	(308)	(534)	(636)	(760)	(837)
Voluntary Targeted Separation Scheme [(a)]	10,127	(12,385)	(12,516)	(12,647)	(12,837)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- The Government's law reform agenda will strengthen the justice system's focus on victims of crime. This will involve a range of changes including: amendments to *The Criminal Code* to introduce offences against the non-consensual distribution of intimate images, the introduction of a High Risk Offenders Board and the finalisation of the Law Reform Commission's recommendations in regards to family violence. The Government is also reviewing the *Victims of Crime Act 1994* to ensure its ongoing relevance.

- The Department will establish a Western Australian Crime Statistics and Research Office to provide independent, evidence-based research on crime and justice. Part of the establishment will be the release of a publically-available sentencing database. The Office will collaborate with universities on a range of mutual research opportunities.

- High growth in the adult prisoner population continues to place increased pressure on the custodial estate's existing assets and infrastructure. While the Department is working to optimise the existing estate, infrastructure projects are in progress at Casuarina, Bunbury, Broome and Hakea Prisons to meet the expected medium-term demand.

- Expansions at Casuarina Prison and Bunbury Regional Prison will be delivered under the Government's Western Australian Industry Participation Strategy to maximise investment in local industry and deliver local jobs and quality services for our community.

- The Department is developing a Managing Drugs and Alcohol in Prisons Strategy. The Strategy has four key goals, namely supply control, demand reduction, harm reduction, and monitoring and innovation. The Department is also examining its legislative powers with regards to searching and drug testing in prison facilities.

- As part of the Government's Methamphetamine Action Plan, two dedicated Alcohol and Other Drugs (AOD) rehabilitation prisons are being established to assist in breaking the cycle of alcohol and drug-related crime. An AOD prison for female offenders will be located at the Wandoo Facility and a second AOD facility for male prisoners will be part of the Casuarina Prison expansion.

- The Department has improved safety, stability and security within Banksia Hill Detention Centre through enhancements to physical, procedural and dynamic security, and staff training.

- The Government's law reform initiatives will provide greater community access to the judicial system. Reforms to the Courts' jurisdictional boundaries in criminal matters for Supreme, District and Magistrates Courts are progressing. A Bill before Parliament will transfer all but homicide and some Commonwealth matters from the Supreme Court to the District Court and make some minor changes in the Magistrates Courts jurisdiction.

- The Department continues to work on reducing the over-representation of Aboriginal people within, or at risk of entering, the justice system. Specific projects are being further developed to address instances where Aboriginal persons are in custody due to driver's licence offences or unpaid fines.

- The Department is developing initiatives to increase the cost-effectiveness of the criminal justice system by diverting low level offenders away from formal prosecution, reducing court delays and adjournments that lead to avoidable remand, increasing access to rehabilitation services in the community, and strengthening post-release offender management.
- The Registry of Births, Deaths and Marriages is preparing amendments to the *Births, Deaths and Marriages Registration Act 1998*. These amendments will improve change of name processes and strengthen identification and enrolment processes, maximising Western Australia's contribution to the national identity management and security agenda.
- The Office of the Public Advocate continues to experience increasing demand for statutory services to vulnerable adults with decision-making disabilities as a result of the ageing population and increasing numbers of people with an intellectual disability or mental illness who require a guardian.
- The Public Trustee continues to experience increasing demand for its services, as well as an increase in the number of people referred by the State Administrative Tribunal.
- The State Solicitor's Office is making appropriate preparations to respond to anticipated civil claims made against the State of Western Australia in relation to historical child sexual abuse matters, pending proclamation of the *Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018*.
- Unprecedented demand for legal aid assistance continues to place pressure on the court-based services provided by Legal Aid Western Australia, particularly for legal aid grants.

Resource Agreement

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

The relationship of Ministers to services is shown below:

Responsible Ministers	Services
Attorney General	1. Court and Tribunal Services 2. Advocacy, Guardianship and Administration Services 3. Trustee Services 4. Births, Deaths and Marriages 5. Services to Government 6. Legal Aid Assistance
Minister for Corrective Services	7. Adult Corrective Services 8. Youth Justice Services

Outcomes, Services and Key Performance Information

Where practical, Key Performance Information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	An efficient, accessible court and tribunal system.	1. Court and Tribunal Services
	Trustee, Guardianship and Administration services are accessible to all Western Australians.	2. Advocacy, Guardianship and Administration Services 3. Trustee Services
	Western Australian birth, death and marriage certificates are accurate and accessible.	4. Births, Deaths and Marriages
	Government receives quality, timely legal and legislative drafting services.	5. Services to Government
	Equitable access to legal services and information.	6. Legal Aid Assistance
	A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system.	7. Adult Corrective Services 8. Youth Justice Services

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Court and Tribunal Services	401,053	395,281	400,200	384,761	380,322	378,974	382,361
2. Advocacy, Guardianship and Administration Services	7,181	7,306	7,724	6,474	6,452	6,452	6,466
3. Trustee Services	22,222	22,899	23,807	23,906	22,992	24,951	24,743
4. Births, Deaths and Marriages	8,586	8,697	9,067	9,987	9,886	8,589	8,614
5. Services to Government	50,343	51,125	62,834	57,540	55,480	53,858	54,784
6. Legal Aid Assistance	43,461	41,708	46,057	43,998	40,395	40,395	40,846
7. Adult Corrective Services	835,202	879,463	859,822	844,798	843,775	829,289	805,717
8. Youth Justice Services	100,805	101,298	100,939	100,634	99,885	99,890	98,689
Total Cost of Services	1,468,853	1,507,777	1,510,450	1,472,098	1,459,187	1,442,398	1,422,220

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: An efficient, accessible court and tribunal system:					
Supreme Court					
Criminal - time to trial	33 weeks	28 weeks	32 weeks	28 weeks	1
Civil - time to finalise non-trial matters	18 weeks	19 weeks	18 weeks	19 weeks	
District Court - Criminal - time to trial	34 weeks	32 weeks	36 weeks	32 weeks	2
State Administrative Tribunal - time to finalise	12 weeks	15 weeks	12 weeks	15 weeks	3
Family Court of Western Australia - time to finalise non-trial matters	40 weeks	27 weeks	48 weeks	27 weeks	4
Magistrates Court - Criminal and Civil - time to trial	25 weeks	19 weeks	25 weeks	19 weeks	5
Coroner's Court - time to trial	165 weeks	128 weeks	165 weeks	128 weeks	6
Fines Enforcement Registry - percentage of fines satisfied within 12 months					
Fines and costs	35%	35%	35%	35%	
Infringements	53%	57%	53%	57%	
Outcome: Trustee, Guardianship and Administration services are accessible to all Western Australians:					
Percentage of Guardians of last resort allocated in one day	95%	95%	95%	95%	
Percentage of Western Australian deceased estates administered by the Public Trustee	4.3%	4%	4.4%	4%	
Percentage of clients who have services provided by the Public Trustee under an operating subsidy	54%	50%	53%	50%	
Outcome: Western Australian birth, death and marriage certificates are accurate and accessible:					
Percentage of certificates of birth, death or marriage issued within two days	97%	90%	95%	90%	
Extent to which births, deaths and marriages source information is recorded error free	98%	97%	98%	97%	
Outcome: Government receives quality, timely legal and legislative drafting services:					
Extent to which government agencies are satisfied with legal services	100%	90%	95%	90%	
Extent to which legislation is drafted in a timely manner to effect the Government's legislative program	100%	95%	98%	95%	

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Equitable access to legal services and information:					
Percentage of eligible applicants who receive a grant of legal aid	85%	85%	85%	85%	
Percentage of persons who are provided with a duty lawyer service	20%	20%	19%	20%	
Percentage of callers successfully accessing Infoline services	67%	67%	67%	67%	
Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:					
Number of escapes					
Adult	3	nil	2	nil	
Youth	nil	nil	nil	nil	
Rate of serious assault per 100 prisoners	0.97	<0.48	0.77	<0.48	7
Average out of cell hours	12.3	12	12.1	12	
Successful completion of community correction orders - adults	61.4%	64%	62.6%	64%	
Successful completion of community-based orders - juveniles	56.2%	68%	57.1%	68%	8
Rate of return - offender programs (adult)	39%	39%	36.7%	39%	
Rate of return to detention - juveniles	55%	50%	58.6%	50%	9

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

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual exceeds the 2017-18 Budget due to both the high criminal case workload and the increased proportion of committals for trial.

2. The 2017-18 Estimated Actual exceeds the 2017-18 Budget primarily due to an increased number of committals for trial which has an impact on trial availability.

3. The 2017-18 Estimated Actual is lower than the 2017-18 Budget as a result of the State Administrative Tribunal's continued active case management.

4. The 2017-18 Estimated Actual is higher than the 2017-18 Budget due to long-term growth in the complexity and volume of final order parenting applications, court ordered finalisations, and the reallocation of magistrates to trial work to help address the delay to trial, thereby reducing the Court's capacity to hear non-trial matters.

5. The 2017-18 Estimated Actual exceeds the 2017-18 Budget due to growth in the number of criminal cases and charges per case lodged.

6. The 2017-18 Estimated Actual is higher than the 2017-18 Budget as the Coroner's Court has prioritised older and more complex inquest cases (including cases older than 128 weeks).

7. Managing a prisoner cohort is complex and assaults may be attributed to several factors. The rate of serious assaults is highly variable due to the small numbers of incidents.

8. The 2017-18 Estimated Actual is lower than the 2017-18 Budget due to a high number of young people reoffending or failing to comply with conditions of their order. When young people do not comply with orders and pose a risk to the community, breach action is warranted in line with the relevant legislation and Departmental procedures.

9. The 2017-18 Estimated Actual is higher than the 2017-18 Budget due to an increased number of young people returning to detention relative to the number of young people exiting detention. This occurred due to the return of young people released on supervised release orders where breach action occurred following non-compliance, or where young people returned to detention for subsequent offending behaviour.

Services and Key Efficiency Indicators

1. Court and Tribunal Services

A prime task of the justice system in serving the community is the determination of cases brought before a court or tribunal. This service relates to financing the cost of delivering court facilities, administrative support and judicial staff to enable these determinations to be made. Part of this function also involves the delivery of court counselling services and a range of civil and criminal enforcement services.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	401,053	395,281	400,200	384,761	
Less Income	99,654	103,294	102,888	106,917	
Net Cost of Service	301,399	291,987	297,312	277,844	
Employees (Full Time Equivalents) [(a)]	1,272	1,280	1,260	1,223	
Efficiency Indicators [(b)]					
Supreme Court					
Criminal - Cost per Case	$49,467	$43,844	$46,307	$46,151	
Civil - Cost per Case	$11,609	$10,118	$11,367	$11,462	1
Court of Appeal - Cost per Case	$25,483	$20,696	$21,554	$21,094	
District Court					
Criminal - Cost per Case	$19,865	$19,788	$17,752	$17,055	2
Civil - Cost per Case	$4,518	$4,204	$4,056	$3,909	
State Administrative Tribunal - Cost per Case	$4,275	$4,129	$3,926	$4,005	
Family Court - Cost per Case	$2,213	$2,095	$2,085	$2,156	
Magistrates Court					
Criminal - Cost per Case	$670	$635	$688	$660	
Civil - Cost per Case	$598	$571	$610	$560	
Coroner's Court - Cost per Case	$5,753	$5,492	$5,772	$5,613	
Children's Court					
Criminal - Cost per Case	$588	$537	$547	$535	
Civil - Cost per Case	$2,232	$1,963	$1,905	$1,877	
Fines Enforcement Registry - Cost per Enforcement	$28	$30	$27	$28	3

(a) This includes judicial staff that are not employees of the Department.

(b) Cost per case is calculated as the total gross cost divided by finalisations (with the exception of the Fines Enforcement Registry indicator which is based on lodgements). This measures the average cost per case for all matters finalised by the Court (including matters finalised without trial and those finalised administratively). As such, this is not a measure of the cost per trial. A trial matter itself could be expected to cost significantly in excess of the average cost figures outlined in this table.

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual is higher than the 2017-18 Budget mainly due to the increased costs incurred for office accommodation.

2. The 2017-18 Estimated Actual is lower than the 2017-18 Budget due to a change in practice relating to a more stringent claim process for jurors submitting loss of earnings claims.

3. The 2017-18 Estimated Actual is lower than the 2017-18 Budget mainly due to an increase in lodgements during 2017-18.

2. Advocacy, Guardianship and Administration Services

Advocacy, guardianship and administration services protect and promote the financial interests and welfare of people with decision-making disabilities by providing:

- access to investigation and advocacy services;
- appropriate appointment of guardians and administrators and appropriate interventions in relation to Enduring Powers of Attorney and Enduring Powers of Guardianship;
- guardianship and administration community education services; and
- guardianship and administration services provided by the Public Advocate.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	7,181	7,306	7,724	6,474	
Less Income	42	42	42	42	
Net Cost of Service	7,139	7,264	7,682	6,432	
Employees (Full Time Equivalents)	50	52	52	53	
Efficiency Indicators					
Average Cost of Providing Advocacy and Guardianship Services	$1,747	$1,670	$1,736	$1,392	1

Explanation of Significant Movements

(Notes)

1. The decrease in the Average Cost of Providing Advocacy and Guardianship Services in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual, reflects a correction in the allocation of indirect costs.

3. Trustee Services

The Public Trustee is a statutory authority within the provisions of the *Financial Management Act 2006*. It provides a funds management and investment service. It acts as trustee or financial administrator pursuant to the orders of courts or tribunals. It also administers the estates of people who die with or without a will, in accordance with the terms of the will or the relevant law and under the authority of the Supreme Court. The Public Trustee offers high quality, personalised trustee services to meet the needs of all sectors of the Western Australian community.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	22,222	22,899	23,807	23,906	
Less Income	23,701	24,629	24,584	24,611	
Net Cost of Service	(1,479)	(1,730)	(777)	(705)	
Employees (Full Time Equivalents)	170	170	170	170	
Efficiency Indicators					
Average Cost per Deceased Estate Administered	$2,487	$2,579	$2,524	$2,586	
Average Cost per Trust Managed	$1,680	$1,855	$1,980	$1,850	
Average Cost per Will Prepared	$828	$670	$687	$659	

4. Births, Deaths and Marriages

The purpose of the Registrar of Births, Deaths and Marriages is to create and permanently store birth, death and marriage records to enable the public to obtain documentary proof of key life events for legal, personal and historical purposes and also to enable approved organisations to obtain information for research and statistical purposes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,586	8,697	9,067	9,987	
Less Income	9,372	9,724	9,724	9,098	
Net Cost of Service	(786)	(1,027)	(657)	889	
Employees (Full Time Equivalents)	54	54	54	54	
Efficiency Indicators					
Average Cost of Registration Services	$2.11	$2.09	$2.19	$2.37	

5. Services to Government [(a)]

Services directly provided by the Department to support the outcomes and activities of other government agencies.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	50,343	51,125	62,834	57,540	
Less Income	10,642	8,260	8,083	7,013	
Net Cost of Service	39,701	42,865	54,751	50,527	
Employees (Full Time Equivalents)	435	433	434	428	
Efficiency Indicators					
Average Cost per Legal Matter [(b)]	$4,497	$4,400	$4,400	$4,200	
Average Cost per Page of Output [(c)]	$277	$232	$211	$199	

(a) This includes the cost of shared services provided to other agencies, including the Law Reform Commission, Commissioner for Children and Young People and Parliamentary Inspector of the Corruption and Crime Commission.
(b) This indicator is calculated by dividing the State Solicitor's Office Total Cost of Service by the number of recorded matters.
(c) This indicator is calculated by dividing the Parliamentary Counsel's Office total operating expenses by the number of new or changed pages of Bills, subsidiary legislation and reprinted texts produced each financial year.

6. Legal Aid Assistance

The community and target groups require access to and the provision of quality legal services. This service responds to the demand for legal assistance through application of priority guidelines. This is achieved through the provision of eligibility and merit tests to enable legal representation to be provided to legally aided clients by grants of aid and assignment of cases to in-house or private practitioners. Legal advice, duty lawyer services and community legal education is provided to assist the wider community to access fair solutions to legal problems at the earliest opportunity.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	43,461	41,708	46,057	43,998	
Less Income	-	-	-	-	
Net Cost of Service	43,461	41,708	46,057	43,998	
Employees (Full Time Equivalents)	341	341	339	336	
Efficiency Indicators					
Average Cost per Legal Representation	$3,813	$3,813	$4,449	$3,859	1
Average Cost per Legal Information Service	$56	$56	$56	$57	
Average Cost per Legal Advice	$224	$224	$240	$240	
Average Cost per Application for a Grant of Legal Aid Processed	$426	$420	$420	$418	
Average Cost of Delivering Regional Initiatives for Legal Practice	$198	$200	$200	$200	

Explanation of Significant Movements

(Notes)

1. The increase in the Average Cost per Legal Representation in the 2017-18 Estimated Actual compared to the 2017-18 Budget, represents the increased cost of providing legal representation for State indictable criminal matters funded by a grant of legal aid.

7. Adult Corrective Services

The Adult Offender System:

- contributes to community confidence;
- provides timely offender services;
- ensures court sanctions are completed; and
- contributes to reducing the rate of reoffending and imprisonment.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	835,202	879,463	859,822	844,798	
Less Income	23,256	21,420	21,420	21,385	
Net Cost of Service	811,946	858,043	838,402	823,413	
Employees (Full Time Equivalents)	3,836	3,962	3,942	3,880	
Efficiency Indicators					
Cost per Day of Keeping an Offender in Custody	$297	$293	$297	$279	
Cost per Day of Managing an Offender through Community Supervision	$42	$41	$35	$33	1

Explanation of Significant Movements

(Notes)

1. The decrease in the Cost per Day of Managing an Offender through Community Supervision in the 2017-18 Estimated Actual compared to the 2017-18 Budget, reflects a correction in the allocation of indirect costs, which were overstated for this efficiency measure in the 2017-18 Budget.

8. Youth Justice Services

The juvenile offender system provides an accessible and equitable service which:

- diverts juveniles and offenders at risk from offending;
- provides timely intervention and resolution of justice issues;
- ensures the statutory requirements of justice are met; and
- contributes to reducing the rate of reoffending and detention.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	100,805	101,298	100,939	100,634	
Less Income	618	471	471	511	
Net Cost of Service	100,187	100,827	100,468	100,123	
Employees (Full Time Equivalents)	580	602	597	590	
Efficiency Indicators					
Cost per Day of Keeping a Juvenile in Detention	$975	$815	$898	$821	1
Cost per Day of Managing a Juvenile through Community Supervision	$100	$106	$97	$94	

Explanation of Significant Movements

(Notes)

1. The increase in the Cost per Day of Keeping a Juvenile in Detention in the 2017-18 Estimated Actual, compared to the 2017-18 Budget and 2018-19 Budget Target, reflects a lower than estimated number of juveniles in detention.

Asset Investment Program

To support the delivery of the Department's services, a total of $94.6 million is budgeted to be spent on asset investment in 2018-19, which includes the following:

- $48 million, as part of the $96.3 million project to construct four additional accommodation units (512 beds), upgrade utilities and expand support buildings at Casuarina Prison. The expansion will facilitate delivery of a male Alcohol and Other Drugs (AOD) facility;
- $19.2 million to construct an additional unit (160 beds), upgrade utilities and expand support buildings at Bunbury Regional Prison;
- $4.1 million allocated to upgrade accommodation facilities and additional custodial estate capacity, including $1.4 million to upgrade security and conditions at Broome Regional Prison, and $2.7 million to provide an additional 212 beds and supporting infrastructure across six facilities in the male custodial estate;
- $5.4 million to establish a female AOD rehabilitation prison at the Wandoo Facility, which will provide targeted drug and alcohol programs to help reduce reoffending, as part of the Government's Methamphetamine Action Plan;
- $12.3 million for court security upgrades, ongoing maintenance and infrastructure upgrades across all of the Department's owned and leased facilities;
- $3.3 million for information and communications technology (ICT) upgrades, including the Registry of Births, Deaths and Marriages modernisation of the Western Australian Registry System;
- $1.4 million for audiovisual facilities in court locations across the metropolitan and regional areas, which are aimed at improving service delivery to regional sites, as well as reducing risks associated with transporting people in custody over long distances; and
- $881,000 for the continuation of the Cell Upgrade and Ligature Minimisation Program across the prison estate.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Administrative							
Information Projects							
Corporate Information Management Systems	12,176	9,506	600	642	676	676	676
ICT Infrastructure Upgrade	29,969	25,118	1,073	1,167	1,228	1,228	1,228
Replacement of Western Australian Registration System	5,301	3,994	2,800	1,307	-	-	-
Upgrading of Alesco, Financial and Budgeting System	4,224	3,974	1,301	250	-	-	-
Physical Infrastructure - Replacement Office and Other Equipment	11,138	2,081	2,081	2,181	2,292	2,292	2,292
Community Corrections - Office Establishment and Refurbishment	4,133	839	839	792	834	834	834
Courts							
Building Infrastructure and Maintenance	6,159	1,099	1,099	1,217	1,281	1,281	1,281
Court and Judicial Security	9,311	7,021	509	550	580	580	580
Court Audiovisual Maintenance and Enhancements	19,589	13,952	1,256	1,356	1,427	1,427	1,427
Kununurra, Broome and Karratha Courthouses	40,351	39,615	1,469	736	-	-	-
Custodial							
Building Infrastructure and Maintenance							
Adult Facilities	41,364	30,474	4,116	2,619	2,757	2,757	2,757
Youth Facilities	4,142	2,763	323	332	349	349	349
Building Upgrades and Replacement	79,918	66,433	3,154	3,243	3,414	3,414	3,414
Bunbury Regional Prison Expansion	23,658	4,500	4,500	19,158	-	-	-
Casuarina Prison Expansion	96,322	5,418	5,418	48,000	42,904	-	-
Cell Upgrade and Ligature Minimisation Program	2,991	2,110	1,125	881	-	-	-
Custodial Infrastructure Program - Administered Equity	136,807	132,688	6,264	4,119	-	-	-
Election Commitment - Methamphetamine Action Plan							
Wandoo Facility Infrastructure	9,584	4,184	4,184	5,400	-	-	-
Prison Industries - Mobile Plant	3,408	651	651	663	698	698	698

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Administrative - Information Projects							
Decommissioning Shared Corporate Services Project	2,960	2,960	82	-	-	-	-
ICT Systems - Life Extension and Upgrades							
Administered Equity	5,850	5,850	50	-	-	-	-
SSO - Legal Practice Systems	500	500	500	-	-	-	-
Community Corrections - Office Accommodation							
North West Metro (Mirrabooka)	962	962	918	-	-	-	-
Courts - Carnarvon Police and Justice Complex	51,978	51,978	600	-	-	-	-
Custodial							
Acacia Wastewater Treatment Plant	1,300	1,300	1,300	-	-	-	-
Community Safety Network	497	497	204	-	-	-	-
Election Commitment - Methamphetamine Action Plan							
Drug Testing	600	600	600	-	-	-	-
West Kimberley Regional Prison	120,891	120,891	230	-	-	-	-
Total Cost of Asset Investment Program	726,083	541,958	47,246	94,613	58,440	15,536	15,536
FUNDED BY							
Capital Appropriation			11,625	10,246	3,911	3,911	3,911
Drawdowns from the Holding Account			10,628	11,047	11,625	11,625	11,625
Funding Included in Department of Treasury							
Administered Item			11,682	52,119	42,904	-	-
Internal Funds and Balances			7,342	1,307	-	-	-
Drawdowns from Royalties for Regions Fund			1,469	736	-	-	-
Funding Included in Royalties for Regions							
Administered Item			4,500	19,158	-	-	-
Total Funding			47,246	94,613	58,440	15,536	15,536

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The reduction in the Total Cost of Services over the forward estimates period reflects the impact of approved savings measures, including the Agency Expenditure Review savings targets, offset by forecast growth in the adult prisoner population.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	728,348	803,829	767,786	740,740	724,740	712,705	692,220
Grants and subsidies [c]	105,359	98,722	105,836	94,583	91,438	91,139	91,786
Supplies and services	343,758	330,227	355,676	350,207	354,767	349,699	356,818
Accommodation	108,327	85,940	97,927	98,238	100,135	101,308	101,069
Depreciation and amortisation	59,753	62,226	62,226	61,608	61,608	58,678	58,678
Other expenses	123,308	126,833	120,999	126,722	126,499	128,869	121,649
TOTAL COST OF SERVICES	1,468,853	1,507,777	1,510,450	1,472,098	1,459,187	1,442,398	1,422,220
Income							
Sale of goods and services	35,823	40,789	40,345	39,619	39,028	39,291	39,470
Regulatory fees and fines	72,068	76,021	75,732	80,592	79,476	80,489	81,107
Grants and subsidies	19,550	14,755	15,037	15,432	15,154	15,154	15,154
Other revenue	35,267	31,698	31,521	29,357	28,387	28,402	28,435
Resources received free of charge Commonwealth	4,577	4,577	4,577	4,577	4,577	4,650	4,650
Total Income	167,285	167,840	167,212	169,577	166,622	167,986	168,816
NET COST OF SERVICES	1,301,568	1,339,937	1,343,238	1,302,521	1,292,565	1,274,412	1,253,404
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,273,433	1,299,888	1,309,324	1,273,646	1,263,844	1,246,928	1,225,865
Resources received free of charge	95	3,832	3,832	3,828	3,825	3,825	3,825
Liabilities assumed by the Treasurer	-	16,450	16,450	16,450	16,450	16,450	16,450
Royalties for Regions Fund:							
Regional Community Services Fund	8,255	9,038	9,507	8,918	8,892	7,728	7,783
Regional Infrastructure and Headworks Fund	106	-	-	-	-	-	-
Other appropriations	22,434	11,509	1,389	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,304,323	1,340,717	1,340,502	1,302,842	1,293,011	1,274,931	1,253,923
SURPLUS/(DEFICIENCY) FOR THE PERIOD	2,755	780	(2,736)	321	446	519	519

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 6,738, 6,848 and 6,734 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Accused Costs Payments	4,542	1,379	1,379	1,379	1,379	1,379	1,379
Criminal Injuries Compensation Payments	38,210	40,707	40,707	31,817	31,817	31,817	31,817
Ex-Gratia and Act of Grace Payments	7,471	-	1,000	-	-	-	-
Legal Aid Assistance Grant	43,461	41,708	46,057	43,998	40,395	40,395	40,846
Other Grants, Subsidies and Transfer Payments	370	2,737	4,700	4,626	4,635	3,776	3,358
Prisoner Gratuity Payments	11,305	12,191	11,993	12,763	13,212	13,772	14,386
TOTAL	105,359	98,722	105,836	94,583	91,438	91,139	91,786

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	49,322	34,407	44,423	46,382	48,466	50,623	53,405
Restricted cash	14,062	7,105	10,162	8,855	8,855	8,855	8,855
Holding account receivables	10,628	11,047	11,047	11,625	11,625	11,625	11,625
Receivables	15,609	19,358	15,609	15,609	15,609	15,609	15,609
Other	6,138	6,075	3,888	3,888	3,888	3,888	3,888
Assets held for sale	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total current assets	96,959	79,192	86,329	87,559	89,643	91,800	94,582
NON-CURRENT ASSETS							
Holding account receivables	355,982	409,495	406,460	458,843	508,826	556,345	603,433
Property, plant and equipment	2,279,716	2,345,105	2,253,057	2,290,873	2,291,689	2,253,594	2,213,242
Intangibles	10,489	13,044	8,057	5,147	2,844	2,644	2,444
Restricted cash	612	5,882	3,589	4,204	4,819	5,444	5,444
Other	34,257	56,050	41,850	39,949	38,268	33,421	30,831
Total non-current assets	2,681,056	2,829,576	2,713,013	2,799,016	2,846,446	2,851,448	2,855,394
TOTAL ASSETS	2,778,015	2,908,768	2,799,342	2,886,575	2,936,089	2,943,248	2,949,976
CURRENT LIABILITIES							
Employee provisions	135,523	127,941	132,422	132,422	132,422	132,422	132,422
Payables	69,547	66,586	71,185	72,823	74,461	76,099	77,737
Other	17,662	16,734	19,046	20,514	21,942	23,566	25,324
Total current liabilities	222,732	211,261	222,653	225,759	228,825	232,087	235,483
NON-CURRENT LIABILITIES							
Employee provisions	26,149	27,896	28,549	30,949	30,949	30,949	30,949
Borrowings	405,955	402,286	397,328	387,862	377,276	363,050	346,898
Other	950	1,505	950	950	950	950	950
Total non-current liabilities	433,054	431,687	426,827	419,761	409,175	394,949	378,797
TOTAL LIABILITIES	655,786	642,948	649,480	645,520	638,000	627,036	614,280
EQUITY							
Contributed equity	921,502	1,433,935	1,411,418	1,502,290	1,558,878	1,576,482	1,595,447
Accumulated surplus/(deficit) [b]	453,029	780	(2,736)	(2,415)	(1,969)	(1,450)	(931)
Reserves	747,698	831,105	741,180	741,180	741,180	741,180	741,180
Total equity	2,122,229	2,265,820	2,149,862	2,241,055	2,298,089	2,316,212	2,335,696
TOTAL LIABILITIES AND EQUITY	2,778,015	2,908,768	2,799,342	2,886,575	2,936,089	2,943,248	2,949,976

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The 2016-17 Actual Accumulated surplus of $453 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,215,433	1,235,262	1,244,698	1,209,638	1,202,236	1,187,784	1,167,152
Capital appropriation	43,406	24,887	19,237	18,859	13,684	17,604	18,965
Holding account drawdowns	11,998	10,628	13,729	11,047	11,625	11,625	11,625
Royalties for Regions Fund:							
Administered item	-	-	4,500	19,158	-	-	-
Regional Community Services Fund	3,813	9,038	9,507	8,918	8,892	7,728	7,783
Regional Infrastructure and Headworks Fund	5,791	2,205	1,469	736	-	-	-
Receipts paid into Consolidated Account	(919)	-	-	-	-	-	-
Administered appropriations	26,442	37,069	13,071	52,119	42,904	-	-
Net cash provided by State Government	1,305,964	1,319,089	1,306,211	1,320,475	1,279,341	1,224,741	1,205,525
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(734,675)	(783,833)	(750,891)	(720,778)	(707,202)	(695,099)	(674,614)
Grants and subsidies	(105,359)	(98,747)	(105,861)	(94,608)	(91,463)	(91,164)	(91,811)
Supplies and services	(331,780)	(326,372)	(351,821)	(346,240)	(350,727)	(345,816)	(352,935)
Accommodation	(104,800)	(80,543)	(92,530)	(92,939)	(94,866)	(95,839)	(95,600)
Other payments	(187,522)	(174,833)	(168,999)	(176,551)	(176,350)	(181,102)	(174,313)
Receipts [b]							
Regulatory fees and fines	72,067	76,021	75,732	80,592	79,476	80,489	81,107
Grants and subsidies	14,973	14,755	15,037	15,432	15,154	15,154	15,154
Sale of goods and services	35,864	40,789	40,345	39,619	39,028	39,291	39,470
GST receipts	67,447	53,359	53,359	53,359	53,359	53,359	53,359
Other receipts	40,644	31,698	31,521	29,357	28,387	28,402	28,435
Net cash from operating activities	(1,233,141)	(1,247,706)	(1,254,108)	(1,212,757)	(1,205,204)	(1,192,325)	(1,171,748)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(43,390)	(61,381)	(47,246)	(94,613)	(58,440)	(15,536)	(15,536)
Net cash from investing activities	(43,390)	(61,381)	(47,246)	(94,613)	(58,440)	(15,536)	(15,536)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments	(8,858)	(10,679)	(10,679)	(11,838)	(12,998)	(14,098)	(15,459)
Net cash from financing activities	(8,858)	(10,679)	(10,679)	(11,838)	(12,998)	(14,098)	(15,459)
NET INCREASE/(DECREASE) IN CASH HELD	20,575	(677)	(5,822)	1,267	2,699	2,782	2,782
Cash assets at the beginning of the reporting period	43,421	48,071	63,996	58,174	59,441	62,140	64,922
Cash assets at the end of the reporting period	63,996	47,394	58,174	59,441	62,140	64,922	67,704

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Regulatory Fees and Fines							
District Court Fees	6,642	6,379	6,379	6,936	7,039	7,144	7,144
Family Court Fees	6,212	6,476	6,476	6,670	6,671	6,871	6,871
Fines Enforcement Registry Fees	39,160	43,009	43,009	46,143	44,770	45,441	45,441
Jurors Infringement Fees	7	7	7	7	7	8	8
Magistrates Court Fees	8,669	9,676	9,471	9,143	9,262	9,263	9,351
Sheriff's Office Fees	220	251	251	270	274	277	282
State Administrative Tribunal Fees	671	726	726	790	802	814	826
Supreme Court Fees	10,486	9,497	9,413	10,633	10,651	10,671	11,184
Grants and Subsidies							
Commonwealth Grants	14,504	14,276	14,558	14,953	14,675	14,675	14,675
Departmental	469	479	479	479	479	479	479
Sale of Goods and Services							
Other Receipts	275	1,207	808	1,627	793	289	571
Proceeds from Sale of Industry Goods	2,676	3,979	3,979	2,500	2,500	2,500	2,500
Public Trustee Contributions - Estate Fees and Other Revenue	19,027	19,612	19,567	20,122	20,291	20,959	21,000
Registry Births, Deaths and Marriages Fees	7,758	9,714	9,714	9,088	9,162	9,261	9,117
State Solicitor Fees	6,128	6,277	6,277	6,282	6,282	6,282	6,282
GST Receipts							
GST Input Credits	62,313	48,371	48,371	48,371	48,371	48,371	48,371
GST Receipts on Sales	5,134	4,988	4,988	4,988	4,988	4,988	4,988
Other Receipts							
Proceeds from Prison Canteen Sales	9,484	12,445	12,445	12,207	11,743	11,743	11,743
Public Trustee Contribution - Common Account Surplus Interest	3,610	4,526	4,526	3,998	3,642	4,037	4,021
Recoup of Building Disputes Revenue	1,593	2,000	2,000	2,000	2,000	2,000	2,000
Recoup of Criminal Injury Awards	1,778	1,776	1,776	1,776	1,776	1,776	1,776
Recoup of Legal Costs	961	300	300	300	300	300	300
Recoup of Other Costs	7,080	4,204	4,027	4,064	3,903	3,523	3,572
Recoup of Prisoner Telephone Calls	3,234	3,894	3,894	4,118	4,122	4,122	4,122
Recoup of Residential Tenancy Payments	2,062	1,973	1,973	696	696	696	696
Recoup of Salary Costs	770	425	425	198	205	205	205
Recoup of Workers' Compensation Payments	10,072	155	155	-	-	-	-
TOTAL	230,995	216,622	215,994	218,359	215,404	216,695	217,525

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Other							
Confiscation of Assets	11,923	11,000	11,000	11,000	11,000	11,000	11,000
Fines and Penalties	40,829	34,951	34,251	34,251	34,251	34,251	34,251
Speed and Red Light Fines	19,898	23,513	22,018	22,528	20,804	19,659	18,697
Other Revenue	11,950	9,503	11,256	10,203	10,203	10,203	10,203
TOTAL ADMINISTERED INCOME	84,600	78,967	78,525	77,982	76,258	75,113	74,151
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants Paid from the Confiscation Proceeds Account	2,270	4,000	4,000	4,000	4,000	4,000	4,000
Other							
Confiscation Expenses Paid from the Confiscation Proceeds Account	8,700	7,000	7,000	7,000	7,000	7,000	7,000
Receipts Paid into the Consolidated Account	41,452	43,553	44,607	43,554	43,555	43,555	43,555
Payment to Road Trauma Trust Account	19,898	23,513	22,018	22,528	20,804	19,659	18,697
Other Expenses	2,273	901	900	900	899	899	899
TOTAL ADMINISTERED EXPENSES	74,593	78,967	78,525	77,982	76,258	75,113	74,151

Legal Aid Commission of Western Australia

Part 7 Community Safety

Asset Investment Program

The Commission's Asset Investment Program (AIP) for 2018-19 is estimated at $1.3 million, primarily comprising of a computer hardware and software replacement program. The AIP will be funded from internal cash balances.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Computer Hardware and Software Replacement Program ...	10,837	5,670	621	610	743	2,814	1,000
Office Refurbishment and Fit-outs	3,374	2,275	148	650	100	100	249
Total Cost of Asset Investment Program.....	14,211	7,945	769	1,260	843	2,914	1,249
FUNDED BY							
Internal Funds and Balances.....			769	1,260	843	2,914	1,249
Total Funding.....			769	1,260	843	2,914	1,249

Division 27 Fire and Emergency Services

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual [(a)] $'000	2017-18 Budget [(a)] $'000	2017-18 Estimated Actual [(a)] $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 59 Net amount appropriated to deliver services	24,012	25,943	26,983	**22,771**	23,438	23,536	23,548
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,041	1,041	1,041	**1,041**	1,041	1,041	1,045
Total appropriations provided to deliver services	25,053	26,984	28,024	**23,812**	24,479	24,577	24,593
ADMINISTERED TRANSACTIONS							
Item 60 Western Australia Natural Disaster Relief and Recovery Arrangements	45,300	102,900	102,900	**45,000**	45,000	45,000	45,000
CAPITAL							
Capital Appropriation	-	1,531	1,531	**-**	-	-	-
TOTAL APPROPRIATIONS	70,353	131,415	132,455	**68,812**	69,479	69,577	69,593
EXPENSES							
Total Cost of Services	404,181	411,637	408,014	**429,881**	439,380	449,547	447,549
Net Cost of Services [(b)]	39,571	34,465	30,734	**17,684**	13,266	22,358	23,166
CASH ASSETS [(c)]	56,311	36,755	42,098	**43,459**	43,365	42,774	36,102

(a) The 2016-17 Actual, 2017-18 Budget and 2017-18 Estimated Actual financial data has been recast for comparability purposes due to Machinery of Government changes to amalgamate the Department of Fire and Emergency Services and the Office of Emergency Management.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitment					
Senior Executive Service Reduction	(250)	(500)	(500)	(500)	(500)
Other					
Are You Bushfire Ready Campaign	100	-	-	-	-
Bushfire Centre of Excellence	-	500	6,170	7,308	4,072
Bushfire Risk Management Planning Program and Mitigation	-	9,644	10,421	14,718	14,830
Comprehensive Crew Cab Protection	-	5,246	-	-	-
Contaminated Sites Evaluation	200	-	-	-	-
Continuation of South West Emergency Rescue Helicopter	-	9,251	9,300	9,300	9,300
Contribution Towards the Replacement of Gingin Volunteer Fire and Rescue Service Fire Station	-	700	700	-	-
Equalisation of Volunteer Marine Rescue Services	-	3,000	4,500	6,000	6,000
Government Office Accommodation Reform Program	(95)	(186)	(176)	(166)	(155)
Mitigation Works on Unallocated Crown Land	1,517	-	-	-	-
New Public Sector Wages Policy	(297)	(600)	(950)	(1,942)	-

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Rural Fire Division Support	-	3,160	3,160	3,160	3,160
State Fleet Policy and Procurement Initiatives	(452)	(719)	(747)	(807)	(769)
Voluntary Targeted Separation Scheme [(a)]	981	(3,160)	(3,160)	(3,160)	(3,160)
Western Australia Fire and Emergency Services Conference	152	-	-	-	-

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

Rural Fire Division

- The Department is undertaking structural changes to establish a Rural Fire Division, following the recommendation from the bushfire review 'Reframing Rural Fire Management: Report of the Special Inquiry into the January 2016 Waroona Fire'. The new structure better promotes improved collaboration, communication and support to strengthen the important role volunteers play in contributing to Western Australia's emergency service capability at state, regional and local levels. Additionally, a greater focus on mitigation will see an expansion of responsibilities for the Department to reduce bushfire risk.
- A Bushfire Centre of Excellence will be established within the Rural Fire Division to develop expertise, best practice, and scientific research for bushfire management across Western Australia. It will also facilitate high-level training.

Machinery of Government

- The inclusion of the Office of Emergency Management into the Department following the second round of Machinery of Government changes will result in the Department expanding its remit to include the full breadth of emergency management across prevention, preparedness, response and recovery.

Mitigation and Recovery

- Commonwealth funding support for emergency management mitigation and recovery is subject to review with the potential to change the level and type of investment in Western Australia. Negotiations with the Commonwealth on a revised National Partnership Agreement are currently being undertaken.
- The continued effect of climate change is evidenced through the increased severity and extent of natural hazards. These require effective mitigation strategies to address their physical, social and economic impact on the community, for which a significant investment in bushfire mitigation has been approved through the Budget process.

Emergency Services Act

- Drafting of the new Emergency Services Act is anticipated to commence in 2018-19. The proposed legislation will amalgamate and modernise current Acts and clarify agency and stakeholder responsibilities for prevention, preparedness, response and recovery.

Legacy Firefighting Foams

- The Department will continue the investigation at its current and former sites into the possible presence of chemical residue from legacy firefighting foams.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Minimised occurrence and impact of preventable emergencies.	1. Community Awareness, Education and Information Services 2. Compliance and Technical Advisory Services
	Minimised impact of natural hazard emergencies.	
	An operational workforce that is trained and equipped to respond.	3. Training and Organisational Resourcing Services
	Minimised impact from emergencies through timely and effective response.	4. Frontline Services
	Effective strategic coordination of emergency management.	5. Emergency Management Advice and Consultation

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Community Awareness, Education and Information Services	8,349	9,492	9,456	9,636	9,899	9,885	9,985
2. Compliance and Technical Advisory Services	18,582	21,437	21,514	30,404	32,084	38,013	38,154
3. Training and Organisational Resourcing Services	99,740	98,284	97,728	99,897	103,265	103,963	97,816
4. Frontline Services	269,504	266,296	268,909	278,195	283,697	287,471	292,257
5. Emergency Management Advice and Consultation	8,006	16,128	10,407	11,749	10,435	10,215	9,337
Total Cost of Services	404,181	411,637	408,014	429,881	439,380	449,547	447,549

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Minimised occurrence and impact of preventable emergencies:					
Number of accidental residential fires per 100,000 households	63.4	65	55	65	
Proportion of dangerous goods sites with current Fire and Emergency Service Emergency Response Guides	90.9%	90%	95%	90%	
Proportion of building plans assessed within specified timeframes	97%	95%	96%	95%	
Outcome: Minimised impact of natural hazard emergencies:					
Number of community-based Bushfire Ready Groups established	236	257	241	253	1
Outcome: An operational workforce that is trained and equipped to respond:					
Number of operational personnel endorsed as Level 3 Incident Controllers	23	22	24	22	
Proportion of the Department's operational volunteers actively engaged in Pathways training	39.2%	43.5%	35%	35%	2
Proportion of assets within specified replacement period parameters	87%	85%	87%	85%	
Proportion of first round Local Government Grant Scheme offers accepted	71.9%	70%	71%	70%	
Outcome: Minimised impact from emergencies through timely and effective response:					
Proportion of responses to incidents in Emergency Service Levy 1 and Emergency Service Levy 2 areas within target timeframes	90.8%	90%	91%	90%	
Proportion of the Department's volunteer turnouts within target timeframes	92.3%	90%	91%	90%	
Proportion of structure fires confined to the object or room of origin	76.4%	72%	75%	72%	
Proportion of Level 2 and Level 3 bushfires where no structures are lost or significantly damaged	98.4%	95%	98%	95%	
Outcome: Effective strategic coordination of emergency management:					
Stakeholder assessment of strategic coordination and quality of emergency management	71%	68%	68%	68%	

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

Explanation of Significant Movements

(Notes)

1. The target for this indicator is calculated as the 2017-18 Estimated Actual plus 5%. The Department is undertaking a review of this indicator.

2. The target is based on the number of volunteers completing Pathways training in the financial year. This indicator has been set at 35% for 2018-19 due to the number of volunteers that have already completed the required training.

Services and Key Efficiency Indicators

1. Community Awareness, Education and Information Services

Provision of generic and targeted awareness, education and information programs to increase community awareness of preventable and natural emergency hazards, and support community stakeholders' involvement in minimising their impact.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,349	9,492	9,456	9,636	
Less Income	7,635	8,928	10,118	9,346	1
Net Cost of Service	714	564	(662)	290	
Employees (Full Time Equivalents)	21	20	20	20	
Efficiency Indicators					
Average Cost per Western Australian Household to Deliver Emergency Hazard Information and Awareness Programs	$7.84	$8.66	$8.74	$8.68	

Explanation of Significant Movements

(Notes)

1. The increase in income from the 2017-18 Budget to the 2017-18 Estimated Actual mainly relates to an increase in the Emergency Services Levy (ESL) allocated to the development of the new volunteer portal.

2. Compliance and Technical Advisory Services

Provision of advice and technical support services to assist community stakeholders in minimising preventable emergencies, such as structure fire and hazard materials incidents, and mitigating the impact of natural hazards emergencies such as bushfire, cyclone and flood.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	18,582	21,437	21,514	30,404	1
Less Income	16,991	20,163	20,859	29,487	2
Net Cost of Service	1,591	1,274	655	917	
Employees (Full Time Equivalents)	64	67	66	67	
Efficiency Indicators					
Average Cost per Building Plan Assessed	$238	$305	$303	$305	
Average Cost per Engaged Local Government to Support Bushfire Risk Management	$24,973	$26,870	$86,309	$86,053	3

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2017-18 Estimated Actual to the 2018-19 Budget Target is mainly attributable to $5.9 million provided for the mitigation of extreme and very high bushfire risk and $0.5 million for development of an implementation plan for the Bushfire Centre of Excellence.

2. The increase in income from the 2017-18 Estimated Actual to the 2018-19 Budget Target is the result of increased ESL funding provided for the initiatives detailed in Note 1 above.

3. The increase in the Average Cost per Engaged Local Government to Support Bushfire Risk Management from the 2017-18 Budget is mainly due to a change in calculation methodology. Previously this indicator was determined using the total number of local governments in Western Australia and has been amended to use the number of engaged local governments. If the same methodology had applied for the 2016-17 Actual, the efficiency indicator would have been $61,976, and the 2017-18 Budget would have been $93,980.

3. Training and Organisational Resourcing Services

Services provided to ensure that frontline emergency personnel, including volunteers, have the required skills, equipment and facilities to effectively support the community in times of emergency.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	99,740	98,284	97,728	99,897	
Less Income	91,202	92,443	90,185	96,472	1
Net Cost of Service	8,538	5,841	7,543	3,425	
Employees (Full Time Equivalents)	160	153	152	154	
Efficiency Indicators					
Average Cost per Participant to Deliver Pathways Training	$1,375	$1,733	$1,253	$1,407	2

Explanation of Significant Movements

(Notes)

1. The increase in income from the 2017-18 Estimated Actual to the 2018-19 Budget Target is mainly attributable to an ESL increase to fund the installation of comprehensive crew cab protection in all remaining bushfire appliances.

2. The cost to deliver Pathways training has been overstated in the calculation of the 2017-18 Budget. Had this been calculated correctly, the 2017-18 Budget would have been $1,455. The 2017-18 Estimated Actual training costs were lower than the 2017-18 Budget as there was no firefighting school as a result of lower than expected attrition, resulting in a lower Average Cost per Participant to Deliver Pathways Training. The increase in the 2018-19 Budget Target reflects the planned 2018-19 firefighting school, which results in an increase of approximately $150 in the Average Cost per Participant to Deliver Pathways Training.

4. Frontline Services

Services provided to the community by uniformed, frontline personnel, including volunteers, in relation to preparing, preventing and responding to emergency incidents.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	269,504	266,296	268,909	278,195	
Less Income	246,437	250,469	253,152	273,482	1
Net Cost of Service	23,067	15,827	15,757	4,713	
Employees (Full Time Equivalents)	1,426	1,429	1,428	1,432	
Efficiency Indicators					
Average Cost to Deliver Frontline Services per Western Australian	$101.95	$102.18	$103.18	$105.40	

Explanation of Significant Movements

(Notes)

1. The increase in income from the 2017-18 Estimated Actual to the 2018-19 Budget Target is mainly attributable to an ESL increase to fund the equalisation of the Volunteer Marine Rescue Service, the construction of the Cockburn and Kensington Career Fire and Rescue Stations and other frontline assets as per the Asset Investment Program, and a portion of the South West Emergency Rescue Helicopter Service (SWERHS).

5. Emergency Management Advice and Consultation

Provision of committee support for the State Emergency Management Committee Secretariat, policy and legislation development and review, state recovery functions, advice/assistance, information sharing and awareness building, community engagement and capacity building.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,006	16,128	10,407	11,749	1
Less Income	2,345	5,169	2,966	3,410	2
Net Cost of Service	5,661	10,959	7,441	8,339	
Employees (Full Time Equivalents)	38	41	45	48	
Efficiency Indicators					
Average Hourly Cost of Providing Emergency Management Advice and Consultation [(a)]	$51	$54	$53	$54	

(a) Further detail in support of the key efficiency indicator is provided in the Office of Emergency Management 2016-17 Annual Report.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service decrease between the 2017-18 Budget and 2017-18 Estimated Actual, and the increase between the 2017-18 Estimated Actual and 2018-19 Budget Target, is mainly attributable to the re-cashflow of the Natural Disaster Resilience Program (NDRP) to align with updated Commonwealth timeframes.

2. The variances in income reflect the updated timing of grant receipts for the NDRP explained in note 1.

Asset Investment Program

The Department's Asset Investment Program (AIP) for 2018-19 totals $34.8 million, comprising new works of $1.9 million and works in progress of $32.9 million. The AIP is established in conjunction with the application of a resource-to-risk/fit-for-purpose model to determine the infrastructure needs to effectively deliver emergency services throughout the State. This process recognises demographic shifts and changing community safety issues.

An overview of the 2018-19 program is as follows:

- $13.8 million has been allocated for ongoing vehicle replacement programs in line with the Department's maintenance and serviceable life replacement strategies;
- investment in land and building works of $15.1 million across the State, including commencement of the Kensington Fire Station;
- $3 million has been allocated to the replacement of equipment; and
- an estimated $2.9 million will be invested to complete the replacement of the computer-aided dispatch system.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Intangible Asset Development – Computer-aided Dispatch Replacement Project	18,025	15,080	12,199	2,945	-	-	-
Land and Building Works							
Career Fire and Rescue Service (CFRS) Cockburn Fire Station	9,120	1,000	1,000	7,750	370	-	-
CFRS Vincent Fire Station	18,950	18,284	6,913	666	-	-	-
Urgent Minor Works	56,872	15,679	5,193	4,715	4,833	4,954	5,078
Plant and Equipment Works							
Equipment Replacement Program	28,974	9,664	1,337	2,155	2,155	2,000	2,000
Mobile Data Terminal Replacement Program	4,808	3,920	3,920	888	-	-	-
Vehicle Programs							
CFRS Combined Ladder Platform Half Life Refurbishment	2,474	214	-	-	-	500	-
CFRS Incident Control Vehicle Replacement Program	6,673	486	6	-	1,758	1,050	1,104
CFRS Urban Pump Replacement Program	35,344	22,923	2,396	1,886	-	1,045	-
Fire Crew Protection - Appliance Modification	7,074	3,588	2,278	3,486	-	-	-
Information and Communications Technology Support Replacement Program	1,484	492	150	-	-	410	320
Light Tanker Replacement Program	41,957	8,875	2,277	1,530	4,403	2,558	4,391
Personnel Transport, Training and Fleet Asset Replacement Program	992	160	160	-	-	500	214
Volunteer Fire and Emergency Service (VFES) Unit Fleet Replacement Program	25,328	12,639	1,226	1,636	3,574	2,014	1,151
Volunteer Fire and Rescue Service (VFRS) Urban Tanker Replacement Program	44,708	5,339	3,154	4,820	5,281	5,153	3,181
COMPLETED WORKS							
Intangible Asset Development - Volunteer Portal	950	950	950	-	-	-	-
Land and Building Works							
CFRS Albany Fire Station	6,952	6,952	279	-	-	-	-
CFRS Bunbury Fire Station	6,191	6,191	155	-	-	-	-
CFRS Cockburn Land Acquisition	5,195	5,195	4,877	-	-	-	-
CFRS Wangara Fire Station Modifications	1,634	1,634	34	-	-	-	-
South West Emergency Rescue Helicopter Service	7,327	7,327	40	-	-	-	-
Office of Emergency Management - Dumas House Fit-out	31	31	31	-	-	-	-
Plant and Equipment Works - CFRS Radio Equipment Replacement	2,500	2,500	2,500	-	-	-	-
Vehicle Programs - CFRS Appliances Vincent Fire Station	1,330	1,330	991	-	-	-	-
NEW WORKS							
Land and Building Works							
CFRS Kensington Fire Station	7,970	-	-	600	7,170	200	-
VFRS/VFES Upgrade and Replacement Program	22,600	-	-	1,300	1,300	2,000	2,000
Vehicle Programs							
CFRS Specialist Equipment Tender and Pod Carrier Replacement Program	3,145	-	-	-	600	-	-
VFRS Road Crash Rescue Trailer Replacement Program	2,301	-	-	441	451	255	268
Total Cost of Asset Investment Program	370,909	150,453	52,066	34,818	31,895	22,639	19,707
Loan and Other Repayments			13,040	6,239	6,239	6,239	2,440
Total	370,909	150,453	65,106	41,057	38,134	28,878	22,147
FUNDED BY							
Capital Appropriation			1,531	-	-	-	-
Asset Sales			7,900	1,500	-	-	-
Borrowings			7,850	6,038	159	-	-
Internal Funds and Balances			31,543	19,365	23,337	23,234	17,295
Emergency Services Levy			14,720	14,154	14,638	5,644	4,852
Drawdowns from Royalties for Regions Fund			1,562	-	-	-	-
Total Funding			65,106	41,057	38,134	28,878	22,147

Financial Statements

The 2016-17 Actual, 2017-18 Budget and 2017-18 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of Fire and Emergency Services and the Office of Emergency Management from 1 July 2018.

Income Statement

Expenses

The 2018-19 Total Cost of Services is forecast to increase by $21.9 million compared to the 2017-18 Estimated Actual. This is mainly a result of the following initiatives:

- $6.8 million related to award increases ($3 million), standard cost escalations and the impact of previous policy decisions ($3.8 million). This represents a 1.9% increase from the 2017-18 Estimated Actual;
- $5.9 million for Bushfire Risk Mitigation grants to assist those local governments with an approved Bushfire Risk Management Plan to carry out bushfire mitigation activities;
- $4 million relating to the computer-aided dispatch platform following implementation;
- $3 million to increase the support provided to the Volunteer Marine Rescue Service in line with the support provided to other brigades, groups and units;
- an increase of $1 million on fire crew protection to complete the installation of fire crew protection in all bushfire appliances;
- $0.7 million contribution to the Shire of Gingin for the construction of a co-located, volunteer emergency service facility; and
- $0.5 million for the development of an implementation plan for the Bushfire Centre of Excellence.

Income

The increase in total income between the 2018-19 Budget Estimate and 2017-18 Estimated Actual of $34.9 million is mainly as a result of:

- an increase in ESL funding of $16.9 million to fund comprehensive crew cab protection ($8.6 million), SWERHS ($4.6 million) and Bushfire Risk Management Planning program ($3.7 million);
- Budget initiatives referred to above totalling $14.1 million for bushfire risk mitigation grants ($5.9 million); computer-aided dispatch ($4 million); Volunteer Marine Rescue Service ($3 million); a grant to the Shire of Gingin for construction of a co-located facility ($0.7 million) and development of an implementation plan for the Bushfire Centre of Excellence ($0.5 million), which are funded through an increase in the ESL;
- a $2.4 million increase in funding to provide for the impact of previous policy decisions; and
- $1.5 million increase in the ESL for funding the AIP.

The decrease in total income from State Government between the 2018-19 Budget Estimate and 2017-18 Estimated Actual of $12.7 million is mainly as a result of the completion of the crew cab protection in 2017-18, and the bushfire risk management planning being embedded within the Department and funded through the ESL from 2018-19.

Statement of Financial Position

Total assets are expected to increase by a net $19.5 million from the 2017-18 Estimated Actual to the 2018-19 Budget Estimate. This largely reflects:

- an increase in Holding Account receivables ($7.7 million);
- expenditure as per the AIP including Cockburn, Vincent, Kensington CFRS stations ($9 million), urgent facility works and replacement of volunteer stations ($6 million), ongoing vehicle and replacement programs ($15.9 million) and the computer-aided dispatch system and mobile data terminal replacements ($3.8 million);
- a partial offset through depreciation and amortisation and disposal of assets of $24.4 million; and
- a net increase in cash assets of $1.4 million.

Statement of Cashflows

The increase in cash balances of $1.4 million between the 2017-18 Estimated Actual and the 2018-19 Budget Estimate is predominately due to the Department's cash income marginally exceeding its cash expenditure.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	207,621	215,519	216,838	219,819	222,400	224,649	226,812
Grants and subsidies [c]	55,737	54,518	49,112	60,671	57,229	66,544	63,058
Supplies and services	74,747	59,790	71,244	75,879	80,475	79,487	83,884
Accommodation	9,997	11,916	11,821	11,924	12,221	12,852	12,863
Depreciation and amortisation	18,410	23,041	23,041	25,412	27,570	27,434	22,911
Other expenses	37,669	46,853	35,958	36,176	39,485	38,581	38,021
TOTAL COST OF SERVICES	404,181	411,637	408,014	429,881	439,380	449,547	447,549
Income							
Sale of goods and services	10,666	6,834	9,794	8,390	8,443	8,528	8,528
Regulatory fees and fines	340,882	352,906	354,445	391,392	401,102	402,198	399,687
Grants and subsidies	8,330	11,960	7,993	8,786	13,565	13,456	13,161
Other revenue	4,732	5,472	5,048	3,629	3,004	3,007	3,007
Total Income	364,610	377,172	377,280	412,197	426,114	427,189	424,383
NET COST OF SERVICES	39,571	34,465	30,734	17,684	13,266	22,358	23,166
INCOME FROM STATE GOVERNMENT							
Service appropriations	25,053	26,984	28,024	23,812	24,479	24,577	24,593
Resources received free of charge	1,789	2,273	2,273	2,273	2,273	2,273	2,273
Royalties for Regions Fund:							
Regional Community Services Fund	12,605	16,768	14,347	5,834	1,152	1,152	1,152
TOTAL INCOME FROM STATE GOVERNMENT	39,447	46,025	44,644	31,919	27,904	28,002	28,018
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(124)	11,560	13,910	14,235	14,638	5,644	4,852

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,709, 1,711 and 1,721 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
All West Australians Reducing Emergencies Program	238	202	178	215	200	200	200
Bushfire Mitigation	-	-	-	5,950	8,190	9,660	10,815
Bushfire Risk Management Planning	5,962	1,820	1,299	1,299	1,299	1,299	1,299
Emergency Alert Upgrade Contribution	-	2,037	-	-	-	-	-
Fire Crew Protection	5,195	4,991	6,217	5,246	-	-	-
Local Government Community Emergency Service Managers	2,374	2,651	2,668	2,695	2,722	2,749	2,776
Emergency Services Grants	32,102	30,906	30,906	31,830	32,626	33,442	33,777
Mitigation Bushfire Activity Fund	-	-	1,182	-	-	-	-
National Bushfire Mitigation Program	361	414	302	112	-	-	-
Natural Disaster Resilience Program	275	5,549	541	3,241	2,432	2,200	1,243
Other Grants	2,503	2,002	1,366	2,297	2,206	6,297	2,945
State Crisis Information Management System	352	78	-	-	-	-	-
Surf Life Saving Western Australia	1,347	1,381	1,381	1,381	1,381	1,381	1,381
Volunteer Fuel Card	1,941	909	1,023	1,023	1,164	1,165	1,000
Volunteer Marine Rescue Service	3,087	1,578	2,049	5,382	5,009	8,151	7,622
TOTAL	55,737	54,518	49,112	60,671	57,229	66,544	63,058

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	49,335	32,039	39,346	41,561	40,365	39,213	35,929
Restricted cash	6,341	4,716	1,677	237	205	3,561	173
Receivables	9,339	9,179	9,098	9,048	9,078	9,078	9,078
Other	16,174	17,902	12,485	12,355	12,325	12,325	12,325
Assets held for sale	8,000	-	-	-	-	-	-
Total current assets	89,189	63,836	62,606	63,201	61,973	64,177	57,505
NON-CURRENT ASSETS							
Holding account receivables	31,903	38,817	38,817	46,566	54,839	63,112	71,385
Property, plant and equipment	358,715	400,082	381,278	388,603	395,454	377,485	376,892
Intangibles	3,137	(176)	16,007	19,216	16,963	14,710	12,457
Restricted cash	635	-	1,075	1,661	2,795	-	-
Other	-	844	-	-	-	-	-
Total non-current assets	394,390	439,567	437,177	456,046	470,051	455,307	460,734
TOTAL ASSETS	483,579	503,403	499,783	519,247	532,024	519,484	518,239
CURRENT LIABILITIES							
Employee provisions	28,276	28,627	28,136	28,087	28,010	27,955	27,955
Payables	9,149	8,840	8,910	8,940	8,935	8,935	8,583
Other	14,669	6,332	4,703	5,198	6,220	6,751	4,177
Total current liabilities	52,094	43,799	41,749	42,225	43,165	43,641	40,715
NON-CURRENT LIABILITIES							
Employee provisions	10,022	10,256	10,022	10,028	10,034	10,040	10,040
Borrowings	38,996	40,607	40,607	40,406	34,326	28,087	25,647
Other	220	1,433	220	220	220	220	220
Total non-current liabilities	49,238	52,296	50,849	50,654	44,580	38,347	35,907
TOTAL LIABILITIES	101,332	96,095	92,598	92,879	87,745	81,988	76,622
EQUITY							
Contributed equity	353,855	364,824	364,883	369,831	373,104	360,677	359,946
Accumulated surplus/(deficit)	(15,413)	(1,321)	(1,503)	12,732	27,370	33,014	37,866
Reserves	43,805	43,805	43,805	43,805	43,805	43,805	43,805
Total equity	382,247	407,308	407,185	426,368	444,279	437,496	441,617
TOTAL LIABILITIES AND EQUITY	483,579	503,403	499,783	519,247	532,024	519,484	518,239

(a) Full audited financial statements are published in the agencies' Annual Reports.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	18,559	20,070	21,110	16,063	16,206	16,304	16,320
Capital appropriation	-	1,531	1,531	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund	14,050	17,192	14,852	5,753	1,152	1,152	1,152
Regional Infrastructure and Headworks Fund	-	1,138	1,138	-	-	-	-
Net cash provided by State Government	32,609	39,931	38,631	21,816	17,358	17,456	17,472
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(204,948)	(214,471)	(216,278)	(219,360)	(221,477)	(224,190)	(229,761)
Grants and subsidies	(50,328)	(54,518)	(49,112)	(60,671)	(57,229)	(66,544)	(63,058)
Supplies and services	(68,543)	(53,854)	(65,958)	(69,396)	(74,246)	(73,254)	(81,845)
Accommodation	(9,295)	(11,916)	(11,821)	(11,791)	(12,088)	(12,719)	(12,730)
Other payments	(58,489)	(56,198)	(44,445)	(45,831)	(49,147)	(48,247)	(47,582)
Receipts [b]							
Regulatory fees and fines	341,938	352,906	354,445	391,392	401,102	402,198	399,687
Grants and subsidies	3,791	11,060	7,093	7,886	12,665	12,556	12,261
Sale of goods and services	10,772	7,734	10,694	9,290	9,343	9,428	9,428
GST receipts	20,556	8,794	8,794	8,794	8,794	8,794	8,794
Other receipts	3,669	3,524	3,100	2,751	2,806	2,809	2,809
Net cash from operating activities	(10,877)	(6,939)	(3,488)	13,064	20,523	10,831	(1,997)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(42,034)	(57,790)	(52,066)	(34,818)	(31,895)	(22,639)	(19,707)
Proceeds from sale of non-current assets	383	7,900	7,900	1,500	-	-	-
Net cash from investing activities	(41,651)	(49,890)	(44,166)	(33,318)	(31,895)	(22,639)	(19,707)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(2,440)	(18,440)	(18,440)	(11,639)	(11,639)	(11,639)	(7,840)
Proceeds from borrowings	-	13,250	13,250	11,438	5,559	5,400	5,400
Net cash from financing activities	(2,440)	(5,190)	(5,190)	(201)	(6,080)	(6,239)	(2,440)
NET INCREASE/(DECREASE) IN CASH HELD	(22,359)	(22,088)	(14,213)	1,361	(94)	(591)	(6,672)
Cash assets at the beginning of the reporting period	78,670	58,843	56,311	42,098	43,459	43,365	42,774
Cash assets at the end of the reporting period	56,311	36,755	42,098	43,459	43,365	42,774	36,102

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Grants and Subsidies							
Commonwealth Grants - Recurrent	649	4,445	2,364	2,735	2,762	2,790	2,818
National Partnership Agreement Receipts							
Provision of Fire Services	1,117	1,446	1,447	1,498	1,550	1,604	1,661
National Disaster Resilience	1,566	3,132	3,132	3,132	3,132	3,132	3,132
Road Trauma Trust Account Grant	-	-	-	-	4,650	4,650	4,650
Other Grants	459	2,037	150	521	571	380	-
GST Receipts							
GST Input Credits	1,436	1,250	1,250	1,250	1,250	1,250	1,250
GST Receipts on Sales	19,120	7,544	7,544	7,544	7,544	7,544	7,544
Other Receipts							
Other Sundry Receipts	4,176	2,390	4,926	3,095	3,124	3,131	3,047
TOTAL	28,523	22,244	20,813	19,775	24,583	24,481	24,102

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Other							
Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) [a]	45,300	102,900	102,900	45,000	45,000	45,000	45,000
TOTAL ADMINISTERED INCOME	45,300	102,900	102,900	45,000	45,000	45,000	45,000
EXPENSES							
Grants to Charitable and Other Public Bodies							
WANDRRA [a] [b]	57,276	102,900	102,900	45,000	45,000	45,000	45,000
TOTAL ADMINISTERED EXPENSES	57,276	102,900	102,900	45,000	45,000	45,000	45,000

(a) The WANDRRA provides a range of eligible assistance measures to individuals, small businesses, primary producers and State and local governments, including the restoration and replacement of essential public assets (mainly roads), personal hardship and distress payments and low interest rate subsidies.

(b) The 2017-18 WANDRRA payments primarily reflect outstanding claims from the Commissioner of Main Roads totalling $102.9 million for the restoration of damaged essential public assets, which resulted from an unprecedented number of natural disasters occurring in Western Australia in 2016-17, including but not limited to bushfires in the Peel and South West regions and heavy rainfall and severe flooding through the State.

Division 28 Office of the Director of Public Prosecutions

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 61 Net amount appropriated to deliver services	31,342	33,554	34,488	**36,046**	31,602	31,758	32,160
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	3,715	3,715	3,715	**3,740**	3,315	3,315	3,325
Total appropriations provided to deliver services	35,057	37,269	38,203	**39,786**	34,917	35,073	35,485
TOTAL APPROPRIATIONS	35,057	37,269	38,203	**39,786**	34,917	35,073	35,485
EXPENSES							
Total Cost of Services	40,772	42,914	44,323	**45,894**	41,025	41,181	41,593
Net Cost of Services [(a)]	35,844	37,564	38,973	**40,544**	35,675	35,831	36,243
CASH ASSETS [(b)]	2,897	3,287	3,128	**3,354**	3,494	3,634	3,774

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Cost and Demand Model Forecasts	502	1,927	-	-	-
Macro Taskforce Prosecution	-	1,846	-	-	-
New Public Sector Wages Policy	(178)	(326)	(493)	(666)	-
Operation Fledermaus Prosecution	637	1,205	-	-	-
State Fleet Policy and Procurement Initiatives	(27)	(36)	(46)	(65)	(86)

Significant Issues Impacting the Agency

- The Office continues to fulfil its responsibility to prosecute the most serious offences committed against the State's criminal laws.
- During 2017-18, the Office has conducted an extensive legal practice that includes a significant number of high profile, resource intensive, murder and drug-related prosecutions. This includes progressing the prosecution of Bradley Robert Edwards (related to the Western Australia Police Force's Macro Taskforce), which has the potential to be one of the longest and most complex criminal cases ever conducted in Western Australia. In response to this, the Office has been provided with additional funding in 2017-18 and 2018-19, with any future funding requirements to be addressed as the case progresses.
- The Office has started receiving cases arising out of Operation Fledermaus, the Western Australia Police Force's taskforce investigating child sexual abuse in the Pilbara region. To date, there have been 11 committals for trial and three committals for sentencing. There is still a large number of matters yet to be committed or being prosecuted in the Children's Court, which have not yet been taken over by the Office.
- The Office's new indictable caseload in 2017-18 is projected to be slightly higher than that in 2016-17, with 3,170 new cases expected over the year, compared to 3,155 in 2016-17.
- As at 28 February 2018, the Office had prosecuted 375 trials and anticipates approximately 170 more by the end of the financial year, an increase of 62 (12%) over the previous financial year. As at March 2018, the Office had prosecuted 49 trials in the Children's Court in 2017-18 and anticipates appearing in a similar number in 2018-19.
- Notwithstanding the increases in core workloads, the Office continues to record an overall conviction rate of 93%, achieved through early and effective case management, the appropriate exercise of prosecutorial discretion and by thoroughly preparing matters for trial. The conviction rate after trial in the District and Supreme Courts in 2017-18 currently stands at 73%.
- The Office continues to manage a busy appellate practice with 264 new High Court, Court of Appeal and Single Judge Appeals managed in 2016-17, and a similar number of new appeals is expected in 2017-18.
- The Office's involvement in *Dangerous Sexual Offenders Act 2006* (the Act) matters continues to grow cumulatively. As at 1 April 2018, 47 offenders were either detained in custody under a continuing detention order or had been released into the community under strict supervisory conditions. This compares to just three offenders subject to orders in 2006-07, which was the first year of operation of the Act.
- The Office continues to manage its response to the increasing use of technology in the criminal justice system. It is also conducting a review of suitable future office premises, as the current lease expires in 2020. Working closely with the Department of Finance's Government Office Accommodation, and Building Management and Works, the Office's accommodation project will address the future accommodation needs for a modern prosecution service.
- Digitisation, automation and data collaboration are key initiatives that the Office will be undertaking over the forward estimates period, in line with the Government's Digital WA Strategy. Investment in the readiness of the Office to support digitisation of records, service automation, workflow management and data exchange are key outcomes of these initiatives, to provide a better prosecution service for the State.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Strong Communities: Safe communities and supported families.	That the people of Western Australia are provided with a fair and just criminal prosecution service.	1. Criminal Prosecutions 2. Confiscation of Assets

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Criminal Prosecutions	37,972	39,714	41,123	42,644	37,705	37,781	38,143
2. Confiscation of Assets	2,800	3,200	3,200	3,250	3,320	3,400	3,450
Total Cost of Services	40,772	42,914	44,323	45,894	41,025	41,181	41,593

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: That the people of Western Australia are provided with a fair and just criminal prosecution service:					
Early advice to Court on charges: indictment filed within three months of committal	69%	85%	67%	85%	1
Establishing a case to answer	99%	98%	99%	98%	
Convictions after trial	66%	50%	73%	50%	2
Application for a Declaration of Confiscations filed within four months of the Drug Trafficker Declaration	28%	60%	10%	60%	3

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

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual is below the 2017-18 Budget due to a significant increase in the number of new criminal cases being referred to the Office for prosecution.

2. Although the 2018-19 Budget Target of 50% is generally consistent with comparable jurisdictions, the Office has in recent years achieved an average conviction rate after trial of over 65%. This has increased to 73% for the first nine months of 2017-18. This reflects the competence of the Office in terms of case management, trial preparation and advocacy.

3. The 2017-18 Estimated Actual continues to track below the 2017-18 Budget due the progress of the Western Australia Police Force's investigations to establish the ownership of property, the tracking of associated criminal charges and assets and the resolution of issues with third parties who may claim an interest in seized property.

Services and Key Efficiency Indicators

1. Criminal Prosecutions

The Office conducts prosecutions against people accused of serious breaches of the State's criminal laws. These prosecutions are principally conducted on indictment in the Supreme and District Courts sitting at Perth and also in major regional locations. Prosecutions are conducted on behalf of the State, independently of external influences and in accordance with the law and a published statement of the Office's Statement of Prosecution Policy and Guidelines 2005.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	37,972	39,714	41,123	42,644	
Less Income	1,728	2,150	2,150	2,100	
Net Cost of Service	36,244	37,564	38,973	40,544	
Employees (Full Time Equivalents)	212	221	229	244	
Efficiency Indicator					
Cost per Prosecution	$12,035	$15,000	$13,054	$15,000	

2. Confiscation of Assets

The Office institutes and conducts proceedings in a fair and just manner to confiscate property acquired as a result of criminal activity, property used for criminal activity and property of declared drug traffickers. The cost to operate the Office's Confiscations team and manage confiscations legal work is generally recouped from the Confiscation Proceeds Account established under the *Criminal Property Confiscation Act 2000*.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	2,800	3,200	3,200	3,250	
Less Income	3,200	3,200	3,200	3,250	
Net Cost of Service	(400)	-	-	-	
Employees (Full Time Equivalents)	14	16	16	16	
Efficiency Indicator					
Ratio of Cost to Return	24%	25%	32%	25%	

Asset Investment Program

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Asset Replacement Program	663	463	50	50	50	50	50
Computer and Office Equipment - Replacement of Computers, Servers, Telephony, and Photocopiers	3,848	1,405	550	550	631	631	631
NEW WORKS							
Information Technology and Records Systems Upgrade Replacement of Legal Practice Management, Training and Certification Systems	500	-	-	500	-	-	-
Total Cost of Asset Investment Program	5,011	1,868	600	1,100	681	681	681
FUNDED BY							
Drawdowns from the Holding Account			600	1,100	600	600	600
Internal Funds and Balances			-	-	81	81	81
Total Funding			600	1,100	681	681	681

Financial Statements

Income Statement

Expenses

The Total Cost of Service for the 2018-19 Budget Estimate is higher than the 2017-18 Estimated Actual due to unavoidable costs incurred in meeting increased criminal caseloads in addition to high profile, resource intensive, murder and drug-related prosecutions.

Income

Service appropriations will increase from the 2017-18 Estimated Actual to the 2018-19 Budget Estimate due to additional funding provided for cost and demand forecasts and special funding for the prosecution of Bradley Robert Edwards and child sexual abuse cases arising out of Operation Fledermaus.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	30,415	32,471	33,076	34,342	31,001	31,156	31,589
Supplies and services	3,963	3,424	4,103	3,887	3,205	3,208	3,208
Accommodation	3,096	3,244	3,370	3,440	3,266	3,290	3,290
Depreciation and amortisation	619	720	633	644	639	639	639
Other expenses	2,679	3,055	3,141	3,581	2,914	2,888	2,867
TOTAL COST OF SERVICES	40,772	42,914	44,323	45,894	41,025	41,181	41,593
Income							
Grants and subsidies	4,850	5,300	5,300	5,300	5,300	5,300	5,300
Other revenue	78	50	50	50	50	50	50
Total Income	4,928	5,350	5,350	5,350	5,350	5,350	5,350
NET COST OF SERVICES	35,844	37,564	38,973	40,544	35,675	35,831	36,243
INCOME FROM STATE GOVERNMENT							
Service appropriations	35,057	37,269	38,203	39,786	34,917	35,073	35,485
Resources received free of charge	943	525	1,000	1,000	1,000	1,000	1,000
TOTAL INCOME FROM STATE GOVERNMENT	36,000	37,794	39,203	40,786	35,917	36,073	36,485
SURPLUS/(DEFICIENCY) FOR THE PERIOD	156	230	230	242	242	242	242

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 226, 245 and 260 respectively.

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	2,792	3,221	3,023	3,249	3,389	3,529	3,669
Holding account receivables	100	1,100	1,100	600	600	600	600
Receivables	130	132	130	130	130	130	130
Other	-	277	-	-	-	-	-
Total current assets	3,022	4,730	4,253	3,979	4,119	4,259	4,399
NON-CURRENT ASSETS							
Holding account receivables	5,282	4,402	4,402	4,530	4,658	4,786	4,914
Property, plant and equipment	479	53	447	1,159	806	1,094	1,071
Intangibles	30	12	7	7	7	7	7
Restricted cash	105	66	105	105	105	105	105
Other	1,090	1,265	1,112	856	570	324	436
Total non-current assets	6,986	5,798	6,073	6,657	6,146	6,316	6,533
TOTAL ASSETS	10,008	10,528	10,326	10,636	10,265	10,575	10,932
CURRENT LIABILITIES							
Employee provisions	6,385	6,335	6,385	6,385	6,385	6,385	6,385
Payables	452	460	452	452	452	520	635
Other	276	83	276	276	276	276	276
Total current liabilities	7,113	6,878	7,113	7,113	7,113	7,181	7,296
NON-CURRENT LIABILITIES							
Employee provisions	1,561	1,926	1,561	1,561	1,561	1,561	1,561
Other	3	4	3	3	3	3	3
Total non-current liabilities	1,564	1,930	1,564	1,564	1,564	1,564	1,564
TOTAL LIABILITIES	8,677	8,808	8,677	8,677	8,677	8,745	8,860
EQUITY							
Contributed equity	7,138	7,372	7,226	7,294	6,681	6,681	6,681
Accumulated surplus/(deficit)	(5,807)	(5,652)	(5,577)	(5,335)	(5,093)	(4,851)	(4,609)
Total equity	1,331	1,720	1,649	1,959	1,588	1,830	2,072
TOTAL LIABILITIES AND EQUITY	10,008	10,528	10,326	10,636	10,265	10,575	10,932

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	34,246	36,549	37,483	39,058	34,189	34,345	34,757
Holding account drawdowns	100	600	600	1,100	600	600	600
Net cash provided by State Government	34,346	37,149	38,083	40,158	34,789	34,945	35,357
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(30,658)	(32,471)	(33,075)	(34,342)	(31,001)	(31,156)	(31,589)
Supplies and services	(2,590)	(2,358)	(2,570)	(2,349)	(1,712)	(1,710)	(1,710)
Accommodation	(2,819)	(3,243)	(3,365)	(3,440)	(3,266)	(3,290)	(3,290)
Other payments	(3,936)	(4,143)	(4,426)	(4,985)	(4,173)	(4,152)	(4,131)
Receipts [b]							
Grants and subsidies	4,850	5,300	5,300	5,300	5,300	5,300	5,300
GST receipts	847	634	834	934	834	834	834
Other receipts	172	50	50	50	50	50	50
Net cash from operating activities	(34,134)	(36,231)	(37,252)	(38,832)	(33,968)	(34,124)	(34,536)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(57)	(600)	(600)	(1,100)	(681)	(681)	(681)
Net cash from investing activities	(57)	(600)	(600)	(1,100)	(681)	(681)	(681)
NET INCREASE/(DECREASE) IN CASH HELD	155	318	231	226	140	140	140
Cash assets at the beginning of the reporting period	2,742	2,969	2,897	3,128	3,354	3,494	3,634
Cash assets at the end of the reporting period	2,897	3,287	3,128	3,354	3,494	3,634	3,774

(a) Full audited financial statements are published in the agency's Annual Report.
(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Grants and Subsidies							
Contribution from the Confiscation Proceeds Account	4,850	5,300	5,300	5,300	5,300	5,300	5,300
GST Receipts							
GST Input Credits	842	632	832	932	832	832	832
GST Receipts on Sales	5	2	2	2	2	2	2
Other Receipts							
Employee Contributions to Employee Vehicle Scheme	51	50	50	50	50	50	50
Other Receipts	121	-	-	-	-	-	-
TOTAL	5,869	5,984	6,184	6,284	6,184	6,184	6,184

(a) The moneys received and retained are to be applied to the Office's services as specified in the Budget Statements.

Division 29 Corruption and Crime Commission

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 62 Net amount appropriated to deliver services	29,612	29,381	28,961	**26,565**	26,818	27,038	27,177
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003	502	502	502	**502**	502	502	503
Total appropriations provided to deliver services	30,114	29,883	29,463	**27,067**	27,320	27,540	27,680
TOTAL APPROPRIATIONS	30,114	29,883	29,463	**27,067**	27,320	27,540	27,680
EXPENSES							
Total Cost of Services	29,101	30,173	29,770	**27,374**	27,627	27,847	27,987
Net Cost of Services [(a)]	28,750	30,133	29,730	**27,334**	27,587	27,807	27,947
CASH ASSETS [(b)]	10,761	3,771	2,559	**2,379**	2,201	2,023	1,845

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
New Public Sector Wages Policy	(125)	(245)	(368)	(495)	-
State Fleet Policy and Procurement Initiatives	(19)	(28)	(28)	(29)	(28)

Significant Issues Impacting the Agency

- Legislation introduced last year to amend the *Criminal Property Confiscation Act 2000* and the *Corruption, Crime and Misconduct Act 2003* to grant the Commission powers to investigate, initiate and conduct civil confiscation proceedings relating to unexplained wealth is being progressed through Parliament.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Strong Communities: Safe communities and supported families.	The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced.	1. Assessing All Allegations of Serious Misconduct Received 2. Investigating Allegations of Serious Misconduct

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Assessing All Allegations of Serious Misconduct Received	6,006	5,379	5,307	4,880	4,925	4,965	4,989
2. Investigating Allegations of Serious Misconduct	23,095	24,794	24,463	22,494	22,702	22,882	22,998
Total Cost of Services	29,101	30,173	29,770	27,374	27,627	27,847	27,987

Outcomes and Key Effectiveness Indicators [(a) (b)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced:					
Number of allegations received	4,939	4,800	4,500	4,500	
Allegations as a percentage of people employed within public authorities under the Commission's jurisdiction [(c)]	2.54%	n/a	2.31%	2.31%	
Number of investigations [(c)]	71	n/a	75	50	1
Number of reports published	9	6	9	24	2

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.
(b) New key effectiveness indicators were introduced in 2017-18 financial year to provide more transparency concerning the activities of the Commission.
(c) There is no information available for the 2017-18 Budget as a result of the implementation of new key effectiveness indicators.

Explanation of Significant Movements

(Notes)

1. The variance between the 2017-18 Estimated Actual and the 2018-19 Budget Target reflects the reduction in the number of investigations target, based on the assumption that the Commission will redirect resources to the new unexplained wealth provisions.

2. The variance between the 2017-18 Estimated Actual and the 2018-19 Budget Target reflects amended counting methodology on the number of reports published to more accurately reflect the output and effectiveness of the Commission.

Services and Key Efficiency Indicators

1. Assessing all Allegations of Serious Misconduct Received [a]

The Commission has responsibility for assessing all allegations of serious misconduct within the public sector and ensuring that they are appropriately dealt with either by the Commission or another public authority.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	6,006	5,379	5,307	4,880	1
Less Income	63	7	7	7	
Net Cost of Service	5,943	5,372	5,300	4,873	
Employees (Full Time Equivalents)	33	33	33	32	
Efficiency Indicators					
Percentage of Assessments Completed Within 28 days [b]	n/a	n/a	80%	80%	
Average Cost of Assessment [b]	n/a	n/a	$1,179	$1,084	1

(a) Further detail in support of the key efficiency indicators is provided in the agency's Annual Report.
(b) There is no comparative information available for the 2016-17 Actual and 2017-18 Budget as a result of the implementation of new key efficiency indicators.

Explanation of Significant Movements

(Notes)

1. The variance between the 2017-18 Budget and the 2018-19 Budget Target reflects a reduction in expenditure due to lower costs associated with the relocation of the Commission's head office to Northbridge.

2. Investigating Allegations of Serious Misconduct [a]

The Commission investigates matters which are serious and significant and where it believes it can have the most impact in improving the integrity of the public sector.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	23,095	24,794	24,463	22,494	1
Less Income	288	33	33	33	
Net Cost of Service	22,807	24,761	24,430	22,461	
Employees (Full Time Equivalents)	96	96	96	93	
Efficiency Indicators					
Percentage of Investigations Completed Within 12 Months [b]	n/a	n/a	80%	80%	
Average Time (Days) to Complete an Investigation into Serious Misconduct [b]	n/a	n/a	330	350	

(a) Further detail in support of the key efficiency indicators is provided in the agency's Annual Report.
(b) There is no comparative information available for the 2016-17 Actual and 2017-18 Budget as a result of the implementation of new key efficiency indicators.

Explanation of Significant Movements

(Notes)

1. The variance between the 2017-18 Budget and the 2018-19 Budget Target reflects a reduction in expenditure due to lower costs associated with the relocation of the Commission's head office to Northbridge.

Asset Investment Program

The Commission's Asset Investment Program provides for the replacement of security, business systems and equipment over the forward estimates period. The 2017-18 program included funding for the Commission's new office premises in Northbridge.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Buildings and Operational Security							
2017-18 Program	400	400	400	-	-	-	-
Office Accommodation Fit-out	6,871	6,871	6,506	-	-	-	-
Business Support Systems - 2017-18 Program	330	330	330	-	-	-	-
Information Technology Systems - 2017-18 Program	695	695	695	-	-	-	-
Office Equipment and Replacement - 2017-18 Program	15	15	15	-	-	-	-
Operations Support Equipment - 2017-18 Program	540	540	540	-	-	-	-
NEW WORKS							
Buildings and Operational Security							
2018-19 Program	641	-	-	641	-	-	-
2020-21 Program	400	-	-	-	-	400	-
2021-22 Program	402	-	-	-	-	-	402
Business Support Systems							
2018-19 Program	479	-	-	479	-	-	-
2019-20 Program	230	-	-	-	230	-	-
2020-21 Program	440	-	-	-	-	440	-
2021-22 Program	100	-	-	-	-	-	100
Information Technology Systems							
2018-19 Program	425	-	-	425	-	-	-
2019-20 Program	75	-	-	-	75	-	-
2020-21 Program	560	-	-	-	-	560	-
2021-22 Program	95	-	-	-	-	-	95
Office Equipment and Replacement							
2018-19 Program	15	-	-	15	-	-	-
2019-20 Program	40	-	-	-	40	-	-
Operations Support Equipment							
2018-19 Program	640	-	-	640	-	-	-
2019-20 Program	1,355	-	-	-	1,355	-	-
2020-21 Program	300	-	-	-	-	300	-
2021-22 Program	1,103	-	-	-	-	-	1,103
Total Cost of Asset Investment Program	16,151	8,851	8,486	2,200	1,700	1,700	1,700
FUNDED BY							
Drawdowns from the Holding Account			3,127	2,200	1,700	1,700	1,700
Internal Funds and Balances			5,359	-	-	-	-
Total Funding			8,486	2,200	1,700	1,700	1,700

Financial Statements

Income Statement

Expenses

The decrease in the Total Cost of Services in the 2018-19 Budget Estimate is mainly due to reduced accommodation expenses associated with the relocation to the Commission's new office premises in Northbridge and the implementation of various savings measures, including the Workforce Renewal Policy, Agency Expenditure Review and New Public Sector Wages Policy.

Statement of Financial Position

In the 2017-18 Estimated Actual, non-current assets and other non-current liabilities were reduced by $9.8 million, reflecting the decision for leasehold incentives for the Commission's new head office in Northbridge being provided directly to the Department of Finance rather than the Commission.

The reduction in cash assets in 2017-18 relates to the return of surplus cash of $6.2 million to the Consolidated Account.

Statement of Cashflows

The cashflows from investing activities in 2017-18 were reduced by $9.8 million as outlined above.

INCOME STATEMENT [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [(b)]	18,792	19,150	19,225	18,835	18,997	19,223	19,362
Supplies and services	3,891	2,366	2,366	2,317	2,646	2,679	2,679
Accommodation	4,653	5,945	5,795	2,982	3,079	3,091	3,091
Depreciation and amortisation	1,133	1,539	1,539	2,198	1,833	1,833	1,833
Other expenses	632	1,173	845	1,042	1,072	1,021	1,022
TOTAL COST OF SERVICES	29,101	30,173	29,770	27,374	27,627	27,847	27,987
Income							
Other revenue	351	40	40	40	40	40	40
Total Income	351	40	40	40	40	40	40
NET COST OF SERVICES	28,750	30,133	29,730	27,334	27,587	27,807	27,947
INCOME FROM STATE GOVERNMENT							
Service appropriations	30,114	29,883	29,463	27,067	27,320	27,540	27,680
Resources received free of charge	92	8	25	25	25	25	25
TOTAL INCOME FROM STATE GOVERNMENT	30,206	29,891	29,488	27,092	27,345	27,565	27,705
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,456	(242)	(242)	(242)	(242)	(242)	(242)

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 129, 129 and 125 respectively.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	10,696	3,606	2,409	2,149	1,891	1,713	1,535
Holding account receivables	3,127	2,200	2,200	2,200	1,700	1,700	1,700
Receivables	273	313	276	274	270	270	270
Other	728	411	728	728	728	664	600
Total current assets	14,824	6,530	5,613	5,351	4,589	4,347	4,105
NON-CURRENT ASSETS							
Holding account receivables	16,340	14,072	15,679	15,677	16,310	16,443	16,576
Property, plant and equipment	1,995	19,466	8,868	8,712	8,501	8,080	8,349
Intangibles	96	465	170	328	406	694	292
Restricted cash	65	165	150	230	310	310	310
Other	139	135	139	139	139	139	139
Total non-current assets	18,635	34,303	25,006	25,086	25,666	25,666	25,666
TOTAL ASSETS	33,459	40,833	30,619	30,437	30,255	30,013	29,771
CURRENT LIABILITIES							
Employee provisions	2,696	3,201	2,696	2,696	2,696	2,696	2,696
Payables	66	60	66	66	66	66	66
Other	113	178	173	233	293	293	293
Total current liabilities	2,875	3,439	2,935	2,995	3,055	3,055	3,055
NON-CURRENT LIABILITIES							
Employee provisions	668	816	668	668	668	668	668
Other	-	9,792	-	-	-	-	-
Total non-current liabilities	668	10,608	668	668	668	668	668
TOTAL LIABILITIES	3,543	14,047	3,603	3,663	3,723	3,723	3,723
EQUITY							
Contributed equity	19,483	18,383	13,325	13,325	13,325	13,325	13,325
Accumulated surplus/(deficit)	10,433	8,403	13,691	13,449	13,207	12,965	12,723
Total equity	29,916	26,786	27,016	26,774	26,532	26,290	26,048
TOTAL LIABILITIES AND EQUITY	33,459	40,833	30,619	30,437	30,255	30,013	29,771

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

STATEMENT OF CASHFLOWS [a]

(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	28,474	28,344	27,924	24,869	25,487	25,707	25,847
Holding account drawdowns	370	3,127	3,127	2,200	1,700	1,700	1,700
Receipts paid into Consolidated Account	-	-	(6,158)	-	-	-	-
Net cash provided by State Government	28,844	31,471	24,893	27,069	27,187	27,407	27,547
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(19,391)	(19,090)	(19,165)	(18,775)	(18,937)	(19,163)	(19,302)
Supplies and services	(4,202)	(2,366)	(2,366)	(2,317)	(2,646)	(2,679)	(2,679)
Accommodation	(4,643)	(5,939)	(5,789)	(2,976)	(3,073)	(3,085)	(3,085)
Other payments	(1,576)	(2,241)	(1,896)	(2,113)	(2,165)	(2,114)	(2,115)
Receipts							
GST receipts	1,063	1,067	1,067	1,092	1,116	1,116	1,116
Other receipts	268	40	40	40	40	40	40
Net cash from operating activities	(28,481)	(28,529)	(28,109)	(25,049)	(25,665)	(25,885)	(26,025)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(584)	(18,278)	(8,486)	(2,200)	(1,700)	(1,700)	(1,700)
Proceeds from sale of non-current assets	108	-	-	-	-	-	-
Other receipts	-	9,792	-	-	-	-	-
Net cash from investing activities	(476)	(8,486)	(8,486)	(2,200)	(1,700)	(1,700)	(1,700)
NET INCREASE/(DECREASE) IN CASH HELD	(113)	(5,544)	(11,702)	(180)	(178)	(178)	(178)
Cash assets at the beginning of the reporting period	10,874	9,315	10,761	2,559	2,379	2,201	2,023
Prior period adjustments	-	-	3,500	-	-	-	-
Cash assets at the end of the reporting period	10,761	3,771	2,559	2,379	2,201	2,023	1,845

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

Division 30 Chemistry Centre (WA)

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 63 Net amount appropriated to deliver services	7,126	6,943	6,411	**6,476**	6,540	6,606	6,673
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	251	251	251	**251**	251	251	252
Total appropriations provided to deliver services	7,377	7,194	6,662	**6,727**	6,791	6,857	6,925
CAPITAL							
Item 115 Capital Appropriation	1,848	940	1,740	**1,000**	1,000	1,000	1,000
TOTAL APPROPRIATIONS	9,225	8,134	8,402	**7,727**	7,791	7,857	7,925
EXPENSES							
Total Cost of Services	25,793	26,725	26,844	**26,450**	26,516	26,547	26,812
Net Cost of Services [(a)]	7,906	8,496	7,386	**7,698**	7,524	7,280	7,545
CASH ASSETS [(b)]	1,903	2,046	1,623	**1,763**	2,042	2,510	2,830

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Cost and Demand Model Update	(41)	125	125	124	-
Depreciation Update	29	114	114	114	114
New Public Sector Wages Policy	(77)	(138)	(202)	(269)	-
State Fleet Policy and Procurement Initiatives	(6)	(12)	(14)	(14)	(14)
Voluntary Targeted Separation Scheme [(a)]	214	(158)	(159)	(160)	(161)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

Research and Development

Research and development is important to the Centre as it helps mitigate risks associated with public health and safety, supports the justice and racing sectors and contributes to the Centre's standing in the scientific community. Significant issues in research and development for 2018-19 include the development of:

- aircraft deployable technologies to provide State-wide coverage for chemistry-related Emergency Response (ER) services;
- proteomic analytical facilities which assist in the identification of performance enhancements, poisons and diseases such as those encountered in toxicology, health and racing; and
- techniques to characterise new substances that have been encountered in the illegal drug marketplace, such as hyoscine (scopolamine) and fentanyl-derivatives.

Managing and Growing Commercial Business

Managing and growing the Centre's commercial services offering is important to defray the costs of providing services to government and non-government clients. Further, a diversified business provides for greater opportunities to develop high skill sets across an array of disciplines, which assists in the attraction and retention of highly skilled staff members.

Education and Collaboration

Education and collaboration is critical to the Centre expanding its capability and knowledge in forensic science and analytical chemistry, whilst also supporting science capability and engagement. Significant issues in education and collaboration for 2018-19 include:

- collaborating with Standards Australia and the International Standards Organisation in the development of standards for environmental waters and cyanide usage. Cyanide is utilised in the extraction of gold from ores, a particularly important component of Western Australia's mining industry;
- continuing to grow the Centre's collaborative research and development network, focusing on mining and environment, agriculture and food, and forensic science. This is being achieved through partnerships with Cooperative Research Centres, universities, government agencies and industry; and
- leading and collaborating in the promotion and assist in the provision of chemistry-based secondary, undergraduate and postgraduate education and training.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Quality scientific advice.	1. Commercial and Scientific Information and Advice
	Quality emergency response.	2. Emergency Response Management
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Quality research and development.	3. Research and Development

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Commercial and Scientific Information and Advice	21,832	22,008	22,230	21,789	21,808	21,793	22,011
2. Emergency Response Management	2,346	3,070	2,800	3,100	3,131	3,162	3,193
3. Research and Development	1,615	1,647	1,814	1,561	1,577	1,592	1,608
Total Cost of Services	25,793	26,725	26,844	26,450	26,516	26,547	26,812

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Quality scientific advice:					
Client satisfaction	84%	80%	80%	80%	
Proficiency rating	92	95%	95%	95%	
Outcome: Quality emergency response:					
Average resolution time	3.3 hours	4 hours	4 hours	4 hours	
Outcome: Quality research and development:					
Aggregate value of the Centre's components	29/71	60/40	60/40	60/40	
Quality of research and development	81%	80%	80%	80%	

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

Services and Key Efficiency Indicators

1. Commercial and Scientific Information and Advice

Development and delivery of quality scientific information and advice, on a commercial basis, to government, industry and the community.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	21,832	22,008	22,230	21,789	
Less Income	16,850	16,972	18,172	17,454	
Net Cost of Service	4,982	5,036	4,058	4,335	
Employees (Full Time Equivalents)	88	104	104	104	1
Efficiency Indicators					
Billable Hours	99,694	118,404	119,600	119,600	
Average Cost per Chargeable Hour	$219	$186	$186	$182	

Explanation of Significant Movements

(Notes)

1. The increase in Full Time Equivalents reflects the resources necessary to service the new business that has resulted from the Centre's acquisition of the National Measurement Institute in 2017-18. These resources are managed in proportion to the revenue retained.

2. Emergency Response Management

Specialist technical advice and support to government and industry in managing the risks arising from unmanaged chemical-biological-radiological incidents.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	2,346	3,070	2,800	3,100	1
Less Income	-	-	-	-	
Net Cost of Service	2,346	3,070	2,800	3,100	
Employees (Full Time Equivalents)	7	8	8	8	
Efficiency Indicators					
Billable Hours	7,440	7,970	8,625	9,200	
Average Cost per Chargeable Hours	$315	$385	$325	$337	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service expenditure will increase from $2.8 million to $3.1 million as a result of full recognition of all members of staff that relate to the ER roster. To enable a full 24/7 State-wide service, staff are paid appropriate allowances and employees from other areas within the Centre are utilised.

3. Research and Development

Delivery of quality project-based developed knowledge, know-how and/or Intellectual Property relevant to State development, public health and safety, or the delivery of the Centre's other services.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	1,615	1,647	1,814	1,561	
Less Income	1,037	1,257	1,286	1,298	
Net Cost of Service	578	390	528	263	
Employees (Full Time Equivalents)	6	6	5	5	
Efficiency Indicators					
Billable Hours	6,945	6,831	6,130	5,750	
Average Cost per Chargeable Hour	$233	$241	$250	$271	

Asset Investment Program

In 2018-19, the Asset Investment Program totals $1 million, to be spent on the acquisition of new and replacement equipment.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Asset Replacement Program - Capital Equipment Replacement Program 2017-18	2,300	2,300	2,300	-	-	-	-
NEW WORKS							
Capital Equipment Replacement							
2018-19 Program	1,000	-	-	1,000	-	-	-
2019-20 Program	1,000	-	-	-	1,000	-	-
2020-21 Program	1,000	-	-	-	-	1,000	-
2021-22 Program	1,000	-	-	-	-	-	1,000
Total Cost of Asset Investment Program	6,300	2,300	2,300	1,000	1,000	1,000	1,000
FUNDED BY							
Capital Appropriation			1,740	1,000	1,000	1,000	1,000
Drawdowns from the Holding Account			560	-	-	-	-
Total Funding			2,300	1,000	1,000	1,000	1,000

Financial Statements

Income Statement

Expenses

The 2018-19 Budget Estimate for Total Cost of Services of $14.8 million is $394,000 less than the 2017-18 Estimated Actual, mainly due to the Voluntary Targeted Separation Scheme.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	13,436	14,769	15,136	14,833	15,042	15,255	15,471
Supplies and services	2,169	2,227	2,097	2,095	2,070	2,048	2,048
Accommodation	5,711	5,749	5,720	5,711	5,706	5,695	5,695
Depreciation and amortisation	1,253	1,302	1,331	1,455	1,389	1,274	1,323
Other expenses	3,224	2,678	2,560	2,356	2,309	2,275	2,275
TOTAL COST OF SERVICES	25,793	26,725	26,844	26,450	26,516	26,547	26,812
Income							
Sale of goods and services	17,832	18,196	18,739	18,695	18,934	19,208	19,208
Other revenue	55	33	719	57	58	59	59
Total Income	17,887	18,229	19,458	18,752	18,992	19,267	19,267
NET COST OF SERVICES	7,906	8,496	7,386	7,698	7,524	7,280	7,545
INCOME FROM STATE GOVERNMENT							
Service appropriations	7,377	7,194	6,662	6,727	6,791	6,857	6,925
TOTAL INCOME FROM STATE GOVERNMENT	7,377	7,194	6,662	6,727	6,791	6,857	6,925
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(529)	(1,302)	(724)	(971)	(733)	(423)	(620)

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 121, 137 and 137 respectively.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	1,903	2,046	1,623	1,763	2,042	2,510	2,830
Holding account receivables	560	-	-	-	-	-	-
Receivables	2,655	2,536	2,549	2,545	2,575	2,609	2,709
Other	331	250	331	331	331	331	359
Total current assets	5,449	4,832	4,503	4,639	4,948	5,450	5,898
NON-CURRENT ASSETS							
Property, plant and equipment	3,863	4,139	4,909	4,594	4,218	3,951	3,662
Intangibles	607	519	530	390	377	370	336
Other	3,190	3,500	3,501	3,813	4,126	4,440	4,695
Total non-current assets	7,660	8,158	8,940	8,797	8,721	8,761	8,693
TOTAL ASSETS	13,109	12,990	13,443	13,436	13,669	14,211	14,591
CURRENT LIABILITIES							
Employee provisions	2,464	2,638	2,464	2,464	2,464	2,464	2,464
Payables	837	808	315	315	316	315	315
Other	1,349	1,607	1,189	1,153	1,118	1,084	1,084
Total current liabilities	4,650	5,053	3,968	3,932	3,898	3,863	3,863
NON-CURRENT LIABILITIES							
Employee provisions	864	796	864	864	864	864	864
Total non-current liabilities	864	796	864	864	864	864	864
TOTAL LIABILITIES	5,514	5,849	4,832	4,796	4,762	4,727	4,727
EQUITY							
Contributed equity	9,286	10,226	11,026	12,026	13,026	14,026	15,026
Accumulated surplus/(deficit)	(1,691)	(3,085)	(2,415)	(3,386)	(4,119)	(4,542)	(5,162)
Total equity	7,595	7,141	8,611	8,640	8,907	9,484	9,864
TOTAL LIABILITIES AND EQUITY	13,109	12,990	13,443	13,436	13,669	14,211	14,591

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	7,377	7,194	6,662	6,727	6,791	6,857	6,925
Capital appropriation	1,848	940	1,740	1,000	1,000	1,000	1,000
Holding account drawdowns	-	560	560	-	-	-	-
Net cash provided by State Government	9,225	8,694	8,962	7,727	7,791	7,857	7,925
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(13,469)	(14,641)	(14,983)	(14,677)	(14,884)	(15,094)	(15,310)
Supplies and services	(2,118)	(2,237)	(2,097)	(2,086)	(2,073)	(2,055)	(2,055)
Accommodation	(5,916)	(5,955)	(5,985)	(5,977)	(5,939)	(5,928)	(5,928)
Other payments	(4,828)	(4,330)	(5,159)	(4,306)	(4,300)	(4,292)	(4,292)
Receipts							
Sale of goods and services	17,391	18,406	18,745	18,599	18,804	19,073	19,073
GST receipts	1,739	1,642	1,874	1,860	1,880	1,907	1,907
Other receipts	-	-	663	-	-	-	-
Net cash from operating activities	(7,201)	(7,115)	(6,942)	(6,587)	(6,512)	(6,389)	(6,605)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,988)	(1,500)	(2,300)	(1,000)	(1,000)	(1,000)	(1,000)
Net cash from investing activities	(1,988)	(1,500)	(2,300)	(1,000)	(1,000)	(1,000)	(1,000)
NET INCREASE/(DECREASE) IN CASH HELD	36	79	(280)	140	279	468	320
Cash assets at the beginning of the reporting period	1,867	1,967	1,903	1,623	1,763	2,042	2,510
Cash assets at the end of the reporting period	1,903	2,046	1,623	1,763	2,042	2,510	2,830

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

Division 31 Office of the Inspector of Custodial Services

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 64 Net amount appropriated to deliver services	3,370	3,310	3,295	**3,307**	3,292	3,312	3,368
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	247	247	247	**247**	247	247	249
Total appropriations provided to deliver services	3,617	3,557	3,542	**3,554**	3,539	3,559	3,617
TOTAL APPROPRIATIONS	3,617	3,557	3,542	**3,554**	3,539	3,559	3,617
EXPENSES							
Total Cost of Services	3,595	3,556	3,629	**3,641**	3,626	3,646	3,704
Net Cost of Services [(a)]	3,586	3,551	3,624	**3,636**	3,621	3,641	3,699
CASH ASSETS [(b)]	467	371	440	**421**	402	373	354

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
2018-19 Streamlined Budget Process Incentive Funding	-	33	-	-	-
New Public Sector Wages Policy	(13)	(27)	(41)	(56)	-
State Fleet Policy and Procurement Initiatives	(2)	(4)	(3)	(4)	(4)

Significant Issues Impacting the Agency

- The Office's inspection and liaison visits in 2017-18 continue to be driven by significant workload increases brought about by:
  - rising prisoner population numbers;
  - incidents at the Banksia Hill Detention Centre; and
  - additional monitoring following the commissioning of the Melaleuca Remand and Reintegration Facility in December 2016, which will focus on examining contractor performance and management.
- Following the Office's 2016-17 review into Western Australia's Prison Capacity, the State Government has approved $120 million in capital investment to relieve prisoner overcrowding in Perth's maximum security Casuarina and regional Bunbury prisons, adding nearly 700 beds.
- The Office has been directed by the Minister for Corrective Services to conduct a special inquiry following allegations of abuse at the Banksia Hill Detention Centre. It is anticipated that the findings will be tabled in Parliament by the end of 2018.
- In line with the Government's Digital WA Strategy, the Office is progressing the transition of its information and communications technology (ICT) infrastructure to the GovNext network, with expected completion of the project by 30 June 2018.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Strong Communities: Safe communities and supported families.	The Parliament, Minister and other stakeholders are informed on the performance of custodial services.	1. Inspection and Review of Custodial Services

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Inspection and Review of Custodial Services	3,595	3,556	3,629	3,641	3,626	3,646	3,704
Total Cost of Services	3,595	3,556	3,629	3,641	3,626	3,646	3,704

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of recommendations made	96	150	125	150	1
Percentage of recommendations accepted	89%	80%	90%	80%	2

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

Explanation of Significant Movements

(Notes)

1. The number of recommendations in the 2017-18 Estimated Actual is below the 2017-18 Budget, but is consistent with previous years. The Office operates on a three year inspection cycle for each prison, juvenile detention centre, court custody centre and prescribed lockup. The number of recommendations made may vary depending on which facilities are inspected in a particular year and the complexity of each inspection.

2. The majority of the Office's recommendations were either supported, partially supported or supported existing initiatives. Only 11 of the 96 recommendations were not supported in the 2016-17 Actual.

Services and Key Efficiency Indicators

1. Inspection and Review of Custodial Services

Inspection of prisons, court custody centres, juvenile detention centres, coordination of the Independent Visitors' Scheme and review of custodial services.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	3,595	3,556	3,629	3,641	
Less Income	9	5	5	5	
Net Cost of Service	3,586	3,551	3,624	3,636	
Employees (Full Time Equivalents)	19	19	19	18	
Efficiency Indicators					
Average Cost per Report	$243,219	$245,000	$244,000	$245,000	
Average Cost per Independent Visitors' Scheme Report	$2,463	$2,500	$2,400	$2,500	
Average Cost per Liaison Visit	$9,868	$10,000	$9,800	$10,000	

Asset Investment Program

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Asset Replacement - Office Equipment - 2017-18 Program	26	26	26	-	-	-	-
NEW WORKS							
Asset Replacement - Office Equipment							
2018-19 Program	26	-	-	26	-	-	-
2019-20 Program	26	-	-	-	26	-	-
2020-21 Program	26	-	-	-	-	26	-
2021-22 Program	26	-	-	-	-	-	26
Total Cost of Asset Investment Program.....	130	26	26	26	26	26	26
FUNDED BY							
Drawdowns from the Holding Account.....			26	26	26	26	26
Total Funding.....			26	26	26	26	26

Financial Statements

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b].....	2,510	2,578	2,539	2,515	2,525	2,539	2,540
Supplies and services.....	436	366	438	473	442	444	496
Accommodation	322	344	325	328	331	334	337
Depreciation and amortisation	2	3	2	-	-	-	-
Other expenses.....	325	265	325	325	328	329	331
TOTAL COST OF SERVICES	3,595	3,556	3,629	3,641	3,626	3,646	3,704
Income							
Other revenue	9	5	5	5	5	5	5
Total Income.....	9	5	5	5	5	5	5
NET COST OF SERVICES.....	3,586	3,551	3,624	3,636	3,621	3,641	3,699
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,617	3,557	3,542	3,554	3,539	3,559	3,617
Resources received free of charge	88	-	88	88	88	88	88
TOTAL INCOME FROM STATE GOVERNMENT.....	3,705	3,557	3,630	3,642	3,627	3,647	3,705
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	119	6	6	6	6	6	6

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 19, 19 and 18 respectively.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	460	367	433	414	395	366	347
Holding account receivables	26	26	26	26	26	26	26
Receivables	43	41	43	43	43	43	43
Other	32	50	32	32	32	32	32
Total current assets	561	484	534	515	496	467	448
NON-CURRENT ASSETS							
Holding account receivables	179	181	181	183	185	187	189
Property, plant and equipment	32	80	56	82	108	134	160
Restricted cash	7	4	7	7	7	7	7
Total non-current assets	218	265	244	272	300	328	356
TOTAL ASSETS	779	749	778	787	796	795	804
CURRENT LIABILITIES							
Employee provisions	506	518	506	506	506	506	506
Payables	60	135	53	56	59	52	55
Other	91	58	91	91	91	91	91
Total current liabilities	657	711	650	653	656	649	652
NON-CURRENT LIABILITIES							
Employee provisions	142	165	142	142	142	142	142
Total non-current liabilities	142	165	142	142	142	142	142
TOTAL LIABILITIES	799	876	792	795	798	791	794
EQUITY							
Contributed equity	274	274	274	274	274	274	274
Accumulated surplus/(deficit)	(294)	(401)	(288)	(282)	(276)	(270)	(264)
Total equity	(20)	(127)	(14)	(8)	(2)	4	10
TOTAL LIABILITIES AND EQUITY	779	749	778	787	796	795	804

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,589	3,529	3,514	3,526	3,511	3,531	3,589
Holding account drawdowns	26	26	26	26	26	26	26
Net cash provided by State Government	3,615	3,555	3,540	3,552	3,537	3,557	3,615
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,585)	(2,578)	(2,539)	(2,515)	(2,525)	(2,539)	(2,540)
Supplies and services	(359)	(342)	(356)	(381)	(350)	(362)	(404)
Accommodation	(322)	(344)	(325)	(328)	(331)	(334)	(337)
Other payments	(356)	(308)	(368)	(368)	(371)	(372)	(374)
Receipts [b]							
GST receipts	102	42	42	42	42	42	42
Other receipts	9	5	5	5	5	5	5
Net cash from operating activities	(3,511)	(3,525)	(3,541)	(3,545)	(3,530)	(3,560)	(3,608)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	-	(26)	(26)	(26)	(26)	(26)	(26)
Net cash from investing activities	-	(26)	(26)	(26)	(26)	(26)	(26)
NET INCREASE/(DECREASE) IN CASH HELD	104	4	(27)	(19)	(19)	(29)	(19)
Cash assets at the beginning of the reporting period	363	367	467	440	421	402	373
Cash assets at the end of the reporting period	467	371	440	421	402	373	354

(a) Full audited financial statements are published in the agency's Annual Report.
(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
GST Receipts							
GST Input Credits	102	42	42	42	42	42	42
Other Receipts							
Other Receipts	9	5	5	5	5	5	5
TOTAL	111	47	47	47	47	47	47

(a) The moneys received and retained are to be applied to the Office's services as specified in the Budget Statements.

Division 32 Parliamentary Inspector of the Corruption and Crime Commission

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 65 Net amount appropriated to deliver services	547	553	528	**518**	516	518	519
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003	199	179	179	**179**	179	179	180
Total appropriations provided to deliver services	746	732	707	**697**	695	697	699
TOTAL APPROPRIATIONS	746	732	707	**697**	695	697	699
EXPENSES							
Total Cost of Services	808	872	847	**839**	837	839	841
Net Cost of Services [(a)]	802	872	847	**839**	837	839	841
CASH ASSETS [(b)]	327	-	327	**327**	327	327	327

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
2018-19 Streamlined Budget Process Incentive Funding	-	5	-	-	-
New Public Sector Wages Policy	(2)	(5)	(8)	(12)	-

Significant Issues Impacting the Agency

- The Hon Michael Murray AM QC was reappointed Parliamentary Inspector of the Corruption and Crime Commission on 1 January 2018. The appointment of two Acting Parliamentary Inspectors will be required following the resignation of one and the expiration of the term of the other on 31 December 2018.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Sustainable Finances: Responsible financial management and better service delivery.	An informed Parliament on the integrity of the Corruption and Crime Commission.	1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations	808	872	847	839	837	839	841
Total Cost of Services	808	872	847	839	837	839	841

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: An informed Parliament on the integrity of the Corruption and Crime Commission:					
Number of reports completed and tabled in Parliament within target timeframes	1	1	1	1	

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

Services and Key Efficiency Indicators

1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	808	872	847	839	
Less Income	6	-	-	-	
Net Cost of Service	802	872	847	839	
Employees (Full Time Equivalents)	2	2	2	2	
Efficiency Indicators					
Average Cost per Investigation/Case	$4,639	$5,328	$8,470	$9,229	1
Cost of Audit Function as a Percentage of Total Cost of Operations	42%	45%	45%	45%	

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual and 2018-19 Budget Target Average Cost per Investigation/Case is higher than the 2017-18 Budget due to a reduction in the number of investigations undertaken in 2017-18 and expected to be undertaken in 2018-19.

Financial Statements

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	442	471	446	452	450	451	454
Supplies and services	160	169	173	175	174	174	174
Accommodation	126	138	139	128	128	128	128
Depreciation and amortisation	32	55	32	32	32	32	32
Other expenses	48	39	57	52	53	54	53
TOTAL COST OF SERVICES	808	872	847	839	837	839	841
Income							
Other revenue	6	-	-	-	-	-	-
Total Income	6	-	-	-	-	-	-
NET COST OF SERVICES	802	872	847	839	837	839	841
INCOME FROM STATE GOVERNMENT							
Service appropriations	746	732	707	697	695	697	699
Resources received free of charge	148	140	140	142	142	142	142
TOTAL INCOME FROM STATE GOVERNMENT	894	872	847	839	837	839	841
SURPLUS/(DEFICIENCY) FOR THE PERIOD	92	-	-	-	-	-	-

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 2, 2 and 2 respectively.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	327	-	327	327	327	327	327
Receivables	4	29	4	4	4	4	4
Other	1	1	1	1	1	1	1
Total current assets	332	30	332	332	332	332	332
NON-CURRENT ASSETS							
Holding account receivables	163	218	195	227	259	291	323
Property, plant and equipment	5	7	5	5	5	5	5
Other	249	170	217	185	153	121	89
Total non-current assets	417	395	417	417	417	417	417
TOTAL ASSETS	749	425	749	749	749	749	749
CURRENT LIABILITIES							
Employee provisions	309	92	309	309	309	309	309
Payables	14	4	14	14	14	14	14
Other	2	3	2	2	2	2	2
Total current liabilities	325	99	325	325	325	325	325
NON-CURRENT LIABILITIES							
Employee provisions	15	8	15	15	15	15	15
Total non-current liabilities	15	8	15	15	15	15	15
TOTAL LIABILITIES	340	107	340	340	340	340	340
EQUITY							
Contributed equity	160	160	160	160	160	160	160
Accumulated surplus/(deficit)	249	158	249	249	249	249	249
Total equity	409	318	409	409	409	409	409
TOTAL LIABILITIES AND EQUITY	749	425	749	749	749	749	749

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	691	677	675	665	663	665	667
Net cash provided by State Government	691	677	675	665	663	665	667
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(442)	(471)	(446)	(452)	(450)	(451)	(454)
Supplies and services	(12)	(29)	(33)	(33)	(33)	(33)	(33)
Accommodation	(112)	(138)	(139)	(128)	(128)	(128)	(128)
Other payments	(66)	(39)	(57)	(52)	(52)	(53)	(52)
Receipts [b]							
GST receipts	18	-	-	-	-	-	-
Other receipts	23	-	-	-	-	-	-
Net cash from operating activities	(591)	(677)	(675)	(665)	(663)	(665)	(667)
NET INCREASE/(DECREASE) IN CASH HELD	100	-	-	-	-	-	-
Cash assets at the beginning of the reporting period	227	-	327	327	327	327	327
Cash assets at the end of the reporting period	327	-	327	327	327	327	327

(a) Full audited financial statements are published in the agency's Annual Report.
(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
GST Receipts							
GST Receipts	18	-	-	-	-	-	-
Other Receipts							
Other Receipts	23	-	-	-	-	-	-
TOTAL	41	-	-	-	-	-	-

(a) The moneys received and retained are to be applied to the Office's services as specified in the Budget Statements.

Part 8

Community Services

Summary of Portfolio Appropriations

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Communities			
– Delivery of Services	1,618,176	1,629,864	1,721,279
– Administered Grants, Subsidies and Other Transfer Payments	300	300	300
– Capital Appropriation	32,818	5,779	2,106
Total	1,651,294	1,635,943	1,723,685
Local Government, Sport and Cultural Industries			
– Delivery of Services	224,377	235,152	231,760
– Administered Grants, Subsidies and Other Transfer Payments	57,086	53,238	56,152
– Capital Appropriation	124,223	100,836	154,183
Total	405,686	389,226	442,095
Western Australian Sports Centre Trust			
– Delivery of Services	74,618	75,393	80,038
– Capital Appropriation	14,694	14,651	13,778
Total	89,312	90,044	93,816
GRAND TOTAL			
– Delivery of Services	1,917,171	1,940,409	2,033,077
– Administered Grants, Subsidies and Other Transfer Payments	57,386	53,538	56,452
– Capital Appropriation	171,735	121,266	170,067
Total	**2,146,292**	**2,115,213**	**2,259,596**

Division 33 Communities

Part 8 Community Services

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000 [(a)]	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 66 Net amount appropriated to deliver services	1,458,279	1,617,475	1,629,348	**1,720,787**	1,760,224	1,632,312	1,683,845
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	701	701	516	**492**	492	492	493
Total appropriations provided to deliver services	1,458,980	1,618,176	1,629,864	**1,721,279**	1,760,716	1,632,804	1,684,338
ADMINISTERED TRANSACTIONS							
Item 67 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	300	300	300	**300**	300	300	300
CAPITAL							
Item 116 Capital Appropriation	3,945	32,818	5,779	**2,106**	4,618	2,130	2,130
TOTAL APPROPRIATIONS	1,463,225	1,651,294	1,635,943	**1,723,685**	1,765,634	1,635,234	1,686,768
EXPENSES							
Total Cost of Services	3,010,878	3,671,631	3,505,330	**3,244,931**	3,301,812	3,259,408	3,243,394
Net Cost of Services [(b)]	1,699,219	1,720,002	1,912,456	**1,824,456**	1,822,936	1,676,745	1,791,068
CASH ASSETS [(c)]	352,164	377,845	354,066	**188,379**	280,587	350,825	310,298

(a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
Breathing Space Service for Male Perpetrators of Family and Domestic Violence (FDV)	(200)	-	850	871	893
Crisis and Transitional Accommodation in Collie	-	390	60	60	60
METRONET - Social and Affordable Housing and Jobs Package	-	(1,247)	23,169	85,045	35,901
Senior Executive Service Reduction	(1,000)	(2,000)	(2,000)	(2,000)	(2,000)
Target 120	-	1,979	3,805	6,602	8,096
Other					
2018-19 Tariffs, Fees and Charges	25	80	58	59	198
Aboriginal Community Patrols Program	-	6,350	-	-	-
Aboriginal Policy Resources - Transfer to the Department of the Premier and Cabinet	(322)	(322)	(322)	(322)	(322)

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Adjustments to Commonwealth Grants					
National Affordable Housing Agreement	(447)	(5,131)	(5,284)	(5,465)	(3,589)
National Disability Agreement Specific Purpose Payments	(4,991)	(5,699)	(6,562)	-	-
National Partnership Agreement on Homelessness	(5)	-	-	-	-
Other Commonwealth Own Purpose Expenses	223	223	(177)	(177)	236
Capping of Leave Liabilities at 2011-12 Levels	3,924	-	-	-	-
Child Protection Cost and Demand Model - Parameter Update	-	(4,117)	(3,121)	1,703	6,413
Coral Bay Key Worker Housing	300	2,540	-	-	-
Essential and Municipal Services Improvement in Remote Aboriginal Communities	2,000	25,000	25,000	-	-
Government Office Accommodation Reform Program	(502)	196	342	493	650
Hardship Utility Grant Scheme	4,000	3,500	1,925	2,013	2,103
National Disability Insurance Scheme					
Revised Bilateral Agreement	(112,662)	(369,943)	(671,873)	(1,087,092)	(1,196,734)
Sector Support	-	11,875	8,450	-	-
Workforce Transition Costs	-	10,012	4,455	-	-
National Rental Affordability Scheme	(6,095)	13,987	-	-	-
New Public Sector Wages Policy	(2,475)	(5,094)	(7,964)	(11,037)	-
Non-Government Human Services Sector Indexation Adjustment	-	(3,553)	(2,010)	(376)	-
Reconfiguration of the Spinal Cord Injury Service	1,186	3,130	-	-	-
Seniors Cost of Living Rebate - Parameter Update	(1,632)	(576)	(956)	(1,075)	497
State Fleet Policy and Procurement Initiatives	(906)	(1,564)	(1,674)	(1,805)	(1,805)
Voluntary Targeted Separation Scheme [(a)]	12,658	(16,607)	(16,786)	(16,964)	(17,222)
Youth Supported Accommodation Assistance Program Grant from Mental Health Commission	447	-	-	-	-

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- To help address fragmented service delivery to individuals, families and communities, the Department brings together functions from six former entities and over 5,500 staff across 151 current office locations. It presents a challenging but unique opportunity to fundamentally reform government services to deliver more person-centred and place-based outcomes. An integrated outcomes framework has been developed with input from staff, along with a new structure to support the delivery of quality community services, including the integration of strategy, policy and service delivery, while maintaining specialisation where needed.

- To establish the building blocks for broader service reform and build on the momentum from the Regional Services Reform Unit, the Kimberley has been designated as the first region to transition to this integrated model of service. Work is underway with staff, stakeholders and partner agencies to integrate and refocus services while increasing autonomy for regions in service design, coordination and oversight.

- The State Government has signed a bilateral agreement with the Commonwealth for the National Disability Insurance Agency (NDIA) to deliver the National Disability Insurance Scheme (NDIS) in Western Australia. The Department is committed to working collaboratively with the NDIA to facilitate a successful transition of disability services from State to Commonwealth responsibility over the next two years. The transition will affect over 26,000 individuals previously supported through the Department. The Government has also established a Sector Transition Fund, to be administered by the Department, committing $20.3 million to safeguard the sustainability of the disability sector in Western Australia. The fund will assist people with disability and service providers to adapt to new requirements under the NDIS, maintain the delivery of quality community services and standards, and promote and grow disability service delivery to meet the increased demand for services.

- The unacceptable levels of family and domestic violence (FDV) throughout Western Australia are being addressed through a coordinated program of initiatives involving multiple agencies and designed to achieve both immediate and long-term outcomes. These include additional crisis accommodation for women and children, behavioural change programs for male perpetrators of FDV, culturally appropriate support services for Aboriginal and multicultural communities, inter-agency information sharing for better case management, the introduction of Respectful Relationships programs into schools and a pet referral project.

- Despite significant government funding, the developmental status of children in communities with socio-economic disadvantage has improved only marginally in recent years. Led by the Department and involving community leaders, all levels of government, researchers and private sector partners, a new 10 year Early Years Initiative will design, test and evaluate new service delivery and partnership models to ensure optimal investment in suburbs and towns. Pilot communities are being established and funding is being provided by the Minderoo Foundation and the repurposing of existing State Government funding.

- In response to offending by at-risk young people, Target 120 is a new approach toward the delivery of intervention services. It aims to make communities safer by targeting the young people most at risk of escalating criminal activity, and working with families to make positive changes in their lives. The Department will work with other government agencies to address the drivers of youth offending, such as substance abuse, mental health issues and FDV. A linked database will be developed to evaluate and focus the initiative and calculate the social return on investment.

- As part of the Government's commitment to addressing housing affordability and creating inclusive communities, the Department will partner to deliver a $394 million Housing and Jobs Package, aligned to the delivery of METRONET. The package will deliver an additional 1,390 new transit-aligned homes, including 320 social housing dwellings, 400 affordable purchase opportunities and up to 300 with universal design features.

- To help improve a broad range of life outcomes, the North-West Aboriginal Housing Fund (the Fund) will provide new housing options and intensive support for Aboriginal families to help increase participation in education and employment. The Department is working in partnership with Aboriginal people and organisations to co-design and deliver a range of projects that are tailored to local needs and focused on wellbeing and empowerment. All projects will be required to meet the Fund's minimum Aboriginal employment target of 40% in the Kimberley and 20% in the Pilbara, and will create jobs and facilitate local Aboriginal apprenticeships and traineeships.

- The State is actively engaging with the Commonwealth for a new National Housing and Homelessness Agreement that will contribute to the provision of critical social housing and homelessness services for the most vulnerable members of the community, including young people and victims of FDV.

- The National Partnership Agreement on Remote Housing concludes on 30 June 2018 and there is no further Commonwealth funding commitment beyond this date. The absence of ongoing Commonwealth funds creates a substantial funding shortfall, removing the Department's ability to commit to new builds or support more houses and comprises the effective delivery of a planned asset management program. The State will continue to support existing housing in remote communities, recognising its importance for social, economic, health and education outcomes.

- The growing numbers of individuals and families facing serious financial hardship increases the likelihood of adverse social consequences including family breakdown, homelessness, crime and poor health and education outcomes. Financial counselling has been shown to assist those most at risk, and the Government will continue to support the financial counselling sector to deliver services where they are most needed. Improvements to the Hardship Utility Grant Scheme (HUGS) will also assist those at risk of disconnection from essential services.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for Child Protection; Women's Interests, Prevention of Family and Domestic Violence; Community Services, Minister for Disability Services, Minister for Housing; Veterans Issues; Youth, Minister for Seniors and Ageing; Volunteering, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

Responsible Ministers	Services
Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services	1. Homelessness and Other Support Services 2. Preventing and Responding to Family and Domestic Violence 3. Earlier Intervention and Family Support Services 4. Working with Children Checks 5. Child Protection Assessments and Investigations 6. Care Arrangements for Children in the Chief Executive Officer's (CEO's) Care 7. Support Services for Children in the CEO's Care 8. Regulation and Support of the Early Education and Care Sector
Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services Minister for Seniors and Ageing; Volunteering	9. Payments to Individuals 10. Delivery of Community Services, Grants and Resources
Minister for Disability Services	11. Planning and Coordination for People with Disability 12. Residential Services for People with Disability 13. Community Living Support for People with Disability 14. Independent Living Support for People with Disability 15. Therapy and Specialised Care for People with Disability 16. Community Participation for People with Disability 17. Advocacy, Access and Inclusion for People with Disability 22. Contribution to the NDIS
Minister for Housing; Veterans Issues; Youth	18. Rental Housing 19. Home Loans 20. Land and Housing Supply 21. Government Regional Officers' Housing (GROH) 23. Government Trading Enterprise Efficiency Dividend

Outcomes, Services and Key Performance Information

Where practical, the 2016-17 Actual has been recast for comparative purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Families and individuals experiencing homelessness or other crises are assisted to overcome these crises.	1. Homelessness and Other Support Services
	People who have experienced or are at risk of experiencing family and domestic violence are and remain safe.	2. Preventing and Responding to Family and Domestic Violence
	Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care.	3. Earlier Intervention and Family Support Services
	Children and young people needing protection are safe from abuse and harm.	4. Working with Children Checks 5. Child Protection Assessments and Investigations
	Children and young people in the Chief Executive Officer's (CEO's) care receive a high quality of care and have much improved life outcomes.	6. Care Arrangements for Children in the CEO's Care 7. Support Services for Children in the CEO's Care
	The Early Education and Care sector meets required quality standards.	8. Regulation and Support of the Early Education and Care Sector
	Seniors receive concessions and rebates administered by the Department.	9. Payments to Individuals
	Local community services and community building programs meet the identified needs of individuals and families.	10. Delivery of Community Services, Grants and Resources
	People with disability have choice and control in determining services that meet individual needs.	11. Planning and Coordination for People with Disability
	The quality of life of people with disability is enhanced.	12. Residential Services for People with Disability 13. Community Living Support for People with Disability 14. Independent Living Support for People with Disability 15. Therapy and Specialised Care for People with Disability
	People with disability have the opportunity to participate in community life.	16. Community Participation for People with Disability 17. Advocacy, Access and Inclusion for People with Disability
	Housing eligible Western Australians.	18. Rental Housing 19. Home Loans 20. Land and Housing Supply 21. GROH

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Homelessness and Other Support Services	79,688	85,793	87,425	63,125	64,139	63,837	66,626
2. Preventing and Responding to Family and Domestic Violence	43,153	46,064	47,220	47,332	48,094	47,874	49,962
3. Earlier Intervention and Family Support Services	74,573	80,648	79,942	81,773	83,078	82,652	86,283
4. Working with Children Checks	13,139	12,562	13,259	13,497	13,714	13,651	14,247
5. Child Protection Assessments and Investigations	79,300	82,827	85,118	86,388	87,758	87,271	91,125
6. Care Arrangements for Children in the CEO's Care	263,178	279,007	280,040	293,356	298,064	296,641	309,615
7. Support Services for Children in the CEO's Care	90,957	98,504	98,126	102,827	104,455	103,874	108,462
8. Regulation and Support of the Early Education and Care Sector	11,878	17,063	16,008	14,937	13,766	13,842	13,902
9. Payments to Individuals	25,634	28,909	27,387	29,304	30,629	30,499	32,083
10. Delivery of Community Services, Grants and Resources	58,261	56,000	56,195	53,941	50,010	48,794	49,397
11. Planning and Coordination for People with Disability	58,504	99,703	74,227	51,930	28,696	16,454	15,239
12. Residential Services for People with Disability	66,417	66,357	73,989	52,059	28,633	16,607	16,109
13. Community Living Support for People with Disability	267,499	330,720	301,946	211,072	109,871	63,704	61,790
14. Independent Living Support for People with Disability	234,976	303,467	251,813	176,256	96,941	56,226	54,539
15. Therapy and Specialised Care for People with Disability	103,069	169,788	121,743	85,181	46,850	27,173	26,358
16. Community Participation for People with Disability	196,248	285,014	215,067	150,531	82,792	48,019	46,579
17. Advocacy, Access and Inclusion for People with Disability	5,860	6,093	6,230	4,359	2,397	1,390	1,349
18. Rental Housing	778,547	897,728	980,681	784,408	713,061	712,387	746,922
19. Home Loans	107,773	110,239	112,031	141,275	164,360	187,870	208,532
20. Land and Housing Supply	316,441	461,775	328,385	318,049	355,409	469,835	307,111
21. GROH	135,783	170,120	146,193	143,073	142,243	146,327	150,758
22. Contribution to the NDIS [(a)]	-	-	102,305	379,322	763,233	757,458	786,406
23. Government Trading Enterprise Efficiency Dividend	-	(16,750)	-	(39,064)	(26,381)	(32,977)	-
Total Cost of Services	3,010,878	3,671,631	3,505,330	3,244,931	3,301,812	3,259,408	3,243,394

(a) Cash payments to the NDIA, which operates Australia's NDIS. Note that this reflects the Department's cash contributions to the NDIS only. The State's total estimated funding contribution for NDIS services is $122.6 million in 2017-18, $456.6 million in 2018-19, $906.7 million in 2019-20, $938 million in 2020-21 and $971.5 million in 2021-22.

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Families and individuals experiencing homelessness or other crises are assisted to overcome these crises:					
Percentage of homelessness clients with some or all goals achieved at the completion of a homelessness service support period	84%	85%	82%	85%	
Outcome: People who have experienced or are at risk of experiencing family and domestic violence are and remain safe:					
Percentage of FDV clients with some or all goals achieved at the completion of an accommodation or support service	91%	90%	91%	90%	
Percentage of departmental clients who were assessed and received a response as a result of a FDV incident and did not require another FDV-related response within 12 months	76%	80%	75%	80%	
Outcome: Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care:					
Percentage of clients who received an earlier intervention and family support service whose child(ren) did not enter care within 12 months of service completion	88%	90%	88%	90%	
Outcome: Children and young people needing protection are safe from abuse and harm:					
Proportion of working with children cards issued within 30 days of lodgement where the applicant had no criminal record	98%	95%	99%	95%	
Proportion of decisions finalised within 60 days where the applicant for a working with children card had a criminal record	97%	95%	97%	95%	
Improved safety					
Proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm	90%	95%	90%	95%	
Proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated	93%	95%	93%	95%	
Outcome: Children and young people in the CEO's care receive a high quality of care and have much improved life outcomes:					
Proportion of Aboriginal children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle	64%	80%	65%	80%	1
Proportion of children in the CEO's care who felt safe in their care arrangement	96%	95%	96%	95%	
Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes	80%	90%	82%	90%	
Outcome: The Early Education and Care sector meets required quality standards:					
Percentage of assessed early childhood education and care services that met or exceeded national standards	61%	85%	70%	70%	2
Outcome: Seniors receive concessions and rebates administered by the Department:					
The take-up rate of Seniors Card	94%	94%	95%	95%	
Outcome: Local community services and community building programs meet the identified needs of individuals and families:					
Percentage of service users that had their identified needs met	96%	96%	96%	96%	
Percentage of community building grants that were acquitted against identified outcomes	85%	90%	85%	85%	
Outcome: People with disability have choice and control in determining services that meet individual needs:					
Percentage of service users who achieve their individual plan outcomes	78%	79%	80%	80%	
Satisfaction with individualised planning process	79%	80%	78%	78%	

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: The quality of life of people with disability is enhanced:					
Proportion of quality evaluations which meet national standards	95%	85%	90%	90%	
Satisfaction with service received	83%	83%	78%	78%	
Proportion of the population in need who receive services [(b)]	44%	59%	47%	70%	3
Outcome: People with disability have the opportunity to participate in community life:					
Proportion of service users who achieve community participation outcomes	76%	77%	77%	77%	
Service users' satisfaction with community access and inclusion	74%	75%	75%	75%	
Outcome: Housing eligible Western Australians:					
The extent to which the Department is responsive to the housing needs of eligible Western Australians (total housing assistances relative to the public rental waiting list)	1.16	1.38	1.28	1.48	4
Waiting times for accommodation - applicants housed:					
Average	139 weeks	144 weeks	120 weeks	110 weeks	5
Median	93 weeks	110 weeks	74 weeks	70 weeks	5
The extent to which the GROH is responsive to the provision of housing to meet the needs of eligible Western Australian Government employees (total demand relative to current supply)	97%	95%	97%	95%	

(a) Further detail in support of the key effectiveness indicators is provided in agency Annual Reports.
(b) The population in need identified in this indicator reflects the proportion of the overall population eligible for disability services and for which the State has jurisdiction. As the NDIA will administer disability services in additional regions in Western Australia, the remaining target population for the State decreases.

Explanation of Significant Movements

(Notes)

1. The number and proportion of Aboriginal children in care continues to increase at a higher rate than the number of available placement options with Aboriginal carers or relatives. While the application of the principle is generally in the child's best interests, there are other factors that must be considered in placement decisions to ensure a child's safety and wellbeing.

2. In 2016-17 a large proportion of services assessed were newer services and not on a second round of review as anticipated in the 2017-18 Budget. This resulted in a lower proportion of services meeting standards. In 2017-18, following a review of the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care between the State and Commonwealth governments, a revised method of assessment was initiated which resulted in assessors needing to be trained, and services adjusting to new requirements.

3. The increase in the 2017-18 Budget was due to an expected increase in the number of participants due to the roll-out of a State-operated NDIS in Western Australia. The decrease between the 2017-18 Budget and the 2017-18 Estimated Actual reflects a reduced intake of participants as a result of the new bilateral agreement between the Commonwealth and Western Australia for the transition to an NDIS in Western Australia. More individuals remained within the Commonwealth-operated NDIS sites or have opted not to join the ceasing State-operated scheme. The 2018-19 Budget Target has been increased relative to the 2017-18 Estimated Actual to reflect a reduced State target population while services users transition to Commonwealth responsibility.

4. The 2018-19 Budget Target is higher than the 2017-18 Estimated Actual reflecting a greater number of assistances relative to expressed unmet demand. The targeted increase is mainly due to the residual impact of the Social Housing Investment Package and a higher than anticipated number of vacancies within existing public housing stock. The new properties delivered under the Social Housing Investment Package and a greater reallocation of existing dwellings will enable the Department to satisfy more applicants from the waiting list.

5. The 2017-18 Estimated Actual and the 2018-19 Budget Target are lower than the 2017-18 Budget due to a greater focus on allocations to priority-listed applicants associated with the Social Housing Investment Package. Also, there has been a higher turnover of public housing stock and this has increased the amount of applications that can be housed from the waiting list.

Services and Key Efficiency Indicators

1. Homelessness and Other Support Services

A range of accommodation and related support services for individuals and families who are homeless or at risk of homelessness and other family support services that strengthen families' ability to overcome crisis in their lives.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	79,688	85,793	87,425	63,125	1
Less Income	30,018	32,135	31,905	15,576	1
Net Cost of Service	49,670	53,658	55,520	47,549	
Employees (Full Time Equivalents)	64	67	66	66	
Efficiency Indicators					
Average Cost per Homelessness Client [(a) (b)]	$3,345	$3,670	$3,416	$2,292	2

(a) The number of clients for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 15,227, 15,200, 16,184 and 16,600 respectively.
(b) This indicator focuses on the provision of homelessness services, the most significant in the suite of services that support clients experiencing crisis in their lives. The calculation of this indicator excludes expenditure on services that do not have a quantifiable client.

Explanation of Significant Movements

(Notes)

1. The decrease in expense and income from 2017-18 Estimated Actual to 2018-19 Budget Target is mainly due to a reduction in funding for the National Partnership Agreement on Homelessness.

2. The reduction in overall income and expenditure for homelessness support services has resulted in a lower estimate of expenditure per person in 2018-19.

2. Preventing and Responding to Family and Domestic Violence

A range of services to people experiencing FDV, including the provision of crisis accommodation, counselling and community-based response teams that provide coordinated agency responses to FDV incidents.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	43,153	46,064	47,220	47,332	
Less Income	13,853	14,554	14,788	13,515	
Net Cost of Service	29,300	31,510	32,432	33,817	
Employees (Full Time Equivalents)	29	30	29	29	
Efficiency Indicators					
Average Cost per Family and Domestic Violence Case [(a)]	$2,702	$2,870	$3,018	$2,996	

(a) The number of clients for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 15,972, 16,000, 15,646 and 15,800 respectively.

3. Earlier Intervention and Family Support Services

Earlier and more intensive services are provided to divert children and young people from the child protection system and prevent them from entering care.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	74,573	80,648	79,942	81,773	
Less Income	300	190	311	3,425	1
Net Cost of Service	74,273	80,458	79,631	78,348	
Employees (Full Time Equivalents)	274	285	279	280	
Efficiency Indicators					
Average Cost per Earlier Intervention and Family Support Case [(a)]	$5,254	$5,663	$6,057	$5,931	

(a) The number of clients for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 14,440, 14,200, 13,406 and 14,000 respectively.

Explanation of Significant Movements

(Notes)

1. The increase in income in the 2018-19 Budget Target is mainly due to increased payments from the Regional Reform Fund.

4. Working with Children Checks

Working with Children Checks increase child safety by helping to prevent people from working with children where they have a criminal history that indicates they may harm children.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	13,139	12,562	13,259	13,497	
Less Income	7,004	7,282	7,307	7,948	
Net Cost of Service	6,135	5,280	5,952	5,549	
Employees (Full Time Equivalents)	49	51	50	50	
Efficiency Indicators [(a)]					
Average Cost per Application Processed [(b)]	$39	$35	$35	$36	
Average Cost per Screening Outcome [(b)]	$55	$55	$57	$58	

(a) The calculation of these indicators excludes the direct costs of compliance activities.
(b) The number of applications for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 123,383, 120,000, 124,000 and 125,000 respectively. The number of screenings for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 122,503, 120,000, 124,000 and 125,000 respectively.

5. Child Protection Assessments and Investigations

Assessing concerns reported to the Department about the wellbeing of children and young people and responding appropriately, including child protection assessments, investigations and making applications for court orders.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	79,300	82,827	85,118	86,388	
Less Income	426	362	525	5,688	1
Net Cost of Service	78,874	82,465	84,593	80,700	
Employees (Full Time Equivalents)	506	527	516	517	
Efficiency Indicators					
Average Cost per Child Involved in Child Protection Cases [(a)]	$4,447	$4,338	$4,905	$4,930	

(a) The number of cases for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 18,438, 19,000, 17,830 and 18,000 respectively.

Explanation of Significant Movements

(Notes)

1. The increase in income in the 2018-19 Budget Target is mainly due to increased payments from the Regional Reform Fund.

6. Care Arrangements for Children in the CEO's Care

Provision of safe and stable care arrangements for children and young people in the care of the CEO.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	263,178	279,007	280,040	293,356	
Less Income	938	354	947	9,883	1
Net Cost of Service	262,240	278,653	279,093	283,473	
Employees (Full Time Equivalents)	732	762	746	748	
Efficiency Indicators [(a)]					
Average Cost per Day of a Foster Care Arrangement [(b)]	$128	$129	$135	$135	
Average Cost per Day of a Residential-based Care Arrangement [(c)]	$1,564	$1,534	$1,626	$1,676	
Average Cost per Day of an Exceptionally Complex Needs Care Arrangement [(d)]	$1,595	$1,589	$1,688	$1,767	
Average Cost per Day of a Secure Care Arrangement [(e)]	$3,757	$3,578	$4,251	$4,198	2

(a) The calculation of these indicators excludes expenditure on adoption services and other services that are not directly related to the provision of specific care arrangements.
(b) The number of days of foster care arrangements for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 1,463,245, 1,512,000, 1,494,645 and 1,563,000 respectively.
(c) The number of days of residential-based care arrangements for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 32,290, 35,000, 31,524 and 32,000 respectively.
(d) The number of days of exceptionally complex needs care arrangements for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 7,229, 7,500, 7,501 and 7,500 respectively.
(e) The number of days of secure care arrangements for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 1,518, 1,600, 1,321 and 1,400 respectively.

Explanation of Significant Movements

(Notes)

1. The increase in income in the 2018-19 Budget Target is mainly due to increased payments from the Regional Reform Fund.

2. The 2017-18 Estimated Actual is higher than the 2017-18 Budget mainly as result of repair and reconstruction work that reduced service capacity.

7. Support Services for Children in the CEO's Care

Services for the safety, support and wellbeing of children and young people in the care of the CEO.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	90,957	98,504	98,126	102,827	
Less Income	380	419	449	4,946	1
Net Cost of Service	90,577	98,085	97,677	97,881	
Employees (Full Time Equivalents)	600	625	612	613	
Efficiency Indicators					
Average Cost per Day to Plan for and Support a Child in the CEO's Care [(a)]	$55	$55	$58	$60	

(a) The total number of days for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target are 1,708,235, 1,769,000, 1,739,818 and 1,750,000 respectively.

Explanation of Significant Movements

(Notes)

1. The increase in income in the 2018-19 Budget Target is mainly due to increased payments from the Regional Reform Fund.

8. Regulation and Support of the Early Education and Care Sector

Regulation and quality assurance of early education and care services against required service standards. This includes development of planning, capacity building and support for early education and care services.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	11,878	17,063	16,008	14,937	1
Less Income	2,285	2,330	2,331	856	2
Net Cost of Service	9,593	14,733	13,677	14,081	
Employees (Full Time Equivalents)	73	90	88	79	
Efficiency Indicators					
Average Cost per Licenced Service for Regulation and Support	$9,900	$12,668	$12,129	$11,327	1

Explanation of Significant Movements

(Notes)

1. The 2016-17 Actual is less than the 2017-18 Budget mainly due to a delay in approving the Royalties for Regions Regional Community Child Care Development Fund Stage 2 funding and a higher than expected staff vacancy rate resulting in less salary and operational expenditure compared to the 2017-18 Budget.

2. The 2017-18 Estimated Actual is less than the 2018-19 Budget Target mainly due to the cessation of current funding associated with the Early Childhood Education and Care National Partnership Agreement.

9. Payments to Individuals

Delivery of benefits and concessions administered by the Department, including the Seniors Card.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	25,634	28,909	27,387	29,304	1
Less Income	6	32	33	35	
Net Cost of Service	25,628	28,877	27,354	29,269	
Employees (Full Time Equivalents)	15	18	18	18	
Efficiency Indicators					
Average Management Cost per Seniors Card	$7.29	$6.64	$7.26	$7.80	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Actual is less than the 2017-18 Budget due to the 2017-18 Budget being based on a greater population and take-up rate of the Cost of Living Rebate by Seniors Card members than what occurred in 2016-17. In 2017-18 the Department updated its modelling to reflect current population and take-up estimated rate for 2017-18 Estimated Actual and 2018-19 Budget Target.

10. Delivery of Community Services, Grants and Resources

Development, planning and provision of information, programs and support for Western Australians across community services and local governments.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	58,261	56,000	56,195	53,941	
Less Income	2,171	2,403	2,401	1,723	1
Net Cost of Service	56,090	53,597	53,794	52,218	
Employees (Full Time Equivalents)	68	57	56	53	2
Efficiency Indicators					
Number of Grants and Service Agreements per Full Time Equivalent (FTE)	51.2	39.2	36.2	35.5	3
Proportion of Administrative and Management Expenditure to Service Delivery Expenditure	7.5%	6.8%	6.2%	6.3%	

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual is greater than the 2018-19 Budget Target mainly due to the cessation of the Enhanced Transition to School project, which was funded by the Department of Education.

2. The 2016-17 Actual is greater than the 2017-18 Budget mainly due to the implementation of Agency Expenditure Review savings measures.

3. The 2016-17 Actual is greater than the 2017-18 Budget mainly due to the payment of election commitment related Local Projects Local Jobs grants in 2016-17 and an anticipated reduction in grants.

11. Planning and Coordination for People with Disability

This service assists people with disability to have choice and control in decision-making through a planning process which identifies their personal goals and provides regular reviews of whether the goals are achieved.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	58,504	99,703	74,227	51,930	1
Less Income	13,735	31,508	19,959	12,374	1
Net Cost of Service	44,769	68,195	54,268	39,556	
Employees (Full Time Equivalents)	277	642	504	456	2
Efficiency Indicators					
Proportion of Individual Plans Commenced within the Required Timeframe	80%	80%	85%	70%	3
Average Cost per Intensity of Individual Support Requirements [(a)]	$1,775	$1,830	$2,142	$1,545	4

(a) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Average Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

1. The movement between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is mainly the result of the bilateral agreement between the Commonwealth and Western Australia for the transition to a NDIS in Western Australia. Variances from 2017-18 and 2018-19 reflect the redirection of State funding to the NDIA and, in some cases, changes to the allocation of costs across services on the basis of each individual's reasonable and necessary support needs, based on clients' most recent approved plans. These costs exclude payments made to the NDIA which is representative of the State's contribution to the NDIS in Western Australia.

2. Variances between the Actual, Budget, Estimated Actual and Budget Target reflect the impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 Voluntary Targeted Separation Scheme (VTSS).

3. The 2018-19 Budget Target is expected to be lower than the 2017-18 Estimated Actual due to the transfer and transition of services to the NDIA, which will influence staffing levels and capacity in Local Offices as employees transfer to the NDIA.

4. The forecast decrease in average cost per Intensity in the 2018-19 Budget Target reflects the continual transition of services and supports to the NDIA. The transfer of the budget for this service is not directly proportional to the transfer of service users.

12. Residential Services for People with Disability

This service is delivered in congregate or cluster settings of seven or more persons, and includes larger residential services for 20 or more persons. It is normally located on large parcels of land and provides 24-hour residential support with specialist disability support services. This service area includes large and small institutions and emergency accommodation.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	66,417	66,357	73,989	52,059	1
Less Income	16,454	21,530	20,516	12,720	1
Net Cost of Service	49,963	44,827	53,473	39,339	
Employees (Full Time Equivalents)	289	273	214	194	2
Efficiency Indicators					
Average Cost per Service Activity [(a)]	$212,476	$211,328	$224,194	$162,895	3
Average Cost per Intensity of Individual Support Requirements	$81,415	$78,832	$85,905	$62,417	3

(a) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the cost per intensity of individual support requirements.

Explanation of Significant Movements

(Notes)

1. The movement between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is mainly the result of the bilateral agreement between the Commonwealth and Western Australia for the transition to a NDIS in Western Australia. Variances from 2017-18 and 2018-19 reflect the redirection of State funding to the NDIA and, in some cases, changes to the allocation of costs across services on the basis of each individual's reasonable and necessary support needs, based on clients' most recent approved plans. These costs exclude payments made to the NDIA which is representative of the State's contribution to the NDIS in Western Australia.

2. Variances between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target reflect the impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 VTSS.

3. The forecast decrease in each indicator in the 2018-19 Budget Target reflects the continual transition of services and supports to the NDIA. The transfer of the budget for this service is not directly proportional to the transfer of service users.

13. Community Living Support for People with Disability

This is supported accommodation in a residential setting which is a more home-like environment than that of Service 12 'Residential Services for People with Disability'. It is generally delivered to a smaller group of persons, always less than 20 persons and may be less than seven persons. It may not provide specialist disability support services. This service area includes hostels and group homes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	267,499	330,720	301,946	211,072	1
Less Income	66,047	107,324	83,766	52,887	1
Net Cost of Service	201,452	223,396	218,180	158,185	
Employees (Full Time Equivalents)	563	681	535	483	2
Efficiency Indicators					
Average Cost per Intensity of Individual Support Requirements [(a)]	$74,838	$74,357	$80,370	$58,021	3
Average Cost per Service Activity	$172,172	$170,324	$184,899	$133,482	3

(a) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the cost per intensity of individual support requirements.

Explanation of Significant Movements

(Notes)

1. The movement between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is mainly the result of the bilateral agreement between the Commonwealth and Western Australia for the transition to a NDIS in Western Australia. Variances from 2017-18 and 2018-19 reflect the redirection of State funding to the NDIA and, in some cases, changes to the allocation of costs across services on the basis of each individual's reasonable and necessary support needs, based on clients' most recent approved plans. These costs exclude payments made to the NDIA which is representative of the State's contribution to the NDIS in Western Australia.

2. Variances between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target reflect the impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 VTSS.

3. The forecast decrease in each indicator in the 2018-19 Budget Target reflects the continual transition of services and supports to the NDIA. The transfer of the budget for this service is not directly proportional to the transfer of service users.

14. Independent Living Support for People with Disability

This covers a range of community-based services that enable individuals to live as independently as possible in the community. This service area includes in-home accommodation support, alternative family placement and respite.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	234,976	303,467	251,813	176,256	1
Less Income	54,702	95,521	67,300	41,726	1
Net Cost of Service	180,274	207,946	184,513	134,530	
Employees (Full Time Equivalents)	56	78	61	55	2
Efficiency Indicators					
Average Cost per Intensity of Individual Support Requirements [(a)]	$19,937	$19,857	$20,328	$14,693	3
Average Cost per Service Activity	$33,030	$38,492	$33,678	$24,343	3

(a) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the cost per intensity of individual support requirements.

Explanation of Significant Movements

(Notes)

1. The movement between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is mainly the result of the bilateral agreement between the Commonwealth and Western Australia for the transition to a NDIS in Western Australia. Variances from 2017-18 and 2018-19 reflect the redirection of State funding to the NDIA and, in some cases, changes to the allocation of costs across services on the basis of each individual's reasonable and necessary support needs, based on clients' most recent approved plans. These costs exclude payments made to the NDIA which is representative of the State's contribution to the NDIS in Western Australia.

2. Variances between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target reflect the impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 VTSS.

3. The forecast decrease in each indicator in the 2018-19 Budget Target reflects the continual transition of services and supports to the NDIA. The transfer of the budget for this service is not directly proportional to the transfer of service users.

15. Therapy and Specialised Care for People with Disability

Basic and specialised care support and assistance with daily living activities (personal, mobility and communication) for individuals with complex needs or unable to complete tasks for themselves, to enable them to remain living as independently as possible in the community.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	103,069	169,788	121,743	85,181	1
Less Income	23,791	53,443	32,524	20,165	1
Net Cost of Service	79,278	116,345	89,219	65,016	
Employees (Full Time Equivalents)	162	229	180	163	2
Efficiency Indicators					
Average Cost per Intensity of Individual Support Requirements [(a)]	$4,018	$4,136	$4,516	$3,263	3
Average Cost per Service Activity	$6,150	$7,883	$6,911	$4,994	3

(a) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the cost per intensity of individual support requirements.

Explanation of Significant Movements

(Notes)

1. The movement between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is mainly the result of the bilateral agreement between the Commonwealth and Western Australia for the transition to a NDIS in Western Australia. Variances from 2017-18 and 2018-19 reflect the redirection of State funding to the NDIA and, in some cases, changes to the allocation of costs across services on the basis of each individual's reasonable and necessary support needs, based on clients' most recent approved plans. These costs exclude payments made to the NDIA which is representative of the State's contribution to the NDIS in Western Australia.

2. Variances between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target reflect the impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 VTSS.

3. The forecast decrease in each indicator in the 2018-19 Budget Target reflects the continual transition of services and supports to the NDIA. The transfer of the budget for this service is not directly proportional to the transfer of service users.

16. Community Participation for People with Disability

Supports and assistive technology that provides opportunities for people with disability to gain and use their abilities to enjoy their full potential for social independence.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	196,248	285,014	215,067	150,531	1
Less Income	45,483	89,713	57,477	35,636	1
Net Cost of Service	150,765	195,301	157,590	114,895	
Employees (Full Time Equivalents)	55	93	73	66	2
Efficiency Indicators					
Average Cost per Intensity of Individual Support Requirements [(a)]	$7,174	$7,075	$7,481	$5,407	3
Average Cost per Service Activity	$9,705	$12,549	$10,119	$7,314	3

(a) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the cost per intensity of individual support requirements.

Explanation of Significant Movements

(Notes)

1. The movement between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is mainly the result of the bilateral agreement between the Commonwealth and Western Australia for the transition to a NDIS in Western Australia. Variances from 2017-18 and 2018-19 reflect the redirection of State funding to the NDIA and, in some cases, changes to the allocation of costs across services on the basis of each individual's reasonable and necessary support needs, based on clients' most recent approved plans. These costs exclude payments made to the NDIA which is representative of the State's contribution to the NDIS in Western Australia.

2. Variances between the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target reflect the impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 VTSS.

3. The forecast decrease in each indicator in the 2018-19 Budget Target reflects the continual transition of services and supports to the NDIA. The transfer of the budget for this service is not directly proportional to the transfer of service users.

17. Advocacy, Access and Inclusion for People with Disability

Indirect support to people with disabilities through community and service enhancements.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	5,860	6,093	6,230	4,359	1
Less Income	1,364	1,918	1,664	1,032	1
Net Cost of Service	4,496	4,175	4,566	3,327	
Employees (Full Time Equivalents)	10	12	9	9	2
Efficiency Indicators					
Average Cost per Service Activity	$31,130	$32,410	$32,840	$23,727	1
Proportion of Access, Inclusion and Advocacy Projects Completed within the Required Time	89%	90%	89%	89%	

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service, income and Average Cost per Service Activity between the 2017-18 Estimated Actual and the 2018-19 Budget Target mainly reflects a decrease in Commonwealth-funded expenditure for Information, Linkages and Capacity Building Grants and the National Partnership Agreement on Pay Equity for the Social and Community Services Sector, which are both to be paid by the NDIA.

2. Variances between the 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Target reflect the estimated impact of the transition to a nationally-delivered NDIS in Western Australia. The impact on FTEs depends on the scheduled intake of State-supported individuals to the NDIA over the transition period. The Department will have limited control over this process. Further adjustments to FTEs may be necessary when intake outcomes are known. The estimated FTEs also includes the partial impact of the 2017-18 VTSS.

18. Rental Housing

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	778,547	897,728	980,681	784,408	
Less Income	408,243	583,084	572,325	414,643	
Net Cost of Service	370,304	314,644	408,356	369,765	1
Employees (Full Time Equivalents)	1,373	1,372	1,312	1,306	
Efficiency Indicators					
Average Operating Cost per Rental Property	$15,176	$15,236	$16,103	$15,658	

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget varies from the 2016-17 Actual due to a majority of the planned asset transfers to the community housing sector forecast for delivery in 2016-17. The 2017-18 Estimated Actual varies from the 2017-18 Budget largely due to changes in the timing of planned asset transfers to the community housing sector, and expenditure under the National Partnership Agreement on Remote Housing being re-cashflowed from 2016-17 to 2017-18 following delays in signing the agreement.

19. Home Loans

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	107,773	110,239	112,031	141,275	
Less Income	165,555	168,644	160,331	196,694	
Net Cost of Service	(57,782)	(58,405)	(48,300)	(55,419)	1
Employees (Full Time Equivalents)	22	22	21	21	
Efficiency Indicators					
Average Operating Cost per Current Loan Account [(a)]	$2,397	$2,613	$2,702	$2,644	

(a) This key efficiency indicator includes consolidated Keystart and Housing Authority costs.

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual varies from the 2017-18 Budget primarily due to a lower Keystart profit distribution reflecting increased credit losses and changes in the market interest rate assumptions. The 2018-19 Budget Target varies from the 2017-18 Estimated Actual due to a higher Keystart profit distribution estimate, reflecting revenue increases as a result of growth in the loan book.

20. Land and Housing Supply

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	316,441	461,775	328,385	318,049	
Less Income	306,890	582,436	363,268	413,890	
Net Cost of Service	9,551	(120,661)	(34,883)	(95,841)	1
Employees (Full Time Equivalents)	113	117	106	106	
Efficiency Indicators					
Average Operating Cost per Lot Developed	$41,950	$20,644	$36,136	$25,867	2
Average Operating Cost per Property Sold	$32,289	$15,291	$23,065	$15,906	3

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget varies from the 2016-17 Actual primarily due to lower inventory sales due to softening market demand and lower commencements in 2016-17, as well as commercially structuring some land project to raise capital upfront in 2017-18. The 2017-18 Estimated Actual varies from the 2017-18 Budget mostly due to lower sales than forecast as a result of softening market conditions. The 2018-19 Budget Target varies from the 2017-18 Estimated Actual mainly due to higher lot production forecast in 2018-19.

2. The 2017-18 Budget varies from the 2016-17 Actual primarily because an uplift in the residential real estate market was predicted by the development industry when the 2017-18 Budget was established. A higher number of lots were to be developed with lower per unit cost of development. The 2017-18 Estimated Actual is higher than the 2017-18 Budget due to lower lot production levels resulting from the downturn in the residential real estate market over that period and corresponding focus on the sale of existing stock on hand. The 2018-19 Budget Target is lower than the 2017-18 Estimated Actual due to higher lot production forecast in 2018-19 related to returning market confidence, the need to replenish stock levels, new stages of projects commencing and deferred projects resuming.

3. The 2017-18 Budget varies from the 2016-17 Actual primarily because an improvement in market conditions was expected to lead to a higher number of properties sold and a lower per unit cost of development. The 2017-18 Estimated Actual is higher than the 2017-18 Budget mainly due to a reduced number of properties sold resulting from subdued market conditions relative to when the 2017-18 Budget was established. The 2018-19 Budget Target is lower than the 2017-18 Estimated Actual due to a forecast decrease in expenses outweighing a decrease in the number of properties sold as a result of the Social Housing Investment Package reaching completion.

21. Government Regional Officers' Housing

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	135,783	170,120	146,193	143,073	
Less Income	152,014	156,447	152,747	155,113	
Net Cost of Service	(16,231)	13,673	(6,554)	(12,040)	1
Employees (Full Time Equivalents)	119	117	115	115	
Efficiency Indicators					
Average Operating Cost per Property	$25,363	$29,101	$27,676	$27,710	

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget varies from the 2016-17 Actual primarily due to an increase in operational costs as a result of GROH's ageing portfolio. The 2017-18 Estimated Actual varies from the 2017-18 Budget mainly due to an update on the book value of the GROH assets forecast for disposal. The 2018-19 Budget Target varies from the 2017-18 Estimated Actual primarily due to the reduction in GROH debt resulting in lower finance costs.

Asset Investment Program

The Department's Asset Investment Program for 2018-19 is approximately $224.8 million. Significant programs in 2018-19 include:

- commencement of the METRONET Social and Affordable Housing and Jobs Package that will deliver an additional 1,390 new transit-aligned homes, including 320 social housing dwellings, 400 affordable purchase opportunities and up to 300 with universal design features;
- $38.3 million for the Construction and Spot Purchase program for social housing investment;
- the development 1,290 housing lots, including 1,000 lots developed with joint venture partners. Significant land development will support affordable, public and community housing through metropolitan and regional areas;
- $13.1 million to secure a range of entry level properties across the State for low to moderate income earners, through the Affordable Housing Shared Equity program; and
- $35 million for the acquisition of suitable land to meet land supply for current and future government housing programs, and to maintain a stream of affordable land supply for homebuyers.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Social Housing							
Disability Services Program	23,050	20,244	8,951	2,806	-	-	-
Subacute Facilities	16,653	1,410	24	11,884	3,359	-	-
COMPLETED WORKS							
Broome Aboriginal Short Stay Accommodation Facility	20,115	20,115	11,991	-	-	-	-
Carnarvon Independent Living	4,939	4,939	95	-	-	-	-
Computer Hardware and Software Program	6,046	6,046	6,046	-	-	-	-
Construction and Purchase of GROH Program	9,613	9,613	9,613	-	-	-	-
Construction and Purchase of Houses Program	12,817	12,817	12,817	-	-	-	-
Crisis Accommodation Program	9,438	9,438	9,438	-	-	-	-
Housing for Workers Program	4,022	4,022	4,022	-	-	-	-
Investment Package	321,354	321,354	23,625	-	-	-	-
Kalgoorlie Visitor Accommodation	1,300	1,300	439	-	-	-	-
Land							
Acquisition Program	38,500	38,500	38,500	-	-	-	-
Development Program	57,701	57,701	57,701	-	-	-	-
Estate Improvement Land Redevelopment Program	1,151	1,151	1,151	-	-	-	-
Holding Costs Program	513	513	513	-	-	-	-
Redevelopment Program	7,021	7,021	7,021	-	-	-	-
Loan to Home Buyers							
Affordable Housing Shared Equity Program	17,088	17,088	17,088	-	-	-	-
Goodstart Shared Equity Program	12,000	12,000	12,000	-	-	-	-
Mental Health Care Units Program	842	842	842	-	-	-	-
Minor Works Program	3,719	3,719	3,719	-	-	-	-
National Partnership on Remote Housing	1,630	1,630	1,630	-	-	-	-
Offices Program	8,851	8,851	8,851	-	-	-	-
Residential Group Home Replacement	182	182	182	-	-	-	-
Upgrade to Childcare, Family and Neighbour Centres	769	769	769	-	-	-	-
West Kimberley Transitional Housing Program	27,881	27,881	3,827	-	-	-	-
NEW WORKS							
Computer Hardware and Software Program	22,577	-	-	5,938	5,737	5,547	5,355
Construction and Purchase of GROH Program	72,727	-	-	12,613	15,057	15,057	30,000
Construction and Purchase of Houses Program	185,912	-	-	38,342	36,184	67,552	43,834
Crisis Accommodation Program	33,734	-	-	4,654	1,352	9,534	18,194
FDV Refuges	5,000	-	-	2,500	2,500	-	-
Land							
Acquisition Program	296,500	-	-	35,000	53,500	90,600	117,400
Development Program	307,766	-	-	71,025	86,675	82,888	67,178
Estate Improvement Land Redevelopment Program	3,450	-	-	1,843	1,196	411	-
Holding Costs Program	2,199	-	-	530	545	562	562
Redevelopment Program	15,276	-	-	8,002	455	3,864	2,955
Loan to Home Buyers							
Affordable Housing Shared Equity Program	45,698	-	-	13,117	13,349	12,962	6,270
Goodstart Shared Equity Program	57,000	-	-	13,000	14,000	15,000	15,000
METRONET Social and Affordable Housing and Jobs Package	40,975	-	-	956	12,499	27,520	-
Minor Works Program	3,200	-	-	800	800	800	800
Offices Program	6,685	-	-	1,768	1,639	1,639	1,639
Service Workers Program	14,545	-	-	-	-	12,385	2,160
Total Cost of Asset Investment Program	1,720,439	589,146	240,855	224,778	248,847	346,321	311,347
FUNDED BY							
Capital Appropriation			5,779	2,106	4,618	2,130	2,130
Asset Sales			293,510	384,728	370,033	388,667	299,260
Borrowings			-	31,502	56,370	11,246	-
Commonwealth Grants			1,630	-	-	-	-
Internal Funds and Balances			(72,347)	(196,126)	(182,242)	(55,790)	9,889
Drawdowns from the Holding Account			472	68	68	68	68
Drawdowns from Royalties for Regions Fund			11,811	2,500	-	-	-
Total Funding			240,855	224,778	248,847	346,321	311,347

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

Total Cost of Services is forecast to decrease by $260.4 million (7.4%) in 2018-19 compared to the 2017-18 Estimated Actual. The forecast decrease in expenses is primarily due to $196.7 million lower supplies and services expenditure resulting mainly from:

- the majority of expenditure under the 2016-18 National Partnership on Remote Housing occurring in 2017-18;
- a decrease in cost of goods sold due to the majority of sales from the Social Housing Investment Package occurring in 2017-18; and
- a decrease resulting from the bilateral agreement between the Commonwealth and Western Australia transitioning to a nationally delivered NDIS in Western Australia.

Income

Total income is forecast to decrease by $172.4 million (10.8%) in the 2018-19 Budget Estimate compared to the 2017-18 Estimated Actual and is primarily due to a decrease in grants and subsidies from the Commonwealth funding from the National Partnership on Remote Housing ceasing in 2017-18.

Statement of Financial Position

The Department's equity (net assets) is expected to decrease by $99.5 million (0.7%) in the 2018-19 Budget Estimate compared to the 2017-18 Estimated Actual. This movement is primarily related to non-cash depreciation expenditure from the Department's housing portfolio.

Statement of Cashflows

The 2018-19 net cash holdings for the Department is forecast to be $188.4 million, a decrease of $165.7 million (46.8%) compared to the 2017-18 Estimated Actual closing cash balance of $354.1 million. The decrease is mainly the net effect of:

- a decrease in net cash from financing activities primarily due to the Department's borrowing repayments in 2018-19, including the debt repayment of $125 million relating to the Social Housing Investment Package; and
- an increase in sale of goods and services mainly due to higher lot production forecast in 2018-19.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	596,038	660,121	661,744	610,617	604,732	585,846	584,607
Grants and subsidies [c]	162,245	180,162	185,136	178,471	173,817	183,220	195,121
Supplies and services [d]	1,360,973	1,929,028	1,763,913	1,567,235	1,656,795	1,598,905	1,498,916
Accommodation	239,432	234,787	226,001	223,890	222,126	225,759	233,951
Depreciation and amortisation	179,421	167,067	159,633	172,805	185,845	201,506	218,729
Finance costs	126,502	128,998	130,695	157,103	171,778	191,980	208,202
Cost of Land sold	59,781	128,417	64,335	107,885	84,884	90,540	71,118
Net assets transferred out	44,103	-	42,092	-	-	-	-
Efficiency dividend	-	(16,750)	-	(39,064)	(26,381)	(32,977)	-
Other expenses	242,383	259,801	271,781	265,989	228,216	214,629	232,750
TOTAL COST OF SERVICES	3,010,878	3,671,631	3,505,330	3,244,931	3,301,812	3,259,408	3,243,394
Income							
Sale of goods and services [e]	311,521	599,532	336,242	413,332	552,878	697,666	485,514
Grants and subsidies	411,211	748,105	619,252	313,750	234,750	179,125	182,151
Interest Revenue	82,856	92,422	90,284	121,236	144,651	168,048	188,639
Rent	386,553	419,674	419,459	429,903	443,228	450,069	455,297
Dividend Contribution	77,502	75,227	64,362	71,253	73,253	67,319	69,128
Other revenue	42,016	16,669	63,275	71,001	30,116	20,436	71,597
Total Income	1,311,659	1,951,629	1,592,874	1,420,475	1,478,876	1,582,663	1,452,326
NET COST OF SERVICES	1,699,219	1,720,002	1,912,456	1,824,456	1,822,936	1,676,745	1,791,068
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,458,980	1,618,176	1,629,864	1,721,279	1,760,716	1,632,804	1,684,338
Resources received free of charge	7,339	8,594	8,594	8,656	8,719	8,765	8,765
Royalties for Regions Fund:							
Regional Community Services Fund	7,957	18,123	18,537	16,722	69,439	60,701	60,701
Regional and State-wide Initiatives	2,601	4,427	4,327	4,671	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,476,877	1,649,320	1,661,322	1,751,328	1,838,874	1,702,270	1,753,804
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(222,342)	(70,682)	(251,134)	(73,128)	15,938	25,525	(37,264)

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and the 2018-19 Budget Estimate are 5,449, 5,590 and 5,427 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
(d) Supplies and services include cost of housing inventory sold.
(e) Sale of goods and services includes land and housing inventory for sale.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Bereavement Assistance	995	705	705	705	705	705	705
Cadets WA	746	869	869	869	869	869	869
Children in Care and Family Support	110,761	121,191	121,191	125,094	129,652	138,845	149,156
Community Gardens	109	100	100	100	100	100	100
Community Support Schemes	3,265	4,951	6,417	5,807	1,219	3,045	3,063
Dalyellup Family Centre	-	-	-	-	1,500	-	-
Enhanced Transition to School Project	500	500	500	-	-	-	-
Grandcarers Assistance (Respite) Program	125	125	125	-	-	-	-
Grandcarers Support Scheme	574	960	960	1,050	1,050	1,050	1,050
HUGS	17,508	20,000	25,000	16,000	10,000	10,000	10,000
Individualised Disability Services	-	1,011	1,011	1,011	1,011	1,011	1,011
Local Projects Local Jobs	449	1,770	1,770	-	-	-	-
Natural Disaster Assistance	252	-	-	-	-	-	-
Other Grants	3,374	991	991	911	766	766	766
Our Watch Program	-	120	120	123	126	129	129
Regional Community Childcare Development Fund	99	1,399	1,539	1,342	-	-	-
Seniors Cost of Living Rebates	22,413	25,280	23,648	25,269	26,629	26,510	28,082
Western Australian Family Foundation	364	-	-	-	-	-	-
Women's Grants	269	85	85	85	85	85	85
Youth Grants	442	105	105	105	105	105	105
TOTAL	162,245	180,162	185,136	178,471	173,817	183,220	195,121

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	234,686	304,003	294,365	127,139	217,321	286,113	242,135
Restricted cash	116,626	70,866	57,361	57,361	57,361	57,361	57,361
Holding account receivables	472	68	68	68	68	68	68
Receivables	189,239	187,726	161,649	159,848	151,027	136,241	139,986
Other	458,708	383,154	455,065	455,065	456,335	457,605	457,605
Loans and advances	1,274,634	791,323	1,109,597	1,228,702	1,227,120	1,229,008	1,228,651
Assets held for sale	30,429	35,960	30,429	30,429	23,366	23,366	23,366
Total current assets	2,304,794	1,773,100	2,108,534	2,058,612	2,132,598	2,189,762	2,149,172
NON-CURRENT ASSETS							
Holding account receivables	154,086	170,641	167,605	184,392	199,986	215,582	231,178
Property, plant and equipment	13,438,007	13,798,567	13,075,981	12,813,016	12,591,057	12,241,723	12,094,808
Intangibles	55,879	53,142	46,307	36,519	25,248	12,763	(7,134)
Restricted cash	852	2,976	2,340	3,879	5,905	7,351	10,802
Other	528,734	864,442	613,754	677,640	789,580	905,173	958,420
Loan and advances	2,055,737	3,176,557	2,847,071	3,153,341	3,149,272	3,154,127	3,153,210
Total non-current assets	16,233,295	18,066,325	16,753,058	16,868,787	16,761,048	16,536,719	16,441,284
TOTAL ASSETS	18,538,089	19,839,425	18,861,592	18,927,399	18,893,646	18,726,481	18,590,456
CURRENT LIABILITIES							
Employee provisions	130,169	119,406	127,627	128,127	128,627	129,127	129,627
Payables	65,260	48,970	52,289	42,006	35,573	35,731	34,921
Other	174,637	103,271	177,383	180,145	180,878	173,669	175,648
Total current liabilities	370,066	271,647	357,299	350,278	345,078	338,527	340,196
NON-CURRENT LIABILITIES							
Employee provisions	26,237	49,334	27,364	27,365	27,365	27,365	27,365
Payables	4,370,846	4,949,580	4,950,143	5,122,502	5,084,209	4,895,991	4,793,431
Other	6,198	5,913	6,197	6,197	6,197	6,197	6,197
Total non-current liabilities	4,403,281	5,004,827	4,983,704	5,156,064	5,117,771	4,929,553	4,826,993
TOTAL LIABILITIES	4,773,347	5,276,474	5,341,003	5,506,342	5,462,849	5,268,080	5,167,189
EQUITY							
Contributed equity	2,606,343	2,641,070	2,597,426	2,571,022	2,564,824	2,566,903	2,569,033
Accumulated surplus/(deficit) [b]	2,830,976	2,691,450	2,595,740	2,522,612	2,538,550	2,564,075	2,526,811
Reserves	8,327,423	9,230,431	8,327,423	8,327,423	8,327,423	8,327,423	8,327,423
Total equity	13,764,742	14,562,951	13,520,589	13,421,057	13,430,797	13,458,401	13,423,267
TOTAL LIABILITIES AND EQUITY	18,538,089	19,839,425	18,861,592	18,927,399	18,893,646	18,726,481	18,590,456

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) The Department for Child Protection and Family Support, the community service functions transferred from the Department of Local Government and Communities, the community patrol program and regional-related services transferred from the Department of Aboriginal Affairs and the Regional Services Reform Unit transferred from the Department of Regional Development recorded a total 2016-17 Actual Accumulated deficit of $15.9 million. This is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,441,766	1,601,553	1,613,241	1,704,424	1,745,054	1,617,140	1,668,674
Capital appropriation	3,945	32,818	5,779	2,106	4,618	2,130	2,130
Holding account drawdowns	577	472	3,508	68	68	68	68
Royalties for Regions Fund:							
Regional Community Services Fund	7,957	18,123	18,537	16,722	69,439	60,701	60,701
Regional and State-wide Initiatives	2,601	4,427	4,327	4,671	-	-	-
Regional Infrastructure and Headworks Fund	73,659	23,591	11,811	2,500	-	-	-
Net cash provided by State Government	1,530,505	1,680,984	1,657,203	1,730,491	1,819,179	1,680,039	1,731,573
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(601,578)	(660,041)	(663,595)	(610,652)	(602,861)	(585,012)	(583,423)
Grants and subsidies	(158,467)	(180,162)	(185,136)	(178,471)	(173,817)	(183,220)	(195,121)
Supplies and services [b]	(1,321,700)	(1,906,483)	(1,694,276)	(1,620,115)	(1,751,469)	(1,522,820)	(1,546,963)
Accommodation	(231,624)	(245,784)	(236,928)	(234,800)	(233,200)	(236,636)	(244,839)
Finance costs	(132,694)	(131,571)	(130,693)	(157,105)	(171,778)	(191,981)	(208,202)
GST payments	(151,349)	(106,796)	(116,411)	(88,012)	(59,752)	(44,839)	(45,179)
Efficiency dividend	-	16,750	-	39,064	26,381	32,977	-
Other payments	(343,332)	(309,194)	(323,798)	(321,500)	(288,747)	(282,319)	(303,805)
Receipts [c]							
Grants and subsidies	432,617	748,105	619,252	313,750	234,750	179,125	182,151
Sale of goods and services [d]	330,026	599,531	339,463	385,798	504,301	633,494	418,938
Rent receipts	358,772	419,674	419,459	429,903	443,228	450,069	455,297
Interest receipts	95,023	94,995	90,282	121,238	144,651	168,049	188,639
Dividend/State contributions received	87,432	64,684	77,502	64,362	71,253	73,253	67,319
GST receipts	146,577	106,552	122,911	88,012	59,752	44,839	45,179
Other receipts	33,206	16,895	60,708	94,691	78,609	84,553	137,615
Net cash from operating activities	(1,457,091)	(1,472,845)	1,621,260)	(1,673,837)	(1,718,699)	(1,380,468)	(1,632,394)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(339,668)	(187,545)	(135,969)	(108,378)	(106,476)	(167,996)	(123,252)
Proceeds from sale of non-current assets	108,991	168,440	162,314	170,006	134,590	133,625	84,832
Net cash from investing activities	(230,677)	(19,105)	26,345	61,628	28,114	(34,371)	(38,420)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(5,477,984)	(3,467,843)	(1,781,999)	(884,519)	(1,419,802)	(1,711,378)	(1,810,638)
Other finance payments	(4,450,000)	(4,005,000)	(2,374,119)	(1,056,328)	(1,328,883)	(1,511,914)	(1,708,079)
Proceeds from borrowings	4,575,000	4,005,000	2,361,297	1,056,878	1,381,509	1,523,160	1,708,079
Other finance proceeds	5,420,000	3,348,463	1,735,000	600,000	1,330,790	1,505,170	1,709,352
Net cash from financing activities	67,016	(119,380)	(59,821)	(283,969)	(36,386)	(194,962)	(101,286)
NET INCREASE/(DECREASE) IN CASH HELD	(90,247)	69,654	2,467	(165,687)	92,208	70,238	(40,527)
Cash assets at the beginning of the reporting period	443,632	308,191	352,164	354,066	188,379	280,587	350,825
Net cash transferred from other agencies	(1,221)	-	(565)	-	-	-	-
Cash assets at the end of the reporting period	352,164	377,845	354,066	188,379	280,587	350,825	310,298

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) Supplies and services include payment for the purchase of land and housing inventory.
(c) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.
(d) Sale of goods and services includes land and housing inventory for sale.

NET APPROPRIATION DETERMINATION [a] [b]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Grants and Subsidies							
Commonwealth Grants and Contributions	1,953	1,881	1,881	363	363	363	363
Essential and Municipal Services Improvement in Remote Aboriginal Communities	-	-	2,000	25,000	25,000	-	-
Local Projects Local Jobs Program	434	-	-	-	-	-	-
National Affordable Housing Agreement	22,759	23,066	22,369	22,658	22,948	23,238	23,532
National Initiatives Women's Safety Package	1,399	730	730	176	-	-	-
National Outcome Standards for Perpetrator Interventions	135	-	-	-	-	-	-
National Partnership Agreement Funding Homelessness	14,970	15,420	15,415	-	-	-	-
National Partnership Agreement on Pay Equity	2,369	6,990	6,990	4,695	-	-	-
Other Grants and Contributions	1,742	1,882	1,882	1,193	1,206	680	680
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories	353	413	236	236	236	236	649
Support for Family Safety in the Kimberley	-	-	400	400	-	-	-
Unaccompanied Humanitarian Minors	24	33	33	33	33	33	33
Western Australian Natural Disaster Relief and Recovery Arrangement	938	-	-	-	-	-	-
Youth Supported Accommodation Assistance Program Grant from Mental Health Commission	-	-	447	-	-	-	-
Sale of Goods and Services							
Adoptions Fees	67	55	91	93	93	93	93
Other	8	11	-	-	-	-	-
Regulatory Fees and Services Rendered	585	548	548	567	583	612	612
Working with Children Screening Fees	6,972	7,281	7,281	7,450	7,561	7,697	7,836
GST Receipts							
GST Input Credits	34,732	32,251	38,371	35,402	35,839	35,568	35,674
GST Receipts on Sales	660	80	69	73	77	82	82
Other Receipts							
Other Receipts	2,849	694	694	731	773	817	817
TOTAL	92,949	91,335	99,437	99,070	94,712	69,419	70,371

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.
(b) The Housing Authority and Disability Services Commission are statutory authorities and as a result are excluded from the Net Appropriation Determination.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual [a] $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Other							
Appropriation	300	300	300	300	300	300	300
TOTAL ADMINISTERED INCOME	300	300	300	300	300	300	300
EXPENSES							
Other							
Payment to Anzac Day Trust	300	300	300	300	300	300	300
TOTAL ADMINISTERED EXPENSES	300	300	300	300	300	300	300

(a) The 2016-17 Actual has been recast for comparative purposes to reflect the transfer of funding responsibility for the Anzac Day Trust to the Department.

Agency Special Purpose Account Details

MUNICIPAL AND ESSENTIAL SERVICES ACCOUNT

Account Purpose: This account has been established to set aside funds for essential and municipal services for remote Aboriginal communities in Western Australia.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	62,789	34,190	41,517	-
Receipts:				
Appropriations	-	-	-	-
Other	-	-	-	-
	62,789	34,190	41,517	-
Payments	21,272	34,190	41,517	-
CLOSING BALANCE	41,517	-	-	-

WESTERN AUSTRALIAN FAMILY FOUNDATION SPECIAL PURPOSE ACCOUNT

Account Purpose: The purpose of the account is to hold funds for development, implementation and administration initiatives and activities regarding the family and community.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	304	304	-	-
Receipts:				
Appropriations	-	-	-	-
Other	-	-	-	-
	304	304	-	-
Payments	304	-	-	-
CLOSING BALANCE	-	304	-	-

Keystart Housing Scheme Trust

Part 8 Community Services

Asset Investment Program

Keystart's Asset Investment Program is limited to an ongoing program to update information technology (IT) that supports the delivery of its services to assist low to moderate income earners into home ownership.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
IT Systems	16,154	9,545	1,020	3,159	1,150	1,150	1,150
Total Cost of Asset Investment Program	16,154	9,545	1,020	3,159	1,150	1,150	1,150
FUNDED BY							
Internal Funds and Balances			1,020	3,159	1,150	1,150	1,150
Total Funding			1,020	3,159	1,150	1,150	1,150

Division 34 Local Government, Sport and Cultural Industries

Part 8 Community Services

Appropriations, Expenses and Cash Assets

	2016-17 Actual [a] $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services	117,263	101,281	115,618	**110,262**	104,192	100,913	101,171
Item 69 Art Gallery of Western Australia	9,199	8,881	8,935	**8,239**	8,223	8,184	8,244
Item 70 Contribution to Community Sporting and Recreation Facilities Fund	18,000	15,119	15,119	**19,000**	12,000	12,000	12,000
Item 71 Library Board of Western Australia	29,739	32,460	31,455	**31,432**	31,352	31,069	29,563
Item 72 Perth Theatre Trust	9,090	9,297	9,278	**8,154**	8,061	7,866	7,680
Item 73 Western Australian Museum	22,531	22,303	22,692	**22,225**	24,731	38,502	38,519
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	30,000	33,268	31,036	**31,918**	31,916	32,144	32,234
- Salaries and Allowances Act 1975	1,410	1,768	1,019	**530**	530	530	532
Total appropriations provided to deliver services	237,232	224,377	235,152	**231,760**	221,005	231,208	229,943
ADMINISTERED TRANSACTIONS							
Item 74 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	48,960	57,086	53,238	**56,152**	57,442	58,921	60,107
CAPITAL							
Item 117 Capital Appropriation	40,312	113,930	90,618	**153,965**	56,358	2,800	4,179
Item 118 Art Gallery of Western Australia	218	10,218	10,218	**218**	218	218	218
Library Board of Western Australia	75	75	-	**-**	-	-	-
TOTAL APPROPRIATIONS	326,797	405,686	389,226	**442,095**	335,023	293,147	294,447
EXPENSES							
Total Cost of Services	285,543	293,603	310,224	**288,636**	264,965	282,132	276,236
Net Cost of Services [b]	244,062	255,532	270,639	**253,086**	230,022	240,001	233,794
CASH ASSETS [c]	100,590	70,908	79,175	**77,141**	77,047	77,933	77,657

(a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
Abbeville Park Upgrades [(a)]	-	400	-	-	-
Contemporary Music Fund	-	500	1,000	1,000	500
Italian Insertion Program [(a)]	-	110	-	-	-
Premier's Book Awards [(a)]	-	65	65	65	65
Senior Executive Service Reduction	(500)	(1,000)	(1,000)	(1,000)	(1,000)
Stop Puppy Farming	-	250	-	-	-
Virtual Reality Festival [(a)]	-	100	100	100	-
Other					
2018-19 Tariffs, Fees and Charges	-	129	236	350	461
Albany Entertainment Centre - Operational and Maintenance Costs	-	-	500	500	500
City of Perth Inquiry Panel	250	1,590	560	-	-
Goldfields Art Centre - Maintenance Costs	-	-	140	140	140
New Museum Project Operating Costs	-	-	-	945	841
New Public Sector Wages Policy	(358)	(688)	(1,044)	(1,420)	-
Non-Government Human Services Sector Indexation Adjustment	-	(3)	(4)	(5)	-
Revised Lotterywest Estimates	(2,232)	(2,432)	(3,304)	(2,866)	(2,776)
Revisions to Own Source Revenue Estimates	958	970	701	694	870
State Fleet Policy and Procurement Initiatives	(81)	(142)	(146)	(155)	(151)
Transfer of Goldfields Art Centre from the Department of Training and Workforce Development	325	325	-	-	-
Transfer of Sunset Heritage Precinct from the Department of Finance	874	1,288	1,110	1,122	1,495
Voluntary Targeted Separation Scheme [(b)]	1,570	(2,650)	(2,678)	(2,707)	(2,748)
Western Australian Football Commission Funding Agreement	10,947	11,200	11,500	11,800	12,100

(a) Existing agency spending has been reprioritised to meet some or all of the costs of this commitment.
(b) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- With the significant investment in and opening of Optus Stadium earlier this year, the priority now is to attract as many sport and entertainment events as possible, creating new jobs in a range of sectors.
- A projected decline in Lotterywest revenue will impact the funding available to arts and cultural organisations and sporting groups. The Department is working closely with Lotterywest and its stakeholders to minimise the impact of the changes in funding.
- One of the State's priorities is to bring about a shift in attitudes towards sports funding, with a clear need for more responsibility from all stakeholders in maintaining infrastructure. Sporting associations, clubs, and participants will be more closely involved and financially accountable in projects as government-funded projects are planned, operated and maintained with an accountable 'whole-of-life' asset program.
- The Central Energy Plant (CEP) for the Perth Cultural Centre (PCC) was commissioned in December 2017. It provides chilled and pre-heated water for the climate control of buildings in the PCC, replacing the inefficient end-of-life cycle plant in the State Library of Western Australia (SLWA) and Art Gallery of Western Australia buildings. It also supports the State Theatre Centre of WA. The CEP has significantly reduced the risk of power failure and loss of climate control in these cultural institutions, has reduced the capital cost of replacing aged infrastructure, and will deliver significant savings in energy consumption. The full efficiency of the system will be realised when the New Museum for Western Australia is connected to the CEP in 2020.
- The New Museum Project Steering Committee endorsed the omission of the basement from the New Museum Project as part of the design development process. This decision, taken as a result of the consideration of a number of factors, has resulted in savings of $32.4 million. The Western Australian Museum continues to collaborate with other organisations and community groups to maintain a presence in the metropolitan area, including its partnership with the SLWA. In addition to these exhibitions and retail offerings, pop-up museum experiences are being provided in shopping centres, Elizabeth Quay and at festivals and events such as the Mandurah Crabfest.

- The Department will continue to expand the suite of applications available online for the liquor and gambling industries, particularly in relation to permanent liquor licensing applications. The Department uses a risk-based approach when making recommendations for change, including for the implementation of operational policy and process innovation to reduce red tape and regulatory burden and application processing times.
- The reopening of the upgraded HBF Arena and Perth SpeedDome are now providing top-class facilities for our elite sports people, and the wider community. The launch of the Western Australian Institute of Sport Wheelchair Basketball Program and the Great Southern Centre for Outdoor Recreation Excellence demonstrate the State's ongoing commitment to being a leader in sport and recreation at all levels - for all interests and all abilities.
- Some local governments are experiencing difficulties in meeting their statutory obligations and providing good governance to their districts. This has resulted in the Department conducting a relatively large number of investigations and inquiries.
- The increase in family history information applications from the Aboriginal community to the Aboriginal History Research Service has required the Department to monitor work priorities and the allocation of resources to ensure the area is able to respond to applications within required timeframes while maintaining high level performance in other delivery areas.
- The Department continues to see a consistent increase in the number of liquor applications being lodged and the number of compliance activities being conducted. In particular, the increasing popularity of pop-up events has seen an increase in the number of complex liquor licence applications and enquiries associated with the temporary bars at these events as well as the need for additional compliance activities.
- The Department has been working to deliver on a number of legislative commitments, including election commitments, ensuring that the community and key stakeholders are properly consulted. It is assisting:
  - the Minister for Racing and Gaming in delivering a range of government election commitments via amendments to the *Liquor Control Act 1988*. Amendments include allowing a greater focus on tourism in the licensing process and freeing up licensing restrictions for tourist operators, producers and other licensees, as well as key measures in harm minimisation; and
  - the Minister for Local Government in progressing the Local Government Amendment (Suspension and Dismissal) Bill 2018 through the Parliament, the review of the *Local Government Act 1995* and legislation to help stop puppy farming.
- On 2 March 2018, the Minister for Local Government made a decision to suspend the City of Perth Council and appoint three experienced commissioners to manage the operations and affairs of the City. An Inquiry Panel has been appointed to inquire into issues at the City of Perth. The Inquiry is expected to run throughout 2018-19 and into 2019-20.
- On 26 September 2017, the Management Order over the land on which the Goldfields Arts Centre sits was transferred to the Perth Theatre Trust. A funding arrangement is being finalised with the State Government and the City of Kalgoorlie-Boulder and a lease for the Centre is being developed. The City will continue to manage the Centre under this arrangement.
- Work is underway to modernise His Majesty's Theatre's (HMT) infrastructure and public spaces to maintain it as a world class premier venue for opera, dance and theatre. Stage One - the refurbishment of the auditorium - is now complete. $6.5 million has been allocated in the 2018-19 Budget to upgrade the orchestra pit and front of house facilities. Works to HMT's public areas will improve public amenity and provide more hospitality opportunities, making the venue tourist ready and ensuring its future as the home of the West Australian Opera and West Australian Ballet.
- To meet growing community demand for access to information in digital format, the SLWA is increasing its capacity to collect, create and manage digital format materials and skill its workforce accordingly.
- To maximise the benefit to the community of the Government's investment in Western Australian public libraries, the SLWA is working with key stakeholders on a strategy to deliver contemporary library services across the State.

- Investment in sport and recreation contributes to a sustainable health system and improved preventative health outcomes including tackling childhood obesity. The Department has initiated a number of programs such as 'YourMove', 'ActiveSmart' and 'KidSport' to support people to be more active through improved policy, design and delivery of services. The 'True Sport' program supports sporting bodies to use eight values to share the benefits of sport and recreation to our whole community, to be part of everyday life both on and off the field. By embracing these values, teams, clubs, participants and officials can work together to create fun, fair and safe environments for one and all to participate in sporting activities.

- The State Local Government Partnership Agreement was signed by the Premier on 2 August 2017. It demonstrates a commitment between the State Government and local government to work collaboratively and sets out the protocols for engagement to enable better collaboration in planning, policy development and service design between the State Government and local governments.

- With the transfer of the Sunset Hospital site from the Department of Finance to the Department, plans will be prepared that support the agreed objectives for the use of the site, which is culture, arts and recreation. Activation of the site, preventative maintenance and the staged restoration of the buildings will be the focus.

- The Government has endorsed the transfer of responsibility for the activation of open spaces in the PCC from the Metropolitan Redevelopment Authority to the Department, to take effect from 1 July 2018.

- The Department continues to work collaboratively with other State Government agencies to ensure public open space for sport and recreation facilities, both in outer corridor green field development and through urban densification, is identified early to facilitate planning and access to sport and recreation facilities across the State.

- The Department will continue to assist communities in reducing harm and ill-health due to the consumption of liquor using provisions of the *Liquor Control Act 1988*. These include Liquor Restricted Premises, Restricted Area Regulations and section 64 enquiries. There is also a system of voluntary liquor accords in place in Western Australia where licensees, police and other local agencies agree on a set of voluntary liquor restrictions.

- Western Australia is home to people from more than 190 countries, speaking over 240 languages and identifying with more than 130 religious groups. Between the 2011 and 2016 Census, the number and proportion of people speaking a language other than English at home increased from 14.5% to 17.7%. With almost one-third of Western Australia's population born overseas, cultural, linguistic and religious diversity is now at the heart of our identity. It has made Western Australia the thriving State that it is today and continues to bring great benefits. At the same time, and particularly given the recent rate of change, it brings challenges in maximising these benefits and maintaining community cohesion. This has resulted in the Department focussing resources on community capacity building, employment generation, and ensuring equitable outcomes in all aspects of economic, social and cultural life.

- In recognition of the importance of multiculturalism, and to ensure that Western Australians from culturally and linguistically diverse backgrounds have equitable access to appropriate services and are enabled to actively participate in and contribute to the economic, social and cultural development of our State, the Minister for Citizenship and Multicultural Interests has appointed a 16 member Multicultural Advisory Group (MAG). The MAG will provide the Minister with direct grass roots feedback and advice on relevant policies, issues and needs of the culturally and linguistically diverse communities in addition to, and independent of, advice from the Office of Multicultural Interests and sector peak bodies.

- Government initiatives in other areas that will impact the Department include the following:

  - the Department of Treasury (Treasury) has undertaken a detailed analysis on whether a potential sale framework for the Western Australian TAB could be developed to satisfy the interests of Government, the racing industry and a potential buyer. The Department will provide assistance, together with the State Solicitor's Office and the Treasury in the formulation of the relevant legislation, should the Government decide to proceed with the process;

  - the introduction of a point of consumption wagering tax on wagering activities has required the formation of a working party consisting of representatives from the Treasury, the Department and the Office of State Revenue. The Department will provide assistance in the formulation of the relevant legislation; and

  - the Minister for Racing and Gaming (the Minister) has commissioned a working group facilitated by Racing and Wagering Western Australia to explore initiatives to improve the welfare of a greyhound's life cycle in Western Australia. The Department will review recommendations from the working group and provide advice to the Minister.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for Local Government; Culture and the Arts, Minister for Sport and Recreation, Minister for Racing and Gaming; Citizenship and Multicultural Interests, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

The relationship of Ministers to services is shown below.

Responsible Ministers	Services
Minister for Local Government; Culture and the Arts	1. Regulation and Support of Local Government 3. Arts Industry Support 4. Research, Policy Development, Information and Support 5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government 6. State Information Management and Archival Services 7. Cultural Heritage Management and Conservation 8. Cultural Heritage Access and Community Engagement and Education 9. Collection Services 10. Public Library Services 11. Library, Literacy and Community Engagement 12. Venue Management Services 13. Collections Management, Research and Conservation Services 14. Collections Effectively Documented and Digitised 15. Public Sites, Public Programs and Collections Accessed On-site 16. Online Access to Collections, Expertise and Programs 17. Museum Services to the Regions
Minister for Racing and Gaming; Citizenship and Multicultural Interests	2. Promotion and Support of Multiculturalism 18. Licensing - Evaluation and Determination of Applications 19. Compliance Audits and Inspections
Minister for Sport and Recreation	20. Industry Leadership and Infrastructure Development 21. Building Capacity and Participation 22. Recreation Camps Management

Outcomes, Services and Key Performance Information

Where practical, key performance information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Local governments were capable and well-governed.	1. Regulation and Support of Local Government
Strong Communities: Safe communities and supported families.	Western Australia was recognised as a vibrant and effective multicultural society.	2. Promotion and Support of Multiculturalism
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	A sustainable arts and cultural sector that enhances social and economic wellbeing.	3. Arts Industry Support 4. Research, Policy Development, Information and Support
	Efficient and effective services to the Culture and Arts Portfolio and Government.	5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government
	Government records and the State archives are appropriately managed and accessible.	6. State Information Management and Archival Services
	Western Australia's State Art Collection asset is developed, appropriately managed and preserved.	7. Cultural Heritage Management and Conservation
	Western Australia's State Art Collection and works of art on loan are accessible.	8. Cultural Heritage Access and Community Engagement and Education
	Western Australia's cultural and documentary collections are acquired, preserved and accessible.	9. Collection Services
	The Western Australian public library network is supported through access to library materials and services.	10. Public Library Services
	The Western Australian community benefits from engaging with the State Library's services.	11. Library, Literacy and Community Engagement
	Effectively managed performing arts venues attracting optimal utilisation.	12. Venue Management Services
	Sustainable care and development of the State's Museum collections for the benefit of present and future generations.	13. Collections Management, Research and Conservation Services 14. Collections Effectively Documented and Digitised

Government Goals	Desired Outcomes	Services
	Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections.	15. Public Sites, Public Programs and Collections Accessed On-site 16. Online Access to Collections, Expertise and Programs 17. Museum Services to the Regions
	To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.	18. Licensing - Evaluation and Determination of Applications 19. Compliance Audits and Inspections
	A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent.	20. Industry Leadership and Infrastructure Development 21. Building Capacity and Participation 22. Recreation Camps Management

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Regulation and Support of Local Government	13,198	16,842	17,511	12,522	11,218	10,689	10,529
2. Promotion and Support of Multiculturalism	8,515	6,965	6,951	6,812	6,797	6,819	6,723
3. Arts Industry Support	20,262	19,749	19,855	18,327	16,840	16,821	16,607
4. Research, Policy Development, Information and Support	22,061	21,606	22,479	20,970	19,500	19,499	19,300
5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government	14,122	18,044	18,240	17,281	17,223	15,465	15,860
6. State Information Management and Archival Services	2,991	2,204	2,196	2,073	2,105	2,096	2,088
7. Cultural Heritage Management and Conservation	1,020	1,021	947	961	998	921	936
8. Cultural Heritage Access and Community Engagement and Education	11,543	12,578	12,406	11,228	11,666	10,772	10,945
9. Collection Services	10,248	10,813	10,617	10,438	10,390	10,156	9,694
10. Public Library Services	14,275	14,748	14,789	14,540	14,474	14,149	13,505
11. Library, Literacy and Community Engagement	9,817	8,656	10,171	10,000	9,955	9,731	9,289
12. Venue Management Services	18,414	16,215	18,724	17,463	17,370	17,360	17,532
13. Collections Management, Research and Conservation Services	11,596	10,940	10,918	10,163	10,593	18,152	18,142
14. Collections Effectively Documented and Digitised	2,051	1,931	1,933	1,784	1,859	3,185	3,183
15. Public Sites, Public Programs and Collections Accessed On-site	11,777	12,725	12,686	10,053	10,477	17,951	17,943
16. Online Access to Collections, Expertise and Programs	507	627	621	610	636	1,091	1,090
17. Museum Services to the Regions	5,656	6,288	6,250	6,064	6,317	10,825	10,819
18. Licensing - Evaluation and Determination of Applications	8,132	7,332	7,399	6,878	6,906	7,025	7,230
19. Compliance Audits and Inspections	8,131	7,331	7,399	6,878	6,906	7,024	7,230
20. Industry Leadership and Infrastructure Development	42,781	49,978	50,242	45,221	36,114	35,968	33,868
21. Building Capacity and Participation	39,837	38,226	49,113	49,213	39,307	39,149	36,863
22. Recreation Camps Management	8,609	8,784	8,777	9,157	7,314	7,284	6,860
Total Cost of Services	285,543	293,603	310,224	288,636	264,965	282,132	276,236

Outcomes and Key Effectiveness Indicators [a]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Local governments were capable and well-governed:					
Percentage of local governments that did not have an action taken against them under the Department's compliance framework	51%	55%	55%	55%	
Percentage of local governments with Integrated Planning and Reporting plans reviewed	96%	100%	25%	25%	1
Outcome: Western Australia was recognised as a vibrant and effective multicultural society:					
Percentage of organisations and individuals who report that the Office of Multicultural Interests had a positive impact on the promotion and support of multiculturalism	83%	80%	80%	80%	
Percentage of community grants for multicultural organisations that were acquitted against identified outcomes	84%	85%	80%	85%	
Outcome: A sustainable arts and cultural sector that enhances social and economic wellbeing:					
Number of Department funded works presented and/or developed (annually)	11,461	11,461	11,787	11,411	
Number of paid attendances to funded organisations works	782,430	732,695	739,702	743,164	
Ratio of Government funding to other income	1:4.14	1:3.96	1:3.59	1:3.61	
Public value of the contribution of arts and culture to the State's identity and community	69	67	68	68	
Outcome: Efficient and effective services to the Culture and Arts Portfolio and Government:					
Percentage of annual infrastructure maintenance budget expended on portfolio infrastructure maintenance requirements	99%	95%	99%	95%	
Outcome: Government records and the State archives are appropriately managed and accessible:					
Percentage of compliance with State Records Commission Standards as implemented by government agencies	90%	90%	91%	90%	
Percentage of archival resources to which the State Records Office provides an information service	21%	20%	20%	20%	
Outcome: Western Australia's State Art Collection asset is developed, appropriately managed and preserved:					
Percentage of collection stored to the required standard	98%	97%	97%	97%	
Outcome: Western Australia's State Art Collection and works of art on loan are accessible:					
Number of people accessing the collection:					
Total number of visitors.	317,932	325,000	340,000	325,000	
Total number of online visitors to website	199,694	200,000	200,000	200,000	
Percentage of visitors satisfied with visit overall	93%	93%	93%	93%	
Outcome: Western Australia's cultural and documentary collections are acquired, preserved and accessible:					
Percentage increase in items added to the collection [b]	-9.8%	-19.4%	-30.5%	0%	2
Proportion of heritage collections maintained within set standards	95%	98%	87%	96%	3
Percentage increase in the usage of the collections on-site and online [c]	-10.4%	-1.9%	-3.9%	1.1%	4
Outcome: The Western Australian public library network is supported through access to library materials and services:					
The extent to which Western Australians are provided with access to library materials	0.88	0.86	0.96	0.95	5

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: The Western Australian community benefits from engaging with the State Library's services:					
Percentage of clients satisfied with the State Library's collections and services	94%	92%	94%	92%	
Percentage of Western Australians who actively engage with the State Library's services	91%	93%	84%	85%	
Outcome: Effectively managed performing arts venues attracting optimal utilisation:					
Attendance rate across principal performance spaces	508,216	465,000	457,000	465,000	6
Average subsidy per attendee for Perth Theatre Trust funded programs	$2	$2	$4	$3	
Outcome: Sustainable care and development of the State's Museum collections for the benefit of present and future generations:					
Percentage of collection stored to the required standard	99%	99%	99%	99%	
Percentage of the collection accessible online	16%	18%	18%	19%	
Proportion of the State collection documented and digitised	26%	27%	26%	26%	
Outcome: Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections.					
Number of people engaging with and accessing Museum content and collections:	1,608,084	1,765,823	2,035,299	1,759,703	7
Total number of visitors	659,566	795,823	863,617	692,703	8
Total number of online visitors to website	948,518	970,000	1,171,682	1,067,000	9
Percentage of visitors to Museum sites satisfied with services	98%	98%	98%	98%	
Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation:					
Licensees/service providers that comply with audit requirements and statutory criteria	98%	94%	95%	94%	
Outcome: A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent:					
Satisfaction rating of policy development and leadership provided by the Department	93%	85%	85%	85%	
Satisfaction rating of the Department's consultation advice to clients	88%	90%	90%	90%	
Satisfaction rating of the Department's grants management	89%	85%	85%	85%	
Satisfaction rating of the Department's programs, initiatives and resources	92%	90%	90%	90%	
Western Australian participation in organised sport and active recreation	n/a	56%	56%	56%	
Satisfaction rating of recreation camps management and service delivery	94%	87%	87%	87%	

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

(b) The State Library of Western Australia aims to acquire a significant collection of the State's documentary heritage to tell the social, political, economic and cultural history of Western Australia for current and future generations. Items are acquired through donation, purchase and legal deposit, but the number of items acquired each year is dependent on publishing output and the availability of private collections for acquisition. The negative percentage change represents fewer items being added to heritage collections when compared to the previous year. Collections counted in this measure are books, magazines, maps, films, oral histories, sound recordings, microfilms and pictorial images. This measure does not take into account all new items added to heritage collections. For example, more than 20 metres of private archive documents are acquired for heritage collections each year, representing a significant resourcing focus that is not reflected in this key performance indicator.

(c) The purpose of collecting Western Australia's documentary heritage is to make it accessible for people to use. While much of the heritage collection is only available in physical format from within the State Library, increasingly collections are being digitised to make them accessible online through the Library's internet presence. Digital material is also being collected and made available. The online use of images digitised in the Historical Records Rescue Consortium (HRRC) project (2005-08) continues to decrease as user's access newer digital images available. Unlike HRRC images, newer images are not able to be found via search engines. The State Library is investigating options to have all images able to be found via search engines which should increase the use of these resources. This key performance indicator does not include usage of digitised Western Australian newspapers made available through the National Library of Australia's Trove discovery service as they would overwhelm other usage figures.

Explanation of Significant Movements

(Notes)

1. The Department is moving to a four-year review cycle, with all local government Integrated Planning and Reporting plans being reviewed within four years.

2. The 2017-18 Estimated Actual is lower than all other comparatives as the number of items added to heritage collections was less than estimated (for example 20,301 items are estimated to be added to heritage collections in 2017-18, compared to 29,199 items added in 2016-17). The 2018-19 Budget Target reflects the expectation that a similar number of items will be added to the collection as in 2017-18. This measure does not include private archive materials added to heritage collections.

3. The 2017-18 Estimated Actual is lower than all other comparatives as environmental conditions were temporarily affected by new power, air conditioning and storage unit works.

4. Although the number of people accessing older digital images online continues to decrease, it is offset by an increase in the number of people accessing new digital content online. Accordingly, the net impact is an increase in the 2018-19 Budget Target usage of collections compared to the 2017-18 Estimated Actual.

5. The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget is due to continued growth in the use of e-resources by public library members, which has more than offset the decrease in the number of materials supplied to public libraries.

6. Actual attendances in 2016-17 were higher than the 2017-18 Estimated Actual and 2018-19 Budget Target mainly due to a number of sold out performances at the State Theatre Centre of WA and Albany Entertainment Centre, together with an increase in the number of performances across all of the venues. The reduced figures in 2017-18 Estimated Actual and 2018-19 Budget also reflect venue closures at the Perth Concert Hall early in 2018 and planned renovation works at His Majesty's Theatre during 2018-19 impacting attendances by an estimated 30,000.

7. The 2017-18 Estimated Actual is higher than the 2017-18 Budget due to the popularity of temporary exhibitions held in the 2017-18 financial year, namely the Dinosaur Discovery and Escape from Pompeii exhibitions.

8. The 2017-18 Estimated Actual is higher than the 2017-18 Budget due to popular exhibitions held by the Western Australian Museum like the Dinosaur Discovery and Escape from Pompeii exhibitions.

9. The increase in online visitors in the 2017-18 Estimated Actual compared to 2017-18 Budget is due to an increased number of collections accessible online and popular exhibitions held during 2017-18.

Services and Key Efficiency Indicators

1. Regulation and Support of Local Government

Supporting local governments to fulfil their statutory obligations and to improve capability in the sector.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	13,198	16,842	17,511	12,522	1
Less Income	240	362	366	403	
Net Cost of Service	12,958	16,480	17,145	12,119	
Employees (Full Time Equivalents)	62	59	56	51	
Efficiency Indicators					
Average Cost per Local Government for Regulation and Support	$79,889	$94,290	$99,007	$86,051	

Explanation of Significant Movements

(Notes)

1. The reduction in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is mainly due to the completion of the Local Projects Local Jobs program and the Country Local Government Fund.

2. Promotion and Support of Multiculturalism

Development and implementation of policies, programs and services that achieve the full potential of multiculturalism.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,515	6,965	6,951	6,812	
Less Income	39	11	7	8	
Net Cost of Service	8,476	6,954	6,944	6,804	
Employees (Full Time Equivalents) [(a)]	27	25	25	25	
Efficiency Indicators					
Average Cost per Project to Support and Promote Multiculturalism	$135,602	$117,200	$114,739	$111,717	
Number of Grants and Service Agreements per Full Time Equivalent	33	25	25	25	

(a) The Office of Multicultural Interests has 18 direct Full Time Equivalents and a portion of Full Time Equivalents related to corporate service overheads.

3. Arts Industry Support

Supporting the delivery of arts and cultural activities across Western Australia through funding programs and partnerships.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	20,262	19,749	19,855	18,327	
Less Income	158	523	513	120	1
Net Cost of Service	20,104	19,226	19,342	18,207	
Employees (Full Time Equivalents)	11	15	15	15	
Efficiency Indicators					
Grants Operations Expense as a Percentage of Direct Grants Approved	4.1%	5.7%	6.4%	4.5%	2

Explanation of Significant Movements

(Notes)

1. The reduction in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is due to the completion of the Connecting to Country grants program.

2 The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget is due to the carryover of the Creative Regions program from 2016-17. The consequent reduction in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is due in part to the commensurate reduction in the Creative Regions program administration costs and the savings resulting from the Voluntary Targeted Separation Scheme.

4. Research, Policy Development, Information and Support

Contributing to the development of the State by delivering strong evidence-based Culture and the Arts policy, research and planning in order to achieve State Government outcomes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	22,061	21,606	22,479	20,970	
Less Income	273	622	632	240	1
Net Cost of Service	21,788	20,984	21,847	20,730	
Employees (Full Time Equivalents)	25	29	28	28	
Efficiency Indicators					
Research, Policy Development, Information and Support Expense as a Percentage of Direct Grants Approved	3.9%	5.5%	6.4%	4.5%	2

Explanation of Significant Movements

(Notes)

1. The reduction in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is due to the completion of the Connecting to Country grants program.
2 The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget is due to the carryover of the Creative Regions program from 2016-17. The consequent reduction in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is due in part to the commensurate reduction in the Creative Regions program administration costs and the savings resulting from the Voluntary Targeted Separation Scheme.

5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government

Managing cultural infrastructure on behalf of the State Government and the provision of centralised services to the Culture and Arts Portfolio and other agencies.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	14,122	18,044	18,240	17,281	
Less Income	472	1,016	1,016	1,151	1
Net Cost of Service	13,650	17,028	17,224	16,130	
Employees (Full Time Equivalents) [(a)]	100	103	98	98	
Efficiency Indicators					
Average Cost of Service per Full Time Equivalent [(b)]	$19,382	$16,985	$18,564	$15,975	2

(a) Full Time Equivalent staff working on the New Museum Project are included in this service. The capitalised cost of the New Museum Project is not included in the Total Cost of Service.
(b) The Average Cost of Service per Full Time Equivalent incorporates the Full Time Equivalents for the whole Culture and the Arts Portfolio.

Explanation of Significant Movements

(Notes)

1. The increase in income in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is due to the full year of rental income from the State Library of Western Australia carpark. The 2017-18 Estimated Actual reflects the estimated income for 10 months.
2. The decrease in the Average Cost of Service per Full Time Equivalent in the 2018-19 Budget Target compared to the 2017-18 Estimated Actual is due to the decrease in the Total Cost of Service mainly resulting from accommodation savings made during the Agency Expenditure Review.

6. State Information Management and Archival Services

State Information Management and Archival Services consists of a regulatory/advisory component for all government organisations, as well as management of and access to the State Archives Collection.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	2,991	2,204	2,196	2,073	
Less Income	506	87	87	83	
Net Cost of Service	2,485	2,117	2,109	1,990	
Employees (Full Time Equivalents)	19	22	21	21	
Efficiency Indicators					
Cost per Access Service [(a)]	$8	$7	$7	$7	

(a) 50% of Cost per Access Service relates to Archival Services (not whole-of-office).

7. Cultural Heritage Management and Conservation

Provides appropriate management, development and care of the State's Art Collection asset under the *Art Gallery Act 1959.*

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	1,020	1,021	947	961	
Less Income	467	250	268	244	
Net Cost of Service	553	771	679	717	
Employees (Full Time Equivalents)	4	4	4	4	
Efficiency Indicators					
Average Cost of Managing the Collection per Art Gallery Object	$57.56	$57.68	$53.18	$53.68	

8. Cultural Heritage Access and Community Engagement and Education

Provides access and interpretation of the State Art Collection and works of art on loan through art gallery services that encourage community engagement with the visual arts in accordance with the *Art Gallery Act 1959.*

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	11,543	12,578	12,406	11,228	1
Less Income	5,278	3,527	3,509	2,855	2
Net Cost of Service	6,265	9,051	8,897	8,373	
Employees (Full Time Equivalents)	51	51	49	49	
Efficiency Indicators					
Average Cost of Art Gallery Services per Art Gallery Access	$22.31	$23.96	$22.97	$21.39	3

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service in the 2018-19 Budget Target compared to the 2017-18 Budget is due to a major exhibition 'A Window in Italy - The Corsini Collection' held by the Art Gallery in 2017-18. The expenditure was funded by ticketing revenue and sponsorships in 2017-18.

2. The decrease in income in the 2018-19 Budget Target compared to the 2017-18 Budget is the result of no ticketed exhibitions planned for the Art Gallery in 2018-19.

3. The decrease in Average Cost of Art Gallery Services per Art Gallery Access in the 2018-19 Budget Target compared to the 2017-18 Budget is due to the lower Total Cost of Service in 2018-19.

9. Collection Services

Ensuring Western Australia's documentary collections are acquired, preserved and made accessible for future generations.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	10,248	10,813	10,617	10,438	
Less Income	785	616	581	439	
Net Cost of Service	9,463	10,197	10,036	9,999	
Employees (Full Time Equivalents)	74	81	70	73	
Efficiency Indicators					
Cost per New Item Added to the Collection	$350.97	$463.12	$522.97	$514.19	1

Explanation of Significant Movements

(Notes)

1. The increase in Cost per New Item Added to the Collection in the 2017-18 Estimated Actual and the 2018-19 Budget Target compared to the 2017-18 Budget is due to fewer new items being added to the collection.

10. Public Library Services

Supporting the Public library network through facilitating access to library material and services.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	14,275	14,748	14,789	14,540	
Less Income	613	541	454	343	1
Net Cost of Service	13,662	14,207	14,335	14,197	
Employees (Full Time Equivalents)	41	45	39	41	
Efficiency Indicators					
Average Cost of Administering Services to Public Libraries	$61,795	$63,569	$63,746	$62,668	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Actual income is higher than other comparatives as user fees and charges and other revenues exceeded expectations. The 2018-19 Budget Target is lower than all other comparatives due to expected reductions in grant income.

11. Library, Literacy and Community Engagement

Ensuring that the State Library acts as a community hub in delivering literacy and learning outcomes to the Western Australian community.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	9,817	8,656	10,171	10,000	1
Less Income	825	618	610	462	2
Net Cost of Service	8,992	8,038	9,561	9,538	
Employees (Full Time Equivalents)	38	42	36	38	
Efficiency Indicators					
Cost per Engagement with State Library of Western Australia Services	$4.18	$3.55	$4.68	$4.53	3

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual and 2018-19 Budget Target Total Cost of Service are higher than the 2017-18 Budget due to repurposing capital funds as recurrent funds during 2017-18.
2. The 2016-17 Actual income is higher than other comparatives as user fees and charges and other revenues exceeded expectations. The 2018-19 Budget Target is lower than all other comparatives due to expected reductions in grant income.
3. The increase in Cost per Engagement with State Library of Western Australia Services in the 2017-18 Estimated Actual and the 2018-19 Budget Target compared to the 2017-18 Budget is due to fewer on-site and website visitors.

12. Venue Management Services

Endeavour to improve attendances and venue activation and therefore financial returns for the Perth Theatre Trust (PTT), whilst ensuring that the buildings owned and leased by PTT are fit for purpose and managed appropriately.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	18,414	16,215	18,724	17,463	1
Less Income	7,792	5,768	7,432	7,478	1
Net Cost of Service	10,622	10,447	11,292	9,985	
Employees (Full Time Equivalents)	94	97	97	97	
Efficiency Indicators					
Average Cost per Attendee	$36.24	$34.87	$40.97	$37.55	2

Explanation of Significant Movements

(Notes)

1. The increase in the 2017-18 Estimated Actual and 2018-19 Budget Target compared to the 2017-18 Budget is due to a combination of show expenditure linked to an increase in revenue and recognition of the Albany Entertainment Centre funding from the City of Albany and associated operating expenditure. The reduction in the Total Cost of Service and Net Cost of Service in the 2018-19 Budget Target is due to the removal of depreciation charges for the State Theatre Centre of WA.
2. The increase in 2017-18 Estimated Actual and 2018-19 Budget Target compared to the 2017-18 Budget is due to an increase in show recoveries across PTT venues in addition to recognition of the Albany Entertainment Centre funding from the City of Albany and associated operating expenditure. The reduction in the 2018-19 Budget Target is due to the removal of depreciation charges for the State Theatre Centre of WA.

13. Collections Management, Research and Conservation Services

Sustainable care and development of the State's collections for the benefit of present and future generations by ensuring that the collections are actively managed, researched and conserved.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	11,596	10,940	10,918	10,163	
Less Income	2,737	2,111	2,026	1,632	1
Net Cost of Service	8,859	8,829	8,892	8,531	
Employees (Full Time Equivalents)	73	74	73	73	
Efficiency Indicators					
Average Cost per Object of Managing the Museum Collection	$1.43	$1.34	$1.34	$1.24	

Explanation of Significant Movements

(Notes)

1. A reduction in grant income is projected in the 2018-19 Budget Target compared to the 2017-18 Budget as staff will be working on the content development for the New Museum Project rather than seeking new grant projects income.

14. Collections Effectively Documented and Digitised

Sustainable care and development of the State's collections for the benefit of present and future generations by ensuring that the collections are effectively documented and digitised.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	2,051	1,931	1,933	1,784	
Less Income	483	372	357	285	1
Net Cost of Service	1,568	1,559	1,576	1,499	
Employees (Full Time Equivalents)	13	13	13	13	
Efficiency Indicators					
Average Cost per Object of Documenting and Digitising the State Collection	$0.99	$0.89	$0.91	$0.82	

Explanation of Significant Movements

(Notes)

1. A reduction in grant income is projected in the 2018-19 Budget Target compared to the 2017-18 Budget as staff will be working on the content development for the New Museum Project rather than seeking new grant projects income.

15. Public Sites, Public Programs and Collections Accessed On-site

Enhanced cultural identity and understanding by promoting and ensuring the widest possible use of and contribution to museum content and collections through public sites, public and educational programs.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	11,777	12,725	12,686	10,053	1
Less Income	2,163	4,585	4,400	2,159	2
Net Cost of Service	9,614	8,140	8,286	7,894	
Employees (Full Time Equivalents)	63	65	64	64	
Efficiency Indicators					
Average Cost of Museum Services per Museum Access	$27.28	$22.92	$23.15	$28.50	3

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is projected to be lower in the 2018-19 Budget Target compared to the 2017-18 Budget as the Museum had two blockbuster exhibitions in 2017-18: the Dinosaur Discovery and Escape from Pompeii.

2. A reduction in income is projected in the 2018-19 Budget Target compared to the 2017-18 Budget due to lower paid visitations for exhibitions.

3. The increase in 2018-19 Budget Target compared to the 2017-18 Budget is due to lower visitation numbers projected in 2018-19.

16. Online Access to Collections, Expertise and Programs

Enhanced cultural identity and understanding by promoting and ensuring the widest possible use of and contribution to Museum content and collections delivered through online access to the collections, expertise and programs.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	507	627	621	610	
Less Income	-	-	-	-	
Net Cost of Service	507	627	621	610	
Employees (Full Time Equivalents)	5	6	6	6	
Efficiency Indicators					
Average Cost of Museum Services per Museum Access	$0.34	$0.38	$0.37	$0.34	

17. Museum Services to the Regions

Enhanced cultural identity and understanding by promoting and ensuring the widest possible use of and contribution to museum content and collections through regional access to the collections, expertise and programs.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	5,656	6,288	6,250	6,064	
Less Income	811	869	834	800	
Net Cost of Service	4,845	5,419	5,416	5,264	
Employees (Full Time Equivalents)	28	29	29	29	
Efficiency Indicators					
Average Cost per Access	$15.57	$19.89	$19.81	$17.83	

18. Licensing - Evaluation and Determination of Applications

Receive, process and determine applications in accordance with the legislation.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,132	7,332	7,399	6,878	
Less Income	5,483	4,854	5,004	5,052	
Net Cost of Service	2,649	2,478	2,395	1,826	
Employees (Full Time Equivalents)	50	49	46	46	
Efficiency Indicators					
Average Cost of Determining Applications	$460	$458	$451	$430	

19. Compliance Audits and Inspections

Perform audits and inspections to verify that the provision of gambling and liquor is conducted in a responsible and lawful manner.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,131	7,331	7,399	6,878	
Less Income	5,483	4,853	5,003	5,051	
Net Cost of Service	2,648	2,478	2,396	1,827	
Employees (Full Time Equivalents)	49	48	46	45	
Efficiency Indicators					
Average Cost of Conducting Inspections	$961	$952	$844	$893	1

Explanation of Significant Movements

(Notes)

1. The Average Cost of Conducting Inspections in the 2017-18 Estimated Actual is lower than the 2017-18 Budget due to the number of estimated completed compliance activities being higher than budgeted.

20. Industry Leadership and Infrastructure Development

Provide strategic leadership for the sport and recreation industry and support for infrastructure development through funding and advice to sport and recreation groups State-wide, including State and local governments.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	42,781	49,978	50,242	45,221	1
Less Income	308	85	85	85	
Net Cost of Service	42,473	49,893	50,157	45,136	
Employees (Full Time Equivalents)	50	50	49	43	
Efficiency Indicators					
Average Cost of Providing Consultancy (Policy, Advocacy and Infrastructure) to Organisations	$10,874	$11,241	$11,757	$10,324	
Average Cost of Providing the Contact Services (Policy, Advocacy and Infrastructure)	$740	$882	$987	$942	2
Average Cost to Manage Infrastructure Grants	$2,114	$2,352	$2,255	$2,175	

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service from the 2017-18 Estimated Actual to the 2018-19 Budget Target mainly relates to payments for the Optus Stadium transport infrastructure in 2017-18.
2. The increase in Average Cost of Providing the Contact Services from the 2017-18 Budget to the 2017-18 Estimated Actual and 2018-19 Budget Target is due to a reduced number of contacts.

21. Building Capacity and Participation

Provide support for organisations and personnel delivering sport and recreation State-wide from participation to the elite level through advice and funding support

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	39,837	38,226	49,113	49,213	1
Less Income	1,950	1,721	1,721	1,742	
Net Cost of Service	37,887	36,505	47,392	47,471	
Employees (Full Time Equivalents)	72	72	66	66	
Efficiency Indicators					
Average Cost of Providing Consultancy (Organisational Development and Participation) to Organisations	$15,523	$16,685	$19,148	$18,080	2
Average Cost of Providing the Contact Services (Organisational Development and Participation)	$413	$484	$599	$587	3
Average Cost to Manage Sport and Recreation Development Grants	$1,893	$2,435	$2,545	$2,739	4

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2017-18 Budget to the 2017-18 Estimated Actual and 2018-19 Budget Target relates to the commencement of the Western Australian Football Commission Funding Agreement.
2. The increase in Average Cost of Providing Consultancy from the 2017-18 Budget to the 2017-18 Estimated Actual and 2018-19 Budget Target is due to a reduced number of organisations provided with consultancy support.
3. The increase in Average Cost of Providing the Contact Services from the 2017-18 Budget to the 2017-18 Estimated Actual and 2018-19 Budget Target is due to a reduced number of contacts.
4. The increase in Average Cost to Manage Sport and Recreation Development Grants from the 2017-18 Estimated Actual to the 2018-19 Budget Target is due to a reduced number of grants managed.

22. Recreation Camps Management

Provide experiential outdoor activities to the community through the management of recreation camps.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,609	8,784	8,777	9,157	
Less Income	4,615	4,680	4,680	4,918	
Net Cost of Service	3,994	4,104	4,097	4,239	
Employees (Full Time Equivalents)	58	58	58	58	
Efficiency Indicators					
Average Cost per Bed Night	$53	$54	$53	$54	
Average Cost per Participation	$24	$27	$26	$27	

Asset Investment Program

To support the delivery of the Department's services, asset investment in 2018-19 will including the following:

- $154 million to continue the delivery of the New Museum Project in 2018-19 at an estimated total project cost of $395.9 million, including $5.7 million of costs met via recurrent funding;
- $9.6 million for library materials for the Public and State Reference Library;
- $4 million to upgrade the His Majesty's Theatre Orchestra Pit Lift;
- $2.5 million for His Majesty's Theatre Front of House improvements;
- $789,000 for ongoing plant and equipment replacement; and
- $218,000 for ongoing funding for the Art Gallery Art Acquisition Fund.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
New State Museum	390,201	172,899	98,072	153,965	56,358	2,800	4,179
COMPLETED WORKS							
Art Gallery - Art Acquisition							
2015-16 Program	230	230	220	-	-	-	-
2016-17 Program	218	218	218	-	-	-	-
2017-18 Program	218	218	218	-	-	-	-
Camps Plant and Equipment Ongoing Replacement							
2017-18 Program	65	65	65	-	-	-	-
Computer Hardware and Software - 2017-18 Program	580	580	580	-	-	-	-
Department - Global Provision - Improvement of Culture and Arts Service Delivery Infrastructure							
Fit-for-purpose	3,885	3,885	1,224	-	-	-	-
Library							
Public Library Materials 2017-18 Program	7,791	7,791	7,791	-	-	-	-
State Reference Library Materials							
2015-16 Program	997	997	33	-	-	-	-
2016-17 Program	904	904	904	-	-	-	-
2017-18 Program	94	94	94	-	-	-	-
Optus Stadium - Sports Precinct	50,011	50,011	16,618	-	-	-	-
Optus Stadium and Plaza	90,154	90,154	42,786	-	-	-	-
Optus Stadium Project Management							
Sport and Recreation	6,517	6,517	1,283	-	-	-	-
Strategic Projects	9,100	9,100	1,810	-	-	-	-
Office Equipment Replacement - 2017-18 Program	149	149	149	-	-	-	-
Perth Rectangular Stadium Development	94,162	94,162	1,382	-	-	-	-
Program Equipment - 2017-18 Program	95	95	95	-	-	-	-
State Netball Centre - Construction	23,715	23,715	121	-	-	-	-

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
NEW WORKS							
Art Gallery - Art Acquisition							
2018-19 Program	218	-	-	218	-	-	-
2019-20 Program	218	-	-	-	218	-	-
2020-21 Program	218	-	-	-	-	218	-
2021-22 Program	218	-	-	-	-	-	218
Camps Plant and Equipment Ongoing Replacement							
2018-19 Program	65	-	-	65	-	-	-
2019-20 Program	65	-	-	-	65	-	-
2020-21 Program	65	-	-	-	-	65	-
2021-22 Program	65	-	-	-	-	-	65
Computer Hardware and Software							
2018-19 Program	480	-	-	480	-	-	-
2019-20 Program	430	-	-	-	430	-	-
2020-21 Program	580	-	-	-	-	580	-
2021-22 Program	580	-	-	-	-	-	580
Library							
Public Library Materials							
2018-19 Program	8,524	-	-	8,524	-	-	-
2019-20 Program	8,524	-	-	-	8,524	-	-
2020-21 Program	8,347	-	-	-	-	8,347	-
2021-22 Program	8,347	-	-	-	-	-	8,347
State Reference Library Materials							
2018-19 Program	1,117	-	-	1,117	-	-	-
2019-20 Program	1,118	-	-	-	1,118	-	-
2020-21 Program	1,225	-	-	-	-	1,225	-
2021-22 Program	1,225	-	-	-	-	-	1,225
Office Equipment Replacement							
2018-19 Program	149	-	-	149	-	-	-
2019-20 Program	149	-	-	-	149	-	-
2020-21 Program	149	-	-	-	-	149	-
2021-22 Program	149	-	-	-	-	-	149
Perth Theatre Trust – His Majesty's Theatre							
Orchestra Pit	4,000	-	-	4,000	-	-	-
Front of House	2,500	-	-	2,500	-	-	-
Program Equipment							
2018-19 Program	95	-	-	95	-	-	-
2019-20 Program	95	-	-	-	95	-	-
2020-21 Program	95	-	-	-	-	95	-
2021-22 Program	95	-	-	-	-	-	95
Total Cost of Asset Investment Program	728,191	461,784	173,663	171,113	66,957	13,479	14,858
FUNDED BY							
Capital Appropriation			100,836	154,183	56,576	3,018	4,397
Drawdowns from the Holding Account			10,478	10,430	10,381	10,461	10,461
Internal Funds and Balances			789	-	-	-	-
Adjustment to Fixed Asset Funding Due to Agency Project Transfer			(937)	-	-	-	-
Funding Included in Department of Treasury Administered Item			-	6,500	-	-	-
Funding Included in Department of Treasury - Perth Stadium Account			62,497	-	-	-	-
Total Funding			173,663	171,113	66,957	13,479	14,858

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The Department's Total Cost of Services in the 2018-19 Budget Estimate reduces by $21.6 million compared to the 2017-18 Estimated Actual mainly due to the completion of operating expenditure aspects associated with Optus Stadium as well as reduced employee benefits expenditure through the implementation of the State Government reforms including the Workforce Renewal Policy, Voluntary Targeted Separation Scheme savings and Agency Expenditure Review.

Income

The decreased income of $4 million in the 2018-19 Budget Estimate compared to the 2017-18 Estimated Actual is mainly due to the one-off income received from paid exhibitions at the Museum and the Art Gallery during 2017-18.

The sale of goods and services increase in the 2020-21 Forward Estimate is mainly due to increased income following the opening of the New Museum.

The decrease in service appropriations of $3.4 million in the 2018-19 Budget Estimate compared to the 2017-18 Estimated Actual is mainly due to the Voluntary Targeted Separation Scheme and Senior Executive Service reduction savings.

The service appropriation for 2018-19 Budget Estimate includes $7 million carryover funding for the Community Sporting and Recreation Facilities Fund. The 2020-21 and 2021-22 Forward Estimates include additional funding for operating costs associated with the New Museum.

The Royalties for Regions revenue fluctuates between years depending on project approval and funding associated with these approvals.

The deficit in the 2017-18 Estimated Actual and 2018-19 Budget Estimate is mainly due to carryover funding received for the Local Project Local Jobs election commitment and Royalties for Regions programs.

Statement of Financial Position

The reduction in cash assets in the 2018-19 Budget Estimate compared to the 2016-17 Actual and the 2017-18 Estimated Actual is mainly due to the drawdown of cash reserves to complete the Local Projects Local Jobs election commitment and approved carryover funds for the Royalties for Regions program.

The movement in the non-current asset base from the 2017-18 Estimated Actual and across the forward estimates period reflects the approved funding for the construction of the New Museum, which concludes in 2020.

Statement of Cashflows

The movement in capital appropriation and the corresponding movement in the purchase of non-current assets from the 2018-19 Budget Estimate and across the forward estimates period mainly reflects the expenditure profile for the construction of the New Museum.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	99,289	102,822	104,884	97,413	99,150	101,442	102,550
Grants and subsidies [c]	106,330	102,417	103,435	101,613	77,284	76,732	70,558
Supplies and services	28,259	36,385	48,242	37,906	36,919	37,874	38,678
Accommodation	21,554	23,403	24,365	20,845	20,751	23,493	23,871
Depreciation and amortisation	19,597	20,062	20,233	22,006	21,882	33,295	31,269
Other expenses	10,514	8,514	9,065	8,853	8,979	9,296	9,310
TOTAL COST OF SERVICES	285,543	293,603	310,224	288,636	264,965	282,132	276,236
Income							
Sale of goods and services	19,899	22,545	23,598	21,398	21,262	27,244	27,445
Regulatory fees and fines	6,325	4,850	5,650	5,746	5,843	5,942	6,041
Grants and subsidies	5,161	3,244	3,778	2,127	1,575	2,020	2,025
Other revenue	10,096	7,432	6,559	6,279	6,263	6,925	6,931
Total Income	41,481	38,071	39,585	35,550	34,943	42,131	42,442
NET COST OF SERVICES	244,062	255,532	270,639	253,086	230,022	240,001	233,794
INCOME FROM STATE GOVERNMENT							
Service appropriations	237,232	224,377	235,152	231,760	221,005	231,208	229,943
Resources received free of charge	1,572	1,558	1,302	1,318	1,334	1,334	1,334
Royalties for Regions Fund:							
Country Local Government Fund	3,673	3,134	2,223	-	-	-	-
Regional Community Services Fund	13,010	12,783	12,200	17,935	7,829	8,294	2,576
Regional Infrastructure and Headworks Fund	-	-	325	325	140	140	140
Perth Stadium Account	-	8,275	8,275	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	255,487	250,127	259,477	251,338	230,308	240,976	233,993
SURPLUS/(DEFICIENCY) FOR THE PERIOD	11,425	(5,405)	(11,162)	(1,748)	286	975	199

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,007, 988 and 983 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Arts Organisations, Projects and Programs	31,095	29,564	28,448	28,965	28,614	28,629	28,674
Chinese New Year Package	375	-	-	-	-	-	-
Commonwealth Grants	310	-	-	-	-	-	-
Community Sporting and Recreation Facilities Fund	17,668	14,459	14,459	18,340	11,340	11,340	11,340
Companion Animal Shelters	200	200	200	200	200	200	200
Contemporary Music Fund	-	-	-	500	1,000	1,000	500
Country Local Government Fund	1,649	1,180	1,180	-	-	-	-
Creative Regions Program	5,476	4,750	6,276	4,185	-	-	-
Entry Statement and Signage Bunbury	-	-	-	200	-	-	-
Local Projects Local Jobs Program [(a)]	2,398	8,741	10,327	1,076	-	-	-
Office of Multicultural Interests Community Grants	928	560	560	560	560	560	560
Community Languages Program	898	1,113	1,113	1,113	1,113	1,113	1,113
Other Cultural Programs	2,071	1,349	1,310	1,306	1,324	1,324	1,324
Performing Arts Regional Tours Boost	196	-	-	-	-	-	-
Rapid Response Signs Metropolitan	-	122	122	125	128	131	131
Rapid Response Signs Regional	-	204	204	208	213	219	-
Regional Exhibition Touring Boost	-	500	500	500	1,750	1,750	1,750
Regional Museum Grants	-	-	-	250	250	250	250
Sport and Recreation	4,349	5,540	5,717	11,372	4,790	5,500	-
Sports Financial Grants	22,967	18,343	18,343	17,596	10,886	9,486	9,441
Sports Lotteries Account	15,750	15,792	14,676	15,117	15,116	15,230	15,275
TOTAL	106,330	102,417	103,435	101,613	77,284	76,732	70,558

(a) In the published 2017-18 Budget Statements, the Local Projects Local Jobs program for Sport and Recreation ($6.5 million) was reported under Sports Financial Grants. The Local Projects Local Jobs program has been recognised as one project in the 2018-19 Budget Statements.

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	62,207	22,990	39,611	38,818	38,875	39,378	38,802
Restricted cash	32,544	41,970	33,490	32,017	31,620	31,766	31,766
Holding account receivables	11,327	11,209	11,209	11,160	11,310	11,210	11,210
Receivables	5,432	6,573	5,421	5,410	5,399	5,388	5,388
Other	3,362	3,237	3,362	3,362	3,362	3,362	3,362
Total current assets	114,872	85,979	93,093	90,767	90,566	91,104	90,528
NON-CURRENT ASSETS							
Holding account receivables	114,822	123,709	124,181	135,806	147,157	170,091	190,899
Property, plant and equipment	669,088	654,214	710,096	878,874	914,366	900,179	887,208
Intangibles	8,323	7,331	7,864	7,147	6,381	5,716	4,869
Restricted cash	380	558	611	843	1,089	1,326	1,626
Other	1,198,360	808,256	769,230	759,836	779,794	790,297	799,290
Total non-current assets	1,990,973	1,594,068	1,611,982	1,782,506	1,848,787	1,867,609	1,883,892
TOTAL ASSETS	2,105,845	1,680,047	1,705,075	1,873,273	1,939,353	1,958,713	1,974,420
CURRENT LIABILITIES							
Employee provisions	16,258	13,549	15,710	15,716	15,722	15,728	15,728
Payables	28,021	19,960	27,752	27,245	26,270	25,795	25,320
Other	6,659	6,275	6,254	6,315	6,795	7,065	7,065
Total current liabilities	50,938	39,784	49,716	49,276	48,787	48,588	48,113
NON-CURRENT LIABILITIES							
Employee provisions	4,003	6,597	4,109	4,206	4,303	4,400	4,400
Other	239	524	239	239	239	239	239
Total non-current liabilities	4,242	7,121	4,348	4,445	4,542	4,639	4,639
TOTAL LIABILITIES	55,180	46,905	54,064	53,721	53,329	53,227	52,752
EQUITY							
Contributed equity	1,185,480	905,625	1,127,730	1,288,471	1,345,056	1,348,125	1,352,522
Accumulated surplus/(deficit) [b] [c]	338,902	(5,880)	(11,637)	(13,860)	(14,049)	(13,549)	(13,825)
Reserves [b]	526,283	733,397	534,918	544,941	555,017	570,910	582,971
Total equity	2,050,665	1,633,142	1,651,011	1,819,552	1,886,024	1,905,486	1,921,668
TOTAL LIABILITIES AND EQUITY	2,105,845	1,680,047	1,705,075	1,873,273	1,939,353	1,958,713	1,974,420

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

(b) Accumulated surplus/(deficit) does not agree to the aggregate of surplus/(deficiency) for the period and surplus/(deficiency) as at the end of the previous reporting period due to bequests and donated works of art income being transferred to reserves in the Statement of Financial Position ($475,000) in the years from 2017-18 to 2021-22. The amount transferred to reserves in 2016-17 was $2,129,000.

(c) The 2016-17 Actual Accumulated surplus of $339 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	218,385	204,315	214,919	209,754	199,123	197,913	198,674
Capital appropriation	40,605	124,223	100,836	154,183	56,576	3,018	4,397
Administered equity contribution	-	-	-	6,500	-	-	-
Holding account drawdowns	10,449	11,327	11,026	10,430	10,381	10,461	10,461
Royalties for Regions Fund:							
Country Local Government Fund	3,673	3,134	2,223	-	-	-	-
Regional Community Services Fund	13,010	12,783	12,200	17,935	7,829	8,294	2,576
Regional Infrastructure and Headworks Fund	-	-	325	325	140	140	140
Perth Stadium Account	206,472	122,028	122,028	-	-	-	-
Net cash provided by State Government	492,594	477,810	463,557	399,127	274,049	219,826	216,248
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(99,225)	(102,543)	(105,153)	(97,131)	(98,449)	(100,951)	(102,550)
Grants and subsidies	(97,685)	(102,417)	(103,435)	(101,613)	(77,284)	(76,732)	(70,558)
Supplies and services	(26,689)	(36,050)	(48,155)	(36,067)	(35,597)	(36,067)	(36,819)
Accommodation	(21,075)	(23,246)	(24,208)	(20,688)	(20,594)	(23,336)	(23,871)
Other payments	(55,164)	(31,106)	(31,665)	(36,351)	(28,993)	(29,600)	(29,404)
Receipts [b]							
Regulatory fees and fines	6,326	4,850	5,650	5,746	5,843	5,942	6,041
Grants and subsidies	5,694	2,776	3,310	2,127	1,575	2,020	2,025
Sale of goods and services	19,539	22,507	23,560	21,360	21,224	27,206	27,445
GST receipts	44,539	21,333	21,333	26,252	18,788	19,094	19,094
Other receipts	8,148	7,470	8,639	6,317	6,301	6,963	6,931
Net cash from operating activities	(215,592)	(236,426)	(250,124)	(230,048)	(207,186)	(205,461)	(201,666)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(83,669)	(196,725)	(173,663)	(171,113)	(66,957)	(13,479)	(14,858)
Other payments	(225)	-	-	-	-	-	-
Other receipts	162	-	-	-	-	-	-
Net cash from investing activities	(83,732)	(196,725)	(173,663)	(171,113)	(66,957)	(13,479)	(14,858)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments - Optus Stadium	(220,424)	(62,985)	(62,985)	-	-	-	-
Other proceeds - Optus Stadium Transport Infrastructure	6,000	1,800	1,800	-	-	-	-
Net cash from financing activities	(214,424)	(61,185)	(61,185)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(21,154)	(16,526)	(21,415)	(2,034)	(94)	886	(276)
Cash assets at the beginning of the reporting period	121,749	87,434	100,590	79,175	77,141	77,047	77,933
Net cash transferred to/from other agencies	(5)	-	-	-	-	-	-
Cash assets at the end of the reporting period	100,590	70,908	79,175	77,141	77,047	77,933	77,657

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Regulatory Fees and Fines							
Liquor Fees Revenue	6,326	4,850	5,650	5,746	5,843	5,942	6,041
Grants and Subsidies							
Provision of Services to the Commonwealth	402	256	256	256	256	256	256
Direct Grants and Subsidies Receipts	1,801	761	761	447	450	364	364
Sale of Goods and Services							
Provision of Services to the Racing and Gaming Industries	4,019	4,769	4,269	4,269	4,269	4,269	4,269
Revenue Received for the Provision of Accommodation and Recreation Programs	4,520	4,680	4,680	4,930	4,930	4,930	4,930
Other	601	554	554	588	450	466	516
GST Receipts							
GST Input Credits	38,955	19,855	19,855	24,763	17,246	17,553	17,553
GST Receipts on Sales	1,639	1,478	1,478	1,489	1,542	1,541	1,541
Other Receipts							
Rental Income	192	799	799	928	932	937	937
Other Receipts	1,869	1,677	3,719	1,689	1,697	1,708	1,670
TOTAL [b]	60,324	39,679	42,021	45,105	37,615	37,966	38,077

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.
(b) The 2017-18 published Budget Statements included the statutory authorities' net appropriation.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Taxation							
Casino Tax	61,872	62,000	62,000	71,000	71,000	71,000	71,000
Other							
Appropriation	48,146	56,247	52,399	55,304	56,589	58,061	59,247
Combat Sports Commission Appropriation	814	839	839	848	853	860	860
TOTAL ADMINISTERED INCOME	110,832	119,086	115,238	127,152	128,442	129,921	131,107
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants to Individuals Problem Gambling	500	500	500	500	500	500	500
Statutory Authorities							
Grants to Racing and Wagering Western Australia	13,882	14,407	15,913	17,754	19,041	20,265	21,353
Subsidies And Concessions							
Subsidies to Gambling and Betting Agencies and Bookmakers	33,784	41,340	35,986	37,050	37,048	37,296	37,394
Other							
Receipts Paid into the Consolidated Account	60,739	62,000	62,000	71,000	71,000	71,000	71,000
Combat Sports Commission Expenditure	814	839	839	848	853	860	860
TOTAL ADMINISTERED EXPENSES	109,719	119,086	115,238	127,152	128,442	129,921	131,107

Agency Special Purpose Account Details

ARTS LOTTERIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The purpose of the account is to hold moneys received, pursuant to section 22(2)(d) and 22(5) of the *Lotteries Commission Act 1990*, to be applied in such proportions and among such bodies and persons engaged in the conduct of cultural activities in the State.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	-	-	-	-
Receipts:				
Appropriations	15,000	16,634	15,518	15,959
Other	-	-	-	-
	15,000	16,634	15,518	15,959
Payments	15,000	16,634	15,518	15,959
CLOSING BALANCE	-	-	-	-

COMMUNITY SPORTING AND RECREATION FACILITIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The account holds moneys appropriated for the purpose of making grants for the development of public sporting and recreation facilities and for the management and administration of those grants.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	264	81	81	81
Receipts:				
Appropriations	18,000	15,000	15,119	19,000
Other	145	-	-	-
	18,409	15,081	15,200	19,081
Payments	18,328	15,000	15,119	19,000
CLOSING BALANCE	81	81	81	81

SPORTS LOTTERIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The purpose of the Account is to hold moneys received, pursuant to section 22(2)(c) and 22(3) of the *Lotteries Commission Act 1990*, to be applied in such proportions and among such bodies engaged in the conduct of sport in the State.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	855	103	103	103
Receipts:				
Appropriations	15,000	16,634	15,518	15,959
Other	23	-	-	-
	15,878	16,737	15,621	16,062
Payments	15,775	16,634	15,518	15,959
CLOSING BALANCE	103	103	103	103

LOGUE BROOK RECREATION OFFSET TRUST ACCOUNT

Account Purpose: To fund the identification and re-establishment (and associated administration costs) of recreation amenities, where practical, within the localities of nearby dams and inland bodies, following cessation of recreational access to Logue Brook.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	59	59	59	59
	59	59	59	59
Payments	-	-	-	-
CLOSING BALANCE	59	59	59	59

Division 35 Western Australian Sports Centre Trust

Part 8 Community Services

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 75 Net amount appropriated to deliver services	52,430	74,618	75,393	**80,038**	79,235	73,553	75,241
Total appropriations provided to deliver services	52,430	74,618	75,393	**80,038**	79,235	73,553	75,241
CAPITAL							
Item 119 Capital Appropriation	4,152	14,694	14,651	**13,778**	14,238	15,320	16,841
TOTAL APPROPRIATIONS	56,582	89,312	90,044	**93,816**	93,473	88,873	92,082
EXPENSES							
Total Cost of Services	101,555	117,361	161,498	**205,070**	202,397	203,566	202,044
Net Cost of Services [(a)]	45,233	70,353	69,530	**74,908**	74,429	68,987	70,675
CASH ASSETS [(b)]	36,388	2,678	27,467	**28,053**	28,648	27,761	27,874

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
2018-19 Tariffs, Fees and Charges	-	260	162	163	164
HBF Naming Rights Extension	116	119	121	-	-
New Public Sector Wages Policy	(31)	(39)	(38)	(41)	-
Optus Stadium					
Consolidation of Venue Operator Costs [(a)]	20,869	46,627	44,378	47,515	46,256
Insurance	375	750	750	750	750
Revised Financial Forecast	3,271	1,282	1,306	(31)	(9)
Perth Arena Consolidation of Venue Operator Costs [(a)]	19,087	19,087	19,087	19,087	19,087
State Fleet Policy and Procurement Initiatives	(10)	(17)	(19)	(23)	(25)
Western Australian Sports Centre Trust (VenuesWest) Revised Financial Forecast	1,000	-	-	-	-
Western Force Super Rugby Licence Cancellation	(540)	(1,324)	(1,324)	(1,324)	(1,324)

(a) This expenditure reflects a change in accounting treatment with regard to the relationship between the venue operators and VenuesWest as being that of agent and principal, and therefore all financial transactions of the operators have been consolidated into VenuesWest's financial statements. There is no impact to the Net Cost of Services from the change in accounting treatment. This change was reflected in VenuesWest's 2016-17 Annual Report and is now incorporated in the Budget Papers.

Significant Issues Impacting the Agency

- The successful first year of operation of Optus Stadium (to January 2019) remains an important focus for VenuesWest to ensure delivery of an exciting calendar of events in conjunction with our venue partner and stakeholders. It is expected that Optus Stadium will continue to feature in building Western Australia's profile and drawing premium entertainment and sporting events to the State.

- The management of safety, and provision of security, across the portfolio of 13 sport and entertainment venues remain a high priority of the State Government. VenuesWest will continue its comprehensive planning to ensure the delivery of great venue experiences and will continue to work collaboratively with the Western Australia Police Force and other essential service providers to continually assess infrastructure needs.

- The challenging music/concert touring market experienced in 2017-18 is expected to continue for the coming financial year with revenue pressures and increasing customer discretion around events and expenditure. Consumers remain selective about entertainment spend and are demanding a premium experience. VenuesWest's challenge in 2018-19 will be to get music acts to extend their tour beyond the east coast.

- The ongoing operations of the Perth Motorplex venue will be resolved. The proposed transition to a private sector player either through the sale or lease of the venue has not been concluded at the time of preparing the 2018-19 Budget. The interim management solution deployed by VenuesWest will conclude on 30 June 2018 and any ongoing responsibilities for the State will be clarified in due course.

- The financial position of nib Stadium has been negatively impacted by the loss of Western Force from the Super Rugby competition and by the closing of the commercial naming rights agreement with nib Insurance as at 30 June 2018. To help offset these negative impacts, VenuesWest have booked Western Force for a season of six international fixtures. Three will be held in the 2017-18 financial year and three will be held in the 2018-19 financial year. New naming rights opportunities will be pursued on the strength of this replaced content.

- The need to enhance patrons' experience through the use of technology is ever increasing. This poses challenges to ensure technologies that meet customer expectations for on-demand technology consumption are available to enhance the live experience in an environment where event and sporting viewing is increasingly happening at home through mainstream and alternative media channels.

- Consumer concerns relating to the ticket resale market have grown significantly with ticket scalping causing detrimental impacts on genuine fans who may miss out or have to pay inflated prices for events. VenuesWest will continue efforts to increase consumer awareness of the risk of buying through ticket re-sellers in addition to working across the Government sector to progress new major event legislation.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians.	1. Deliver Training and Competition Facilities for High Performance Sport 2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Deliver Training and Competition Facilities for High Performance Sport	38,092	67,482	91,854	135,728	133,143	133,973	132,258
2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences	63,463	49,879	69,644	69,342	69,254	69,593	69,786
Total Cost of Services	101,555	117,361	161,498	205,070	202,397	203,566	202,044

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians:					
Percentage of targeted sports where venues meet international competition standards	81%	89%	89%	89%	
High performance sport user satisfaction	94%	90%	90%	90%	
Level of patronage	3.67 million	4.75 million	4.51 million	5.09 million	1
Customer satisfaction	93%	85%	85%	88%	2

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

Explanation of Significant Movements

(Notes)

1. The level of patronage increases in the 2017-18 Budget and 2017-18 Estimated Actual is as a result of the opening of Optus Stadium in January 2018. The 2018-19 Budget Target increases relative to the 2017-18 Estimated Actual are due to the first full year of operations of the Optus Stadium.

2. The customer satisfaction results represent the merging of the previous community and commercial user satisfaction ratings.

Services and Key Efficiency Indicators

1. Deliver Training and Competition Facilities for High Performance Sport

Manage and maintain facilities of an international level for elite sport programs.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	38,092	67,482	91,854	135,728	1
Less Income	7,302	13,937	37,123	75,566	2
Net Cost of Service	30,790	53,545	54,731	60,162	
Employees (Full Time Equivalents)	78	85	197	284	3
Efficiency Indicators					
The Subsidy VenuesWest Provides to High Performance Sport and Training Competition	69%	76%	56%	45%	4

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service in the 2017-18 Budget compared to the 2016-17 Actual primarily reflects additional costs associated with the opening of Optus Stadium in January 2018. The Total Cost of Service for the 2017-18 Estimated Actual has increased compared to the 2017-18 Budget primarily due to the consolidation of all financial transactions relating to the venue operator for Optus Stadium which occurred as part of the 2017-18 Mid-year Review. Total Cost of Service increases in the 2018-19 Budget Target representing the first full year of operations of Optus Stadium.

2. The increase in income in the 2017-18 Budget compared to the 2016-17 Actual primarily reflects additional income associated with the opening of Optus Stadium in January 2018. Total income for the 2017-18 Estimated Actual has increased compared to the 2017-18 Budget primarily due to the consolidation of all financial transactions relating to the venue operator of Optus Stadium which occurred as part of the 2017-18 Mid-year Review. Income increases in the 2018-19 Budget Target representing the first full year of operations.

3. The substantial increase in Full Time Equivalents (FTEs) between the 2016-17 Actual and the 2018-19 Budget Target primarily reflects the incorporation of Optus Stadium FTEs.

4. The increase in this indicator in the 2017-18 Budget compared to the 2016-17 Actual reflects additional costs associated with the opening of Optus Stadium. The indicator for the 2017-18 Estimated Actual has decreased compared to the 2017-18 Budget due primarily to the incorporation of Optus Stadium consolidation adjustments in the 2017-18 Mid-year Review. The consolidations have the impact of decreasing the indicator because despite an increase in high performance hours as a result of the opening of Optus Stadium, the cost increase as a result of the consolidations is much greater proportionately. The indicator decreases in the 2018-19 Budget Target as a result of the first full year of Optus Stadium operations.

2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences

Manage and maintain facilities to provide for community, sporting and entertainment services, programs and events.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	63,463	49,879	69,644	69,342	1
Less Income	49,020	33,071	54,845	54,596	2
Net Cost of Service	14,443	16,808	14,799	14,746	
Employees (Full Time Equivalents)	176	191	298	308	3
Efficiency Indicators					
Commercial Expense Ratio	70%	66%	78%	79%	4

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is higher in the 2016-17 Actual and the 2017-18 Estimated Actual than the 2017-18 Budget due to the consolidation of all financial transactions relating to the venue operator of Perth Arena.

2. The income is higher in the 2016-17 Actual and the 2017-18 Estimated Actual than the 2017-18 Budget due to the consolidation of all financial transactions relating to the venue operator of Perth Arena.

3. The substantial increase in FTEs between the 2016-17 Actual and the 2018-19 Budget Target primarily reflects the incorporation of Perth Arena FTEs.

4. The Commercial Expense Ratio is higher in the 2016-17 Actual and the 2017-18 Estimated Actual than the 2017-18 Budget due to the inclusion of Perth Arena consolidation adjustments that were not reflected in the 2017-18 Budget.

Asset Investment Program

The Asset Investment Program for the 2018-19 Budget totals $10.1 million reflecting capital upgrades and maintenance across VenuesWest's asset portfolio. The estimated reduction in expenditure of $18 million from 2017-18 primarily reflects the completion of the HBF Arena expansion project in 2017-18.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
nib Stadium Management - Plant and Equipment	2,375	875	500	500	500	500	-
Optus Stadium - Computers and Office Equipment	2,937	107	107	206	179	1,112	1,333
COMPLETED WORKS							
Capital Upgrades and Maintenance							
2016-17 Program	10,647	10,647	6,137	-	-	-	-
2017-18 Program	11,017	11,017	11,017	-	-	-	-
Election Commitment - HBF Arena Toilets and Storage Upgrade	746	746	746	-	-	-	-
HBF Arena Expansion Projects	24,108	24,108	9,642	-	-	-	-
NEW WORKS							
Capital Upgrades and Maintenance							
2018-19 Program	9,079	-	-	9,079	-	-	-
2019-20 Program	9,610	-	-	-	9,610	-	-
2020-21 Program	10,610	-	-	-	-	10,610	-
2021-22 Program	11,314	-	-	-	-	-	11,314
WA Athletics Stadium	333	-	-	333	-	-	-
Total Cost of Asset Investment Program	92,776	47,500	28,149	10,118	10,289	12,222	12,647
FUNDED BY							
Capital Appropriation [(a)]			8,052	632	1,136	2,069	3,494
Drawdowns from the Holding Account			4,700	4,700	4,700	4,700	4,700
Internal Funds and Balances			15,397	4,786	4,453	5,453	4,453
Total Funding			28,149	10,118	10,289	12,222	12,647

(a) The variation in the capital appropriation of $6.6 million in 2017-18, $13.1 million in 2018-19, $13.1 million in 2019-20, $13.2 million in 2020-21 and $13.3 million in 2021-22 between the Asset Investment Program table and the Appropriations, Expenses and Cash Assets table relates to principal repayments for the finance lease for the Optus Stadium. This repayment is reflected in the Cashflows from Financing Activities section of the Statement of Cashflows.

Financial Statements

Income Statement

Expenses

The increase in Total Cost of Services from the 2016-17 Actual to the 2018-19 Budget Estimate mainly reflects:

- costs associated with the commencement of operations of Optus Stadium in January 2018; and
- Perth Arena and Optus Stadium consolidation adjustments incorporated in the 2017-18 Mid-year Review.

Income

The increase in total income from the 2016-17 Actual to the 2018-19 Budget Estimate mainly reflects:

- revenue associated with the commencement of operations of Optus Stadium in January 2018; and
- Perth Arena and Optus Stadium consolidation adjustments incorporated in the 2017-18 Mid-year Review.

The increase in service appropriation in the 2017-18 Budget mainly reflects additional depreciation and financing costs associated with the Optus Stadium Design, Build, Finance and Maintain contract.

Statement of Financial Position

The significant movement in cash assets, property, plant and equipment and non-current borrowings mainly reflects:

- Perth Arena and Optus Stadium consolidation adjustments incorporated in the 2017-18 Mid-year Review; and
- the recognition of the Optus Stadium asset and finance lease liability.

Statement of Cashflows

The significant movement in cashflows from the State Government, operating activities and financing activities mainly reflects:

- Perth Arena and Optus Stadium consolidation adjustments incorporated in the 2017-18 Mid-year Review; and
- receipts and payments associated with the commencement of operations of Optus Stadium in January 2018 and the associated finance lease.

The reduction in cashflows from investing activities in the 2018-19 Budget Estimate and the forward estimates period reflects the completion of the HBF Arena expansion project in 2017-18.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	31,456	21,355	35,024	38,314	37,621	38,529	38,515
Supplies and services	21,772	23,761	47,702	60,675	58,779	61,455	60,822
Accommodation	7,992	7,703	10,369	11,415	11,557	11,441	11,541
Depreciation and amortisation	31,538	41,734	41,734	52,734	53,374	53,302	53,302
Other expenses	8,797	22,808	26,669	41,932	41,066	38,839	37,864
TOTAL COST OF SERVICES	101,555	117,361	161,498	205,070	202,397	203,566	202,044
Income							
Sale of goods and services	41,577	41,628	73,519	103,260	101,290	108,227	104,995
Grants and subsidies	3,948	-	500	-	-	-	-
Other revenue	10,797	5,380	17,949	26,902	26,678	26,352	26,374
Total Income	56,322	47,008	91,968	130,162	127,968	134,579	131,369
NET COST OF SERVICES	45,233	70,353	69,530	74,908	74,429	68,987	70,675
INCOME FROM STATE GOVERNMENT							
Service appropriations	52,430	74,618	75,393	80,038	79,235	73,553	75,241
TOTAL INCOME FROM STATE GOVERNMENT	52,430	74,618	75,393	80,038	79,235	73,553	75,241
SURPLUS/(DEFICIENCY) FOR THE PERIOD	7,197	4,265	5,863	5,130	4,806	4,566	4,566

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 254, 495 and 592 respectively.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	35,585	1,922	26,404	26,725	27,049	26,162	26,275
Restricted cash	803	756	1,063	1,328	1,599	1,599	1,599
Holding account receivables	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Receivables	2,123	1,312	2,123	2,123	2,123	2,123	2,123
Other	8,348	8,830	8,723	8,723	8,723	8,723	8,723
Total current assets	51,559	17,520	43,013	43,599	44,194	43,307	43,420
NON-CURRENT ASSETS							
Holding account receivables	131,663	168,697	168,697	216,731	265,405	314,007	362,609
Property, plant and equipment	907,069	2,009,878	1,988,403	1,953,680	1,922,077	1,890,079	1,849,424
Intangibles	715	473	695	695	695	695	695
Total non-current assets	1,039,447	2,179,048	2,157,795	2,171,106	2,188,177	2,204,781	2,212,728
TOTAL ASSETS	1,091,006	2,196,568	2,200,808	2,214,705	2,232,371	2,248,088	2,256,148
CURRENT LIABILITIES							
Employee provisions	2,974	2,406	2,974	2,974	2,974	2,974	2,974
Payables	1,973	495	1,973	1,973	1,973	1,973	1,973
Other	19,488	4,281	19,730	19,972	20,214	20,214	20,214
Total current liabilities	24,435	7,182	24,677	24,919	25,161	25,161	25,161
NON-CURRENT LIABILITIES							
Employee provisions	868	777	868	868	868	868	868
Borrowings	-	416,232	416,232	403,087	389,984	376,733	363,386
Total non-current liabilities	868	417,009	417,100	403,955	390,852	377,601	364,254
TOTAL LIABILITIES	25,303	424,191	441,777	428,874	416,013	402,762	389,415
EQUITY							
Contributed equity	910,799	1,578,889	1,591,479	1,605,256	1,619,495	1,634,815	1,651,656
Accumulated surplus/(deficit)	68,062	73,553	73,925	79,055	83,861	88,427	92,993
Reserves	86,842	119,935	93,627	101,520	113,002	122,084	122,084
Total equity	1,065,703	1,772,377	1,759,031	1,785,831	1,816,358	1,845,326	1,866,733
TOTAL LIABILITIES AND EQUITY	1,091,006	2,196,568	2,200,808	2,214,705	2,232,371	2,248,088	2,256,148

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

STATEMENT OF CASHFLOWS [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	22,208	32,884	33,659	27,304	25,861	20,251	21,939
Capital appropriation	4,152	14,694	14,651	13,778	14,238	15,320	16,841
Holding account drawdowns	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Net cash provided by State Government	31,060	52,278	53,010	45,782	44,799	40,271	43,480
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(31,161)	(21,355)	(35,024)	(38,314)	(37,620)	(38,529)	(38,515)
Grants and subsidies	(34)	-	-	-	-	-	-
Supplies and services	(20,507)	(22,317)	(46,251)	(59,373)	(57,472)	(60,148)	(59,515)
Accommodation	(7,992)	(7,703)	(10,369)	(11,415)	(11,557)	(11,441)	(11,541)
Other payments	(18,132)	(25,713)	(29,955)	(44,695)	(43,833)	(41,606)	(40,631)
Receipts							
Grants and subsidies	3,948	-	500	-	-	-	-
Sale of goods and services	49,627	41,629	73,519	103,261	101,289	108,227	104,995
GST receipts	6,633	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts	10,907	5,622	18,191	27,144	26,920	26,352	26,374
Net cash from operating activities	(6,711)	(28,377)	(27,929)	(21,932)	(20,813)	(15,685)	(17,373)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(20,704)	(27,192)	(28,149)	(10,118)	(10,289)	(12,222)	(12,647)
Proceeds from sale of non-current assets	64	-	-	-	-	-	-
Other receipts	-	-	746	-	-	-	-
Net cash from investing activities	(20,640)	(27,192)	(27,403)	(10,118)	(10,289)	(12,222)	(12,647)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments	-	(6,599)	(6,599)	(13,146)	(13,102)	(13,251)	(13,347)
Net cash from financing activities	-	(6,599)	(6,599)	(13,146)	(13,102)	(13,251)	(13,347)
NET INCREASE/(DECREASE) IN CASH HELD	3,709	(9,890)	(8,921)	586	595	(887)	113
Cash assets at the beginning of the reporting period	15,371	12,568	36,388	27,467	28,053	28,648	27,761
Net cash transferred to/from other agencies	17,308	-	-	-	-	-	-
Cash assets at the end of the reporting period	36,388	2,678	27,467	28,053	28,648	27,761	27,874

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

Western Australian Institute of Sport

Part 8 Community Services

Asset Investment Program

The Asset Investment Program covers the Institute's upgrade and replacement of capital intensive sporting equipment, sport science technology and hardware and office equipment, assisting the Institute to provide opportunities for talented Western Australian athletes to achieve excellence in elite sport with support from their home environment.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Asset Replacement - 2017-18 Program	143	143	143	-	-	-	-
NEW WORKS							
Asset Replacement							
2018-19 Program	143	-	-	143	-	-	-
2019-20 Program	143	-	-	-	143	-	-
2020-21 Program	143	-	-	-	-	143	-
2021-22 Program	143	-	-	-	-	-	143
Total Cost of Asset Investment Program	715	143	143	143	143	143	143
FUNDED BY							
Internal Funds and Balances			143	143	143	143	143
Total Funding			143	143	143	143	143

Lotteries Commission

Part 8 Community Services

Asset Investment Program

Lotterywest's Asset Investment Program totals $2.1 million in 2018-19 and $7.5 million over the forward estimates period.

Lotterywest will invest:

- $2.1 million on operating system upgrades and $2.4 million on networks and software in order to respond to evolving customer expectations and to maintain support environments;
- $1.5 million on additional security measures to respond to increasing cyber risks that threaten the integrity of Lotterywest's gaming systems; and
- $500,000 in its gaming systems.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Gaming							
2017-18 Program	500	500	500	-	-	-	-
Retailer Terminals	272	272	272	-	-	-	-
Network - 2017-18 Program	250	250	250	-	-	-	-
Operating System - 2017-18 Program	640	640	640	-	-	-	-
Plant and Equipment - 2017-18 Program	390	390	390	-	-	-	-
Retail Transformation Program	15,658	15,658	4,744	-	-	-	-
Security - 2017-18 Program	1,077	1,077	1,077	-	-	-	-
Software							
2017-18 Program	328	328	328	-	-	-	-
Electronic Document and Records Management System	260	260	260	-	-	-	-
SAP Business Intelligence	200	200	200	-	-	-	-
NEW WORKS							
Gaming							
2019-20 Program	250	-	-	-	250	-	-
2020-21 Program	250	-	-	-	-	250	-
Network							
2018-19 Program	500	-	-	500	-	-	-
2020-21 Program	250	-	-	-	-	250	-
2021-22 Program	500	-	-	-	-	-	500
Operating System							
2018-19 Program	600	-	-	600	-	-	-
2019-20 Program	500	-	-	-	500	-	-
2020-21 Program	650	-	-	-	-	650	-
2021-22 Program	300	-	-	-	-	-	300
Plant and Equipment							
2018-19 Program	200	-	-	200	-	-	-
2019-20 Program	200	-	-	-	200	-	-
2020-21 Program	200	-	-	-	-	200	-
2021-22 Program	400	-	-	-	-	-	400
Security							
2018-19 Program	500	-	-	500	-	-	-
2019-20 Program	250	-	-	-	250	-	-
2020-21 Program	750	-	-	-	-	750	-
Software							
2018-19 Program	250	-	-	250	-	-	-
2019-20 Program	250	-	-	-	250	-	-
2020-21 Program	100	-	-	-	-	100	-
2021-22 Program	550	-	-	-	-	-	550
Total Cost of Asset Investment Program	27,025	19,575	8,661	2,050	1,450	2,200	1,750
FUNDED BY							
Internal Funds and Balances			8,661	2,050	1,450	2,200	1,750
Total Funding			8,661	2,050	1,450	2,200	1,750

Metropolitan Cemeteries Board

Part 8 Community Services

Asset Investment Program

The Board's $25.9 million Asset Investment Program (AIP) provides for the delivery of quality community services through the development and ongoing maintenance of all metropolitan cemeteries in line with community demands and expectations, and supports the entity's strategic direction and long term viability.

In 2018-19, the AIP totals $7.9 million and is focused on:

- Phase 2 of Stage 7 Karrakatta Mausoleum project - $3.75 million;
- Fremantle Mausoleum Improvement project - $0.75 million;
- Cremator Reline Replacement Program at Pinnaroo and Fremantle sites - $0.7 million; and
- Phase 2 of the Cemeteries Records System Replacement project - $0.6 million.

Across the forward estimates period, the AIP investment in our suburbs also provides for improved access to the State's metropolitan cemeteries including its amenities and the provision of related services for the benefit of the community, industry and government.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Building and Infrastructure - 2017-18 Program	7,280	7,280	7,280	-	-	-	-
Burials, Entombments and Memorials - 2017-18 Program	1,041	1,041	1,041	-	-	-	-
Cremators - 2017-18 Program	78	78	78	-	-	-	-
Fleet, Plant and Equipment - 2017-18 Program	1,293	1,293	1,293	-	-	-	-
NEW WORKS							
Building and Infrastructure	15,312	-	-	5,219	2,261	1,627	6,205
Burials, Entombments and Memorials	4,243	-	-	765	898	1,230	1,350
Cremators	1,904	-	-	724	228	348	604
Fleet, Plant and Equipment	4,455	-	-	1,225	945	1,115	1,170
Total Cost of Asset Investment Program	35,606	9,692	9,692	7,933	4,332	4,320	9,329
FUNDED BY							
Internal Funds and Balances			9,692	7,933	4,332	4,320	9,329
Total Funding			9,692	7,933	4,332	4,320	9,329

Part 9

Transport

Summary of Portfolio Appropriations

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Transport			
– Delivery of Services	65,096	57,774	78,558
– Administered Grants, Subsidies and Other Transfer Payments	100	100	100
– Capital Appropriation	19,037	18,287	17,489
Total	84,233	76,161	96,147
Commissioner of Main Roads			
– Delivery of Services	896,877	874,398	982,697
– Capital Appropriation	316,371	336,556	263,253
Total	1,213,248	1,210,954	1,245,950
Public Transport Authority of Western Australia			
– Delivery of Services	359	359	359
– Capital Appropriation	190,431	164,825	1,011,255
Total	190,790	165,184	1,011,614
GRAND TOTAL			
– Delivery of Services	962,332	932,531	1,061,614
– Administered Grants, Subsidies and Other Transfer Payments	100	100	100
– Capital Appropriation	525,839	519,668	1,291,997
Total	**1,488,271**	**1,452,299**	**2,353,711**

Division 36 Transport

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 76 Net amount appropriated to deliver services	56,500	63,839	56,517	**77,301**	184,717	37,023	31,694
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,257	1,257	1,257	**1,257**	1,257	1,257	1,260
Total appropriations provided to deliver services	57,757	65,096	57,774	**78,558**	185,974	38,280	32,954
ADMINISTERED TRANSACTIONS							
Item 77 Western Australian Coastal Shipping Commission	100	100	100	**100**	100	100	100
CAPITAL							
Item 120 Capital Appropriation	16,107	19,037	18,287	**17,489**	15,945	15,992	19,968
TOTAL APPROPRIATIONS	73,964	84,233	76,161	**96,147**	202,019	54,372	53,022
EXPENSES							
Total Cost of Services	413,723	414,299	400,829	**436,152**	534,471	398,820	395,032
Net Cost of Services [(a)]	87,570	81,010	65,487	**99,411**	188,505	38,878	33,552
CASH ASSETS [(b)]	70,872	84,812	93,842	**107,404**	141,562	180,137	218,712

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
METRONET Project Office Funding	801	1,518	1,519	1,532	1,536
Senior Executive Service Reduction	(500)	(1,000)	(1,000)	(1,000)	(1,000)
Western Australian Bicycle Network - Principal Shared Path Program	-	15,660	3,000	(8,660)	10,000
Western Australian Bicycle Network and Bike Boulevards (Safe Active Streets) Grant Program	-	-	-	-	5,340
Other					
2018-19 Tariffs, Fees and Charges	-	6,965	9,631	9,274	9,110
Big Data Project	822	250	200	200	-
Broome Cruise Ship Strategy	(250)	-	-	-	-
Business Information Systems Capital Budget Reallocation	1,000	1,000	1,000	1,000	1,000
CAT Bus Services Escalation	150	398	763	-	-
Government Office Accommodation Reform Program	(125)	(78)	(73)	(21)	(9)
Indian Ocean Territories Services Delivery Agreement	197	117	117	117	117
New Public Sector Wages Policy	(446)	(945)	(1,476)	(2,037)	-

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
On-demand Transport					
Completion of Small Business Development Corporation Delivered Innovation Assistance Package	(500)	-	-	-	-
Regional Reform	-	390	-	-	-
Voluntary Taxi Plate Buy-back Scheme	-	-	118,620	300	300
Removal of Voluntary Emergency Vehicle Insurance Subsidy	-	(120)	(120)	(120)	(120)
Revision to Road Trauma Trust Account Funding	-	(162)	-	-	-
State Fleet Policy and Procurement Initiatives	(151)	(260)	(288)	(327)	(332)
Voluntary Targeted Separation Scheme [(a)]	867	(414)	(418)	(423)	(429)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- Western Australia's taxi and charter industry, consistent with national and international trends, has been faced with a range of challenges in recent years. Technological advances, changing customer expectations and the emergence of new competitors have driven the need for reform.
- In November 2017, the State Government announced the details of its new direction for the industry. The reform will see further deregulation of Perth and regional taxis and charter services to allow for fair competition, innovation and unification of disparate sectors into a modern, customer-focused on-demand transport industry.
- New legislation will be introduced in 2018 that will set the minimum standards of safety required of drivers, vehicles and booking services operating within the taxi, charter, tour and regular passenger transport sectors and establish a chain of accountability for that safety. To support the Perth taxi sector to adjust to the more open market, a buy-back of owned Perth taxi plates is proposed, funded by a levy on taxi and charter passenger fares starting or finishing in a defined Perth and Peel area.
- Recently Perth, along with other Australian capital cities, has experienced a plateauing of cycling participation. Following large increases in cycling participation in line with a stronger Western Australian economy during 2010-2014, in recent years there has been a decline in cycling participation. In Perth, the 2016-17 cycling data on the Principal Shared Path (PSP) network near the CBD showed a 3% decline and reduced demand on weekends. This moderate decline indicates the stronger declines since 2014 have been arrested.
- The Government's investment in cycling infrastructure for our suburbs and our towns will attract more cyclists by providing a safe and connected network in Perth and the regions. The allocated funding will result in $23 million for the PSP expansion program, $3 million for the Safe Active Streets program and $4 million for the Perth and Regional Bike Network Grants program in 2018-19.
- Demand for coastal infrastructure continues to grow with the ongoing need for new or improved facilities in both metropolitan and regional locations. To ensure the demand is met for this investment in our suburbs and towns, the Department is focusing on a number of initiatives including:
  - Broome Boating Facilities Upgrade Project;
  - construction of a public jetty in the Swan River on the Burswood Peninsula as part of the Optus Stadium project; and
  - Broome Marina and Bremer Bay Boat Harbour planning.
- The Westport Taskforce has been established to develop a long-term integrated solution to the Perth and surrounding regions' ports, freight and logistical needs. Engaging with stakeholders and the community at all stages of the planning process, the Westport Taskforce will plan for a modern port, provide land use and transport plans, assess the commercial implications and logistical opportunities whilst maximising compatibility of projects and landside development with the environment. The Westport Taskforce will also identify expansion and preservation of industrial areas and technology parks to strengthen the economy and create jobs into the future.

- Western Australia's export industries are facing increased pressure from competitors in the global market place, many of which enjoy a significant advantage in transport costs from producer to port. Urbanisation and the interface of freight operations with the community has created challenges in providing efficient access to port infrastructure, while budget constraints limit the available funding for new infrastructure.
- In addition to committed infrastructure spending, the Government is investigating other initiatives that would improve the efficiency of entire supply chains using policy or regulatory change. Projects, such as the Fremantle Inner Harbour Freight Supply Chain Strategy and Revitalising Agricultural Region Freight, seek to identify opportunities to increase transport productivity and create meaningful change in the transport supply chain whilst minimising the need for costly infrastructure investment.
- In order to reduce the impact of an increasing freight task on metropolitan roads, the State Government is also committed to increasing the volume of freight on rail. The Fremantle Container Rail Subsidy encourages the use of rail transport, decreasing the number of heavy vehicle movements on metropolitan roads.
- The Department continues to explore and incorporate initiatives to achieve customer service excellence for the Western Australian community. Initiatives planned for 2018-19 include:
  - moving to e-billing and personalisation of messages to improve communication with customers;
  - replacing facilities at Willagee, Welshpool and Kelmscott with modern and functional facilities in line with customer expectations;
  - ongoing review of the practical driver assessment process with initiatives to positively influence driver behaviour, attitude and experience in line with the Department's core outcomes for safe drivers;
  - limiting the type of vehicles specifically requested to attend a Government site for inspection (i.e. bus, taxi) to special purpose and highly modified vehicles to ensure these vehicles meet high safety standards. All other inspections will be carried out by the Authorised Inspection Station network;
  - increasing customer trust in secure identities by trialling the national document verification service to validate identity documents used to obtain a driver's licence and connecting to the National Driver's Licence Facial Recognition Service to prevent fraud, better capture disqualified drivers and support national crime and counter-terrorism efforts;
  - contributing to the national work to introduce a practical legislative framework for regulation of connected and automated vehicles by 2020. This includes national coordination of standards, regulation and data handling requirements, to set the highest standards of community safety and interoperability between states and territories of what is an internationally standardised technology; and
  - further expansion of DoTDirect including improved fleet management capabilities for business clients and an expanded range of online transactions for transport customers.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Integrated transport systems that facilitate economic development.	1. Strategic Transport Policy and Integrated Planning
Strong Communities: Safe communities and supported families.	Vehicles and road users that meet established vehicle standards and driver competencies to deliver safe vehicles and safe drivers.	2. Driver and Vehicle Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	An accessible and safe transport system.	3. Coastal Infrastructure 4. Marine Safety 5. On-demand Transport

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Strategic Transport Policy and Integrated Planning	61,338	81,842	69,571	102,880	83,793	68,276	62,901
2. Driver and Vehicle Services	202,421	202,800	202,209	209,741	217,651	215,845	215,284
3. Coastal Infrastructure	70,775	70,608	70,565	71,322	62,696	64,017	65,109
4. Marine Safety	29,553	27,079	27,901	26,754	25,607	25,540	25,897
5. On-demand Transport	49,636	31,970	30,583	25,455	144,724	25,142	25,841
Total Cost of Services	413,723	414,299	400,829	436,152	534,471	398,820	395,032

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Integrated transport systems that facilitate economic development:					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port	15.2%	15.8%	15.7%	16.3%	
Percentage of regional Local Government Areas (LGA) that have access to regular public transport air services between the LGA and Perth	93.5%	93.5%	93.5%	93.5%	
Outcome: Vehicles and road users that meet established vehicle standards and driver competencies to deliver safe vehicles and safe drivers:					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles)	93.5%	100%	93.5%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers)	97.3%	100%	97.5%	100%	
Percentage of driver's licence cards issued within 21 days of completed application	100%	100%	100%	100%	
Outcome: An accessible and safe transport system:					
Percentage by which, the waiting time standard, for metropolitan area taxis, is met	91.8%	91%	91.5%	91.4%	
Percentage of time maritime infrastructure is fit for purpose when required	99.6%	99.7%	99.8%	99.7%	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels	12.6	11.1	10.7	10.9	

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

Services and Key Efficiency Indicators

1. Strategic Transport Policy and Integrated Planning

This service contributes towards the provision of leadership for strategic transport management, development and protection of economic nodes and networks through the provision of a range of services, including:

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;
- strategic policy development which supports the achievement of sustainable, effective and practical solutions for Western Australian transport networks and addresses capacity issues;
- policy advice and strategic transport solutions to Government;
- representation and negotiation, on behalf of the State Government, at national level transport-related forums to produce positive outcomes that promote and protect Western Australian interests;
- program management and delivery of major intermodal infrastructure planning and development activities that assists in economic development;
- quality assurance and assessment of the return on investment for government funds in transport projects; and
- monitoring industry and public demand-growth to provide best practice transport channels and access which alleviates environmental impacts.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	61,338	81,842	69,571	102,880	
Less Income	57,033	63,093	63,389	63,140	
Net Cost of Service	4,305	18,749	6,182	39,740	
Employees (Full Time Equivalents)	105	114	115	118	
Efficiency Indicators					
Average Cost per Policy Hour for Strategic Transport Policy Development	$96	$111	$106	$125	
Average Cost per Planning Hour for Integrated Transport Planning Development	$118	$129	$155	$159	

2. Driver and Vehicle Services

This service contributes towards the provision of safe, accessible, sustainable and efficient transport services and systems through the provision of driver licensing and vehicle registration services for:

- setting motor vehicle standards in accordance with national and State Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements for the issue of a driver's licence, in accordance with State Government legislation and national identity and security and privacy policies;
- assessing driver competency, issuing and renewing driver licences in accordance with national and State Government requirements and driver competency standards;
- securing and maintaining a database of registered vehicles and drivers, and managing vehicle identification numbers, to support the enforcement of road traffic and other relevant laws;
- collecting revenue on behalf of government; and
- informing and educating road users about driver licensing, vehicle registration and related requirements.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	202,421	202,800	202,209	209,741	
Less Income	194,651	201,052	200,723	207,920	
Net Cost of Service	7,770	1,748	1,486	1,821	
Employees (Full Time Equivalents)	953	968	952	954	
Efficiency Indicators					
Average Cost per Vehicle and Driver Transaction	$18	$18	$17	$18	
Average Cost per Vehicle Inspection Performed by Vehicle Examination Centres	$289	$272	$322	$170	
Average Cost per Vehicle Inspection Delivered through Authorised Inspection Stations	$129	$116	$109	$138	
Average Cost per Driver Assessment	$103	$106	$116	$109	

3. Coastal Infrastructure

This service contributes towards the Department's outcome of an accessible and safe transport system through a range of coastal infrastructure services, including:

- planning, building and managing new and existing land and water-based maritime facilities;
- the provision of coastal engineering advice and solutions for new and existing land and water-based maritime facilities; and
- the provision of oceanographic, hydrographic, cartographic and geographic information.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	70,775	70,608	70,565	71,322	
Less Income	47,546	42,398	43,856	39,828	
Net Cost of Service	23,229	28,210	26,709	31,494	
Employees (Full Time Equivalents)	110	112	112	110	
Efficiency Indicators					
Average Cost per Day per Maritime Infrastructure Asset Managed	$94	$81	$82	$85	

4. Marine Safety

This service contributes towards the safe and sustainable use of navigable waters through the provision of a range of marine safety regulatory and education services, including:

- regulation and administration of marine industry service and safety standards, including on water compliance patrols;
- licensing of recreational vessels, marine safety education, navigational services and aids in accordance with relevant legislation; and
- marine protection through provision of a pollution response team.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	29,553	27,079	27,901	26,754	
Less Income	22,589	22,491	22,162	21,371	
Net Cost of Service	6,964	4,588	5,739	5,383	
Employees (Full Time Equivalents)	125	125	121	123	
Efficiency Indicators					
Average Cost per Private Recreational Vessel Registration	$127	$150	$156	$154	
Cost to Maintain Marine Pollution Response Preparedness per Registered Vessel	$29	$30	$31	$31	

5. On-demand Transport

This service contributes towards the provision of safe, accessible and sustainable personal on-demand transport services and systems through the provision of services for:

- setting and monitoring standards for on-demand transport vehicles;
- administering subsidies for taxi users, student and pensioner travel schemes; and
- investigating complaints from on-demand transport patrons, operators and drivers.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	49,636	31,970	30,583	25,455	
Less Income	4,334	4,255	5,212	4,482	
Net Cost of Service	45,302	27,715	25,371	20,973	
Employees (Full Time Equivalents)	57	59	55	54	
Efficiency Indicators					
Cost of Regulation per Taxi Plate Administered	$1,812	$2,141	$2,220	$2,032	

Asset Investment Program

The Department's Asset Investment Program for 2018-19 is $32.4 million. Major projects include:

Transforming Bunbury's Waterfront - Stage 2 (Jetty Road)

This $9.9 million project is part of the Stage 2 Transforming Bunbury's Waterfront Initiative. Upgrades to the Jetty Road causeway will provide the enabling infrastructure for installation of new boat pens for future Stages 3a and 3b. The works involve the reconstruction of the rock revetments, reconstruction of the access road including new parking bays, multi-use pathways, drainage, feature landscaping, public toilets, lighting and services upgrades. Design is underway with works due to commence from mid-2018 and be completed in late 2019.

On-demand Transport Business System Enhancement

This $7.1 million project is approved to develop a full scope of system enhancement necessary to support the regulatory functions expected of the Department under a fully reformed on-demand transport industry. The funding has been allocated over three years from 2017-18 with the project expected to be completed in 2019-20. The project will enhance and corporately align the business systems needed for the annual authorisation and oversight of on-demand transport booking and dispatch services, vehicles, drivers and the ongoing education, enforcement and audit of all players in the safety chain of accountability.

Maritime Facilities Program

This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating requirements. Significant projects planned to be undertaken in 2018-19 include the continuation of the replacement of Jetties B and C at Hillarys Boat Harbour and Two Rocks Marina Redevelopment - Phase 1.

Driver and Vehicle Services Reform Program

This program of works is to modernise driver and vehicle services information systems by implementing new technology that increases the number of transactions customers can conduct without face-to-face attendance at licensing centres. This program also enhances licensing centre facilities to improve customer service as well as meeting government accommodation standards for the Department's employees. This program aims to constrain the cost of fees and charges to the community, as part of the Department's responsible financial management.

Information and Communications Infrastructure

This is a program for ongoing maintenance of information and communications infrastructure and applications for the Department as well as shared projects on behalf of the Department of Planning, Lands and Heritage, including asset upgrade and replacement of data storage, networks, servers, communications hardware and corporate information systems.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Coastal Infrastructure - Transforming Bunbury's Waterfront - Stage 2 (Jetty Road)	9,879	2,100	2,100	7,779	-	-	-
On-demand Transport Business System Enhancement	7,140	3,390	3,390	1,710	2,040	-	-
COMPLETED WORKS							
Coastal Infrastructure							
Exmouth Boat Harbour	17,988	17,988	2,202	-	-	-	-
Maritime Facilities Program - 2017-18 Program	6,490	6,490	6,490	-	-	-	-
Perth Stadium Precinct Jetty - Burswood Park	5,000	5,000	4,500	-	-	-	-
Corporate - Accommodation and Refurbishment							
2017-18 Program	726	726	726	-	-	-	-
Driver and Vehicle Services							
Driver and Vehicle Services Reform - 2017-18 Program	5,363	5,363	5,363	-	-	-	-
Information and Communications Infrastructure							
2017-18 Program	5,020	5,020	5,020	-	-	-	-
Marine Safety							
Marine Oil Pollution Response Equipment Enhancement/Replacement - 2017-18 Program	219	219	219	-	-	-	-
Navigational Aids - 2017-18 Program	250	250	250	-	-	-	-
Vessel Replacement - 2017-18 Program	115	115	115	-	-	-	-
Minor Works - 2017-18 Program	88	88	88	-	-	-	-
NEW WORKS							
Coastal Infrastructure - Maritime Facilities Program							
2018-19 Program	11,930	-	-	11,930	-	-	-
2019-20 Program	7,800	-	-	-	7,800	-	-
2020-21 Program	7,840	-	-	-	-	7,840	-
2021-22 Program	8,743	-	-	-	-	-	8,743
Corporate - Accommodation and Refurbishment							
2018-19 Program	510	-	-	510	-	-	-
2019-20 Program	603	-	-	-	603	-	-
2020-21 Program	592	-	-	-	-	592	-
2021-22 Program	779	-	-	-	-	-	779
Driver and Vehicle Services							
Reform Program							
2018-19 Program	4,000	-	-	4,000	-	-	-
2019-20 Program	3,851	-	-	-	3,851	-	-
2020-21 Program	3,850	-	-	-	-	3,850	-
2021-22 Program	3,200	-	-	-	-	-	3,200
Information and Communications Infrastructure							
2018-19 Program	5,000	-	-	5,000	-	-	-
2019-20 Program	4,000	-	-	-	4,000	-	-
2020-21 Program	3,374	-	-	-	-	3,374	-
2021-22 Program	5,215	-	-	-	-	-	5,215
Marine Safety							
Marine Oil Pollution Response Equipment Enhancement/Replacement Program							
2018-19 Program	100	-	-	100	-	-	-
2019-20 Program	200	-	-	-	200	-	-
2020-21 Program	200	-	-	-	-	200	-
2021-22 Program	200	-	-	-	-	-	200
Navigational Aids Program							
2018-19 Program	515	-	-	515	-	-	-
2019-20 Program	721	-	-	-	721	-	-
2020-21 Program	854	-	-	-	-	854	-
2021-22 Program	872	-	-	-	-	-	872
Vessel Replacement							
2018-19 Program	580	-	-	580	-	-	-
2019-20 Program	580	-	-	-	580	-	-
2020-21 Program	580	-	-	-	-	580	-
2021-22 Program	580	-	-	-	-	-	580
Minor Works							
2018-19 Program	281	-	-	281	-	-	-
2019-20 Program	334	-	-	-	334	-	-
2020-21 Program	402	-	-	-	-	402	-
2021-22 Program	379	-	-	-	-	-	379
Total Cost of Asset Investment Program	136,943	46,749	30,463	32,405	20,129	17,692	19,968

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
FUNDED BY							
Capital Appropriation			18,287	17,489	15,945	15,992	19,968
Funding Included in Department of Treasury Administered Item			-	200	1,700	1,700	-
Internal Funds and Balances			2,767	6,937	2,484	-	-
Other			5,865	-	-	-	-
Drawdowns from Royalties for Regions Fund			3,544	7,779	-	-	-
Total Funding			30,463	32,405	20,129	17,692	19,968

Financial Statements

Income Statement

Expenses

The movement in the Total Cost of Services between the 2017-18 Estimate Actual and the 2018-19 Budget Estimate is primarily due to an increase in grants and subsidies from bringing forward the PSP program.

The movement in the Total Cost of Services between 2018-19 and 2019-20 is primarily due to the On-demand Transport Reform Voluntary Taxi Plate Buy-back Scheme.

Income

The fluctuation in income from grants and subsidies between the 2017-18 Estimated Actual and the 2018-19 Budget Estimate is primarily due to one-off projects in 2017-18, such as the Perth Stadium Precinct Jetty (funded by a grant from Burswood Park Board) and Alcohol Interlock Implementation (funded by a grant from the Road Trauma Trust Account).

The fluctuation in service appropriation between 2018-19 and 2019-20 is primarily due to the On-demand Transport Reform Voluntary Taxi Plate Buy-back Scheme.

Statement of Financial Position

Changes to restricted cash are primarily a result of collection and allocation of funds in the Perth Parking Licensing Account and Taxi Industry Development Account.

Statement of Cashflows

The increase in service appropriation in 2018-19 is primarily due to the bringing forward of funds for the PSP program. The increase in service appropriation in 2019-20 is primarily due to the On-demand Transport Voluntary Taxi Plate Buy-back Scheme.

The receipts paid into the Consolidated Account in 2018-19 relate to the sale of Welshpool Licensing Centre and reimbursement for the taxi plate owners hardship fund payments.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	134,383	139,891	140,650	140,738	142,559	143,496	145,385
Grants and subsidies [c]	109,881	118,672	103,959	132,012	226,677	96,211	90,789
Supplies and services	77,707	79,419	77,545	84,043	81,438	77,621	79,757
Accommodation	23,030	23,826	23,511	28,583	29,105	30,129	30,274
Depreciation and amortisation	25,212	22,367	22,367	22,368	22,657	22,695	22,695
Other expenses	43,510	30,124	32,797	28,408	32,035	28,668	26,132
TOTAL COST OF SERVICES	413,723	414,299	400,829	436,152	534,471	398,820	395,032
Income							
Sale of goods and services	23,408	23,583	23,583	27,168	27,901	28,515	29,028
Regulatory fees and fines	202,886	205,075	205,075	212,185	220,532	222,932	221,983
Grants and subsidies	6,882	16,288	17,536	10,110	10,114	20,127	20,131
Taxation	56,321	57,553	57,553	58,225	58,911	60,081	60,081
Other revenue	36,656	30,790	31,595	29,053	28,508	28,287	30,257
Total Income	326,153	333,289	335,342	336,741	345,966	359,942	361,480
NET COST OF SERVICES	87,570	81,010	65,487	99,411	188,505	38,878	33,552
INCOME FROM STATE GOVERNMENT							
Service appropriations	57,757	65,096	57,774	78,558	185,974	38,280	32,954
Resources received free of charge	1,228	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund:							
Regional Community Services Fund	28,734	44,964	42,424	42,914	34,334	34,334	34,334
Regional Infrastructure and Headworks Fund	5,202	707	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	92,921	112,756	102,187	123,461	222,297	74,603	69,277
SURPLUS/(DEFICIENCY) FOR THE PERIOD	5,351	31,746	36,700	24,050	33,792	35,725	35,725

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,350, 1,355 and 1,359 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Australian Maritime Safety Authority	452	600	600	250	-	-	-
Aviation (Public Air Route) Subsidies	434	500	500	1,500	500	500	500
Bicycle Boulevards (Safe Active Streets Program)	636	4,876	4,876	3,000	3,000	3,000	3,000
CBD Transport Plan	2,100	2,250	2,250	2,250	2,250	2,250	2,250
Coastal Projects and Zone Management	725	757	757	1,057	1,057	1,057	1,057
Community Police	1,191	1,300	1,300	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme	26,350	30,986	30,986	30,923	30,891	30,891	30,891
East Perth Multi Modal Transport Initiatives	-	2,131	2,131	-	-	-	-
Emergency Vehicle Insurance	188	120	120	-	-	-	-
Fare Subsidies (Pensioners)	1,339	1,589	1,589	1,589	1,589	1,589	1,589
Fremantle Port Rail Service	2,517	3,640	3,640	5,250	5,250	5,250	1,169
Jurien Bay to Cervantes Trail	1,180	-	-	-	-	-	-
Local Projects Local Jobs	124	449	1,521	788	-	-	-
Marine Communications	658	670	670	670	670	670	670
Multi-purpose Taxi - Vehicle Modification Grant	75	345	345	345	345	345	345
National Transport Reforms	305	300	300	300	300	300	300
On-demand Transport Reform							
Regional Reform	-	-	-	390	-	-	-
Transition Assistance Package	24,143	3,674	3,000	-	-	-	-
Voluntary Taxi Plate Buy-back Scheme	-	-	-	-	118,320	-	-
Other Grants and Subsidies	226	299	231	230	230	210	210
Port of Wyndham	2,114	1,988	1,988	1,988	1,988	1,988	1,988
Public Transport Authority - CAT Bus Services	15,009	15,292	15,442	15,690	16,055	15,292	15,292
Recreational Boat Facilities	3,881	7,355	6,974	6,730	1,500	1,500	1,500
Regional Airport Development Scheme	4,510	17,185	2,123	18,966	1,937	1,935	1,935
Student Fare Concessions	1,471	1,241	1,241	1,241	1,241	1,241	1,241
Taxi User Co-payment (Previous Lifting Subsidy)	1,386	1,959	1,959	1,959	1,959	1,959	1,959
Taxi User Subsidy Scheme	9,384	8,826	8,826	8,826	8,826	8,826	8,826
Two Rocks Beach Erosion Project	-	-	250	-	-	-	-
Western Australian Bicycle Network	9,483	10,340	10,340	26,770	27,469	16,108	14,767
TOTAL	109,881	118,672	103,959	132,012	226,677	96,211	90,789

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	30,009	19,248	23,532	13,164	8,933	7,260	6,600
Restricted cash	40,348	65,208	69,795	93,369	131,402	171,109	209,684
Receivables	9,063	8,257	9,063	9,063	9,063	9,063	9,063
Other	6,281	4,627	6,281	6,281	6,281	6,281	6,281
Total current assets	85,701	97,340	108,671	121,877	155,679	193,713	231,628
NON-CURRENT ASSETS							
Holding account receivables	216,582	236,457	236,457	256,332	276,495	296,696	316,897
Property, plant and equipment	438,238	468,544	447,115	450,433	448,686	444,464	442,518
Intangibles	30,232	25,517	29,451	28,670	27,889	27,108	26,327
Restricted cash	515	356	515	871	1,227	1,768	2,428
Total non-current assets	685,567	730,874	713,538	736,306	754,297	770,036	788,170
TOTAL ASSETS	771,268	828,214	822,209	858,183	909,976	963,749	1,019,798
CURRENT LIABILITIES							
Employee provisions	21,888	22,893	21,524	21,524	21,524	21,524	21,524
Payables	20,881	12,190	20,881	20,881	20,881	20,881	20,881
Other	2,186	6,784	2,230	2,586	2,942	3,298	3,654
Total current liabilities	44,955	41,867	44,635	44,991	45,347	45,703	46,059
NON-CURRENT LIABILITIES							
Employee provisions	6,559	6,367	6,559	6,559	6,559	6,559	6,559
Other	183	86	183	183	183	183	183
Total non-current liabilities	6,742	6,453	6,742	6,742	6,742	6,742	6,742
TOTAL LIABILITIES	51,697	48,320	51,377	51,733	52,089	52,445	52,801
EQUITY							
Contributed equity	484,517	497,981	499,078	510,646	528,291	545,983	565,951
Accumulated surplus/(deficit)	232,806	279,611	269,506	293,556	327,348	363,073	398,798
Reserves	2,248	2,302	2,248	2,248	2,248	2,248	2,248
Total equity	719,571	779,894	770,832	806,450	857,887	911,304	966,997
TOTAL LIABILITIES AND EQUITY	771,268	828,214	822,209	858,183	909,976	963,749	1,019,798

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	42,243	45,221	37,899	58,683	165,811	18,079	12,753
Capital appropriation	16,107	19,037	18,287	17,689	17,645	17,692	19,968
Royalties for Regions Fund:							
Regional Community Services Fund	28,734	44,964	42,424	42,914	34,334	34,334	34,334
Regional Infrastructure and Headworks Fund	16,777	2,707	3,544	7,779	-	-	-
Receipts paid into Consolidated Account	(881)	-	-	(13,900)	-	-	-
Net cash provided by State Government	102,980	111,929	102,154	113,165	217,790	70,105	67,055
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(135,924)	(139,535)	(140,658)	(140,382)	(142,203)	(143,140)	(145,029)
Grants and subsidies	(107,700)	(118,672)	(103,959)	(132,012)	(226,677)	(96,211)	(90,789)
Supplies and services	(70,379)	(75,623)	(73,897)	(80,698)	(78,081)	(74,220)	(76,349)
Accommodation	(23,023)	(23,826)	(23,511)	(28,583)	(29,105)	(30,129)	(30,274)
Other payments	(60,132)	(58,637)	(60,838)	(56,470)	(60,109)	(56,786)	(54,257)
Receipts [b]							
Regulatory fees and fines	200,239	204,763	204,763	212,185	220,532	222,932	221,983
Grants and subsidies	6,747	16,288	17,536	10,110	10,114	20,127	20,131
Sale of goods and services	23,277	23,583	23,583	27,168	27,901	28,515	29,028
Taxation	55,774	57,553	57,553	58,225	58,911	60,081	60,081
GST receipts	24,719	26,706	26,706	26,706	26,706	26,706	26,706
Other receipts	35,877	30,790	31,595	29,053	28,508	28,287	30,257
Net cash from operating activities	(50,525)	(56,610)	(41,127)	(74,698)	(163,503)	(13,838)	(8,512)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(32,879)	(33,347)	(30,463)	(32,405)	(20,129)	(17,692)	(19,968)
Proceeds from sale of non-current assets	58	-	-	7,500	-	-	-
Net cash from investing activities	(32,821)	(33,347)	(30,463)	(24,905)	(20,129)	(17,692)	(19,968)
NET INCREASE/(DECREASE) IN CASH HELD	19,634	21,972	30,564	13,562	34,158	38,575	38,575
Cash assets at the beginning of the reporting period	75,508	70,110	70,872	93,842	107,404	141,562	180,137
Net cash transferred to/from other agencies	(24,270)	(7,270)	(7,594)	-	-	-	-
Cash assets at the end of the reporting period	70,872	84,812	93,842	107,404	141,562	180,137	218,712

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Regulatory Fees and Fines							
Motor Driver Licence Fees	61,072	61,914	61,914	66,250	70,327	66,797	63,437
Motor Vehicle Recording Fee	58,825	59,355	59,355	58,567	60,149	61,472	62,578
Motor Vehicle Plate Fees	14,228	15,356	15,356	13,509	13,316	13,357	13,397
Motor Vehicle Transfer Fees	9,942	10,213	10,213	9,816	9,787	9,796	9,806
Motor Vehicle Inspection Fees	13,357	13,337	13,337	18,707	18,981	19,259	19,541
Other Driver and Vehicle Services Fees	5,877	7,377	7,420	6,146	6,137	6,144	6,153
Boat Registration Fees	18,157	19,007	19,007	19,641	19,700	19,740	19,901
Other Marine Safety Fees	1,437	1,203	1,321	1,837	1,837	1,832	1,832
Jetty Licences and Coastal Facility Fees	13,344	12,972	12,811	13,530	14,680	15,681	16,484
On-demand Services Revenue	4,000	4,029	4,029	4,182	5,618	8,854	8,854
Grants and Subsidies							
Grants and Contributions Received	6,747	16,288	17,536	10,110	10,114	20,127	20,131
Sale of Goods and Services							
Sales of Goods and Services	23,277	23,583	23,583	27,168	27,901	28,515	29,028
Taxation							
Perth Parking Levy	55,774	57,553	57,553	58,225	58,911	60,081	60,081
GST Receipts							
GST Input Credits	16,670	18,825	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales	8,049	7,881	7,881	7,881	7,881	7,881	7,881
Other Receipts							
Rents and Leases	16,353	16,801	16,801	17,561	17,824	18,091	18,363
Service Delivery Agreement	4,575	3,740	3,740	1,967	1,967	1,967	1,967
Interest Revenue	1,154	373	373	296	296	296	296
Other Revenue	13,795	9,876	10,681	9,229	8,421	7,933	9,631
TOTAL	346,633	359,683	361,736	363,447	372,672	386,648	388,186

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Taxation							
Motor Vehicle Licence Fees	842,743	873,660	873,660	911,322	944,265	966,997	991,877
On-demand Transport Levy	-	-	-	2,500	29,500	29,500	29,500
Fines							
Speed and Red Light Fines	83,064	98,436	88,073	90,114	83,215	78,637	74,789
Final Demand Fees	2,252	2,000	2,000	2,469	2,475	2,485	2,541
Plate and Transfer Infringements	8,830	8,305	8,305	8,474	8,251	8,055	7,883
Other Fines	27,047	23,028	23,028	23,028	23,028	23,028	23,028
Other							
Firearm Licence Fees	15	4,203	-	-	-	-	-
Dealer Plates Annual Fees	120	-	-	-	-	-	-
Off-road Vehicle Fees	63	58	58	60	58	58	57
Collection of Interstate Licence Fees	4,145	1,773	1,773	-	-	-	-
Appropriation	100	100	100	100	100	100	100
TOTAL ADMINISTERED INCOME	968,379	1,011,563	996,997	1,038,067	1,090,892	1,108,860	1,129,775
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission	100	100	100	100	100	100	100
Other							
Payments to Consolidated Account	881,007	911,196	906,993	947,793	1,007,519	1,030,065	1,054,829
Payment to Road Trauma Trust Fund	83,064	98,436	88,073	90,114	83,215	78,637	74,789
Payment to Off-road Vehicle Trust Account	63	58	58	60	58	58	57
All Other Expenses	4,145	1,773	1,773	-	-	-	-
TOTAL ADMINISTERED EXPENSES	968,379	1,011,563	996,997	1,038,067	1,090,892	1,108,860	1,129,775

Division 37 Commissioner of Main Roads

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 78 Net amount appropriated to deliver services	321,199	331,154	328,860	**323,019**	357,775	375,225	377,849
Amount Authorised by Other Statutes							
- Road Traffic Act 1974	602,286	565,298	545,113	**659,253**	748,048	771,025	810,905
- Salaries and Allowances Act 1975	425	425	425	**425**	425	425	425
Total appropriations provided to deliver services	923,910	896,877	874,398	**982,697**	1,106,248	1,146,675	1,189,179
CAPITAL							
Item 121 Capital Appropriation	61,045	-	-	**3,000**	3,750	5,500	6,500
Road Traffic Act 1974	246,676	316,371	336,556	**260,253**	204,577	204,572	189,572
TOTAL APPROPRIATIONS	1,231,631	1,213,248	1,210,954	**1,245,950**	1,314,575	1,356,747	1,385,251
EXPENSES							
Adjusted Total Cost of Services [(a)]	1,421,248	1,967,665	1,447,320	**1,877,729**	1,579,374	999,852	871,384
Adjusted Net Cost of Services [(b)]	967,346	734,934	664,982	**931,219**	1,017,093	773,557	710,365
CASH ASSETS [(c)]	275,120	385,098	437,638	**366,813**	235,931	247,195	360,732

(a) Adjusted Total Cost of Services excludes non-cash adjustments and local government network adjustments and includes road works capitalised to infrastructure. This accounts for the difference between the figure in the Income Statement and that shown in this table and the Service Summary. Refer to the Total Cost of Services Reconciliation Table.

(b) Represents Adjusted Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
Senior Executive Service Reduction	(250)	(500)	(500)	(500)	(500)
Other					
Bridge Renewal Program					
Round Three - Local Council Contribution	2,304	4,147	-	-	-
Williams Bridge - Reallocation from Recurrent to Capital	-	(6,200)	(1,100)	-	-
Commonwealth Mid-year Economic and Fiscal Outlook Changes	-	(4,335)	(4,335)	(4,335)	(4,335)
East Perth Multi-modal Transport Initiatives	(800)	-	-	-	-
Increase of Reseal Program - Reallocation from Recurrent to Capital	(20,000)	-	-	-	-
Mitchell Freeway, Northbound from Hutton Street to Cedric Street					
Reallocation from Recurrent to Capital	-	(15,000)	-	-	-
Motor Vehicle Licence Fee Revenue Update	-	(214)	(6,860)	(25,513)	(633)
New Public Sector Wages Policy	(185)	(632)	(1,102)	(1,589)	-
Outback Way - Reallocation from Capital to Recurrent	-	23,000	10,000	-	-
Prior Year Expenditure Updates	(12,918)	-	(7,600)	(15,738)	-
Road Maintenance Expenditure	-	(12,362)	(71,100)	(123,445)	(121,445)

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Road Transfer and Asset Retirement Update	-	24,216	57,837	-	-
Road Trauma Trust Account - Speed Monitoring Project	-	100	100	100	100
State Fleet Policy and Procurement Initiatives	(431)	(855)	(944)	(1,012)	(994)
Stephenson Avenue Extension - Additional Commonwealth Funding	-	10,000	25,000	30,000	-

Significant Issues Impacting the Agency

- The strength of the Main Roads' strategic direction Keeping WA Moving is its design to drive beyond the traditional three to five year planning horizon. Keeping WA Moving prepares Main Roads to be well positioned to respond in a fast-changing world. It sets a direction for 10, 20 and even 30 years into the future, recognising that Main Roads needs to prepare now.
- Continuing the strong collaboration in the Transport portfolio is vital to the work Main Roads undertakes as every project worked on has a direct impact on the community. Main Roads has a specific focus on the considerable benefits offered by a cohesive, integrated approach to the planning, investment and delivery of the State's transport system.
- Succession planning and changing business requirements requires constant vigilance on workforce planning. Main Roads' route management program is working to ensure Main Roads has a team with the right skills at the right time. Other benefits of the program include the opportunity to challenge and influence existing business practices aimed at promoting improved performance. The Transport portfolio continues to investigate ways to enhance current performance without a required increase in resources. Projects include connecting contact centre technologies, shared knowledge management systems and availability of real time customer information.
- The number of people that are killed or seriously injured on the State's road network continues to be a significant concern and is not acceptable. Main Roads' Road Safety Management System (ROSMA) applies Safe System principles and a holistic view of the road transport system in order to manage the interaction between the road, travel speed, vehicle and road user. ROSMA is an evidence-driven approach to reducing fatal and serious injuries for all road users. Main Roads continues to work with local governments, the Western Australia Police Force and the Road Safety Commission in being committed to the State's Road Safety Strategy, Towards Zero 2008-2020.
- Limited Aboriginal employment opportunities continues to be an issue across the construction industry. A number of recent construction projects are ensuring greater employment opportunities for Aboriginal people including three projects along the Great Northern Highway (Maggie's Jump Up, Wyndham Spur and Bow River Bridge). New long-term maintenance contracts have also included measures to increase such employment opportunities.
- Congested roads affect travel time and place constraints on movement. In 2015 the avoidable social cost of Perth's congestion was estimated to be $2 billion. Through new technologies and smarter operations, coupled with traditional civil widening, Main Roads extracts more from existing infrastructure. Congestion is a multi-modal issue with the Transport portfolio implementing integrated solutions.
- Geographic isolation, a primary economy and vast distances mean that Western Australia depends heavily on the efficient movement of freight. Main Roads is collaborating in the Westport: Ports and Environs Strategy, which will outline a long-range vision to guide the planning, development and growth of both the Inner and Outer Harbours. In regional areas efficient transport networks, including access to ports, are vital to sustain and grow economic activity. As the population and economy grows a continued focus on multi-modal solutions is required.
- Severe weather events continue to damage both private and public infrastructure affecting individuals and communities as a whole. Damage to the State's road infrastructure has become a growing issue. Main Roads is working with the Office of Emergency Management to ensure that the State's road assets (State and local government owned) are restored to pre-disaster functionality and the State is able to maximise its claim for Commonwealth support. Main Roads is currently assisting the Office of Emergency Management to introduce a new Commonwealth determination on natural disaster funding that will affect both Main Roads and local governments.
- Autonomous and connected vehicles, ride sharing and electric vehicles will contribute to a safer and more efficient transport system. Main Roads is working closely with others across Australia and internationally, seeking to understand the possibilities and implications for the road network and the broader integrated land transport system of these innovative technologies. The difficulty associated with predicting when a critical mass of the new technology will be available and adopted is a significant issue for urban and transport planners internationally. This issue has potential to greatly affect how the road network of the future will be utilised.

- Main Roads continues to work with the Western Australian Local Government Association on the establishment of the next five year funding agreement. This agreement will continue to build on the strong working relationship and partnership between the two levels of government.
- The identification of new skills and capabilities required by the road sector to meet future growth and needs is not yet fully understood as new technologies mature and evolve. Research is required at the national level to enable road agencies to work collaboratively across the road sector and educational institutions to ensure mid to long-term strategic workforce planning needs are identified and addressed.
- There is a growing call for open data that can be freely used, reused and redistributed by anyone. Main Roads is providing public access to its vast and varied resource of data with the aim of contributing to enhanced economic and social benefits. Making data discoverable and more broadly available creates significant opportunities to explore and develop transport-related products and services for Main Roads' customers. The Transport portfolio has established a group project to ensure that open data is optimised.
- Teams from across the Transport portfolio continue to strengthen collaboration on transport issues to ensure integrated transport solutions resulting in better community outcomes. METRONET and Westport are just two current high profile projects benefiting from this integrated team approach.
- Technology advances are enabling Main Roads to improve its data capture and thus information on how the road network interacts as a complete transport solution. Collaborating with universities, transport agencies and research and start up communities is improving current data collection techniques, including getting more out of current infrastructure. Main Roads will continue to work with new technologies to improve decision-making in relation to the entire transport network.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Facilitate economic and regional development.	1. Infrastructure for State Development
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Reliable and efficient movement of people and goods.	2. Road System Management 3. Road Efficiency Improvements
	A well maintained road network.	4. Road Network Maintenance
Strong Communities: Safe communities and supported families.	A safe road environment.	5. Road Safety
	Improved community access and roadside amenity.	6. Infrastructure for Community Access

Service Summary (Adjusted Total Cost of Services)

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Infrastructure for State Development	346,057	713,667	364,391	505,295	410,643	94,388	21,911
2. Road System Management	127,729	209,189	139,549	144,596	128,936	136,364	130,733
3. Road Efficiency Improvements	356,033	416,960	296,622	542,003	385,860	184,679	115,137
4. Road Network Maintenance	360,893	438,460	438,460	440,460	442,460	444,460	446,460
5. Road Safety	214,653	162,081	192,262	211,608	184,597	128,502	124,035
6. Infrastructure for Community Access	15,883	27,308	16,036	33,767	26,878	11,459	33,108
Adjusted Total Cost of Services	1,421,248	1,967,665	1,447,320	1,877,729	1,579,374	999,852	871,384

Total Cost of Services - Reconciliation Table (Adjusted to Income Statement)

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Adjusted Total Cost of Services	1,421,248	1,967,665	1,447,320	1,877,729	1,579,374	999,852	871,384
Non-cash Adjustments							
Road Infrastructure Depreciation [a]	368,809	384,711	384,711	378,871	413,425	430,875	430,875
Road Transfers and Retirements [b]	213,684	41,709	41,709	58,647	70,820	12,983	12,983
Local Government Network Adjustments							
State Road Funds to Local Government Agreement [c]	162,642	183,917	196,115	181,578	188,496	193,269	198,494
Major Works on Local Government Roads [d]	96,159	64,267	112,103	76,000	78,000	87,310	-
Natural Disaster Expenditure on Local Government Roads [e]	48,901	99,620	99,900	42,000	42,000	42,000	42,000
Road Infrastructure Capital Works [f]	(979,336)	(1,467,505)	(1,018,113)	(1,332,881)	(1,019,170)	(518,427)	(328,054)
Total Cost of Services	1,332,107	1,274,384	1,263,745	1,281,944	1,352,945	1,247,862	1,227,682

(a) Road Infrastructure Depreciation includes amortisation of intangibles.
(b) Road Transfers and Retirements reflect retired non-current fixed assets expense and expenditure related to non-current fixed assets transferred to local authorities, both of which are non-cash transactions.
(c) State Road Funds to Local Government Agreement estimates from 2018-19 onwards are indicative. The current Agreement expires at the end of 2017-18.
(d) Major Works on Local Government Roads include the Mandurah Traffic Bridge, Nicholson Road Grade Separation and works on Stephenson Avenue.
(e) Natural Disaster Expenditure on Local Government Roads estimates reflect a base notional allocation, which is updated when actual natural disaster event expenditure is recouped.
(f) Road Infrastructure Capital Works reflects road works expenditure capitalised to infrastructure which has been removed from the Income Statement in accordance with Australian Accounting Standard AASB 1055.

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Facilitate economic and regional development:					
Return on construction expenditure	3.2	2.7	3.2	3.8	1
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction	87%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles					
B-Doubles 27.5m	97%	96%	97%	97%	
Double road trains 27.5m	97%	96%	97%	97%	
Double road trains 36.5m	80%	78%	80%	80%	
Triple road trains 53.5m	45%	44%	45%	45%	
Network configuration - roads	92%	90%	90%	90%	
Network configuration - bridges					
Strength	92%	91%	93%	93%	
Width	96%	96%	96%	96%	
Outcome: A well maintained road network:					
Smooth travel exposure	96%	n/a	n/a	97%	2
Community satisfaction with road maintenance	84%	90%	90%	90%	
Preventative maintenance indicator	87%	85%	85%	85%	
Outcome: A safe road environment:					
Community satisfaction with road safety	90%	90%	90%	90%	
Black spot location indicator	8.43	8.26	7.62	7.66	3
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of the Main Roads' State road network is available	92%	95%	87%	95%	4
Community satisfaction with cycleways and pedestrian facilities	87%	90%	90%	90%	

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

Explanation of Significant Movements

(Notes)

1. The increased 2018-19 Budget Target relates to an expected increase on projects with slightly higher Benefit Cost Ratio ratings.

2. This indicator is based on the percentage of travel undertaken on the State road network meeting specific roughness criteria. In 2011 it was agreed to only capture the data used for this reporting on a biennial basis. The period 2017-18 is a non-reporting period; the next result will be reported in 2018-19.

3. The measure uses a rolling period to determine whether the number of locations eligible for funding under the Black Spot Program is increasing or decreasing, considering the amount of travel in the State. The four year trend continues to show a gradual decline in the number of eligible black spot locations with the current result once again being the lowest recorded since the implementation of the Black Spot Program in 2001, coming in below the estimated target.

4. The 2017-18 Estimated Actual is lower than the 2017-18 Budget due to an increase in damage to the network from flooding events during the year.

Services and Key Efficiency Indicators

1. Infrastructure for State Development

The objective of this program is to expand the road network in accordance with Government transport and land use strategies that will facilitate the economic and regional development of the State. These works are mostly aimed at increasing the capacity of the road network through the addition of new links, which include town bypasses.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	346,057	713,667	364,391	505,295	1
Less Income	134,025	586,471	282,735	426,392	2
Net Cost of Service	212,032	127,196	81,656	78,903	
Employees (Full Time Equivalents)	115	115	115	115	
Efficiency Indicators					
Percentage of Projects Completed on Time	40%	90%	90%	90%	3
Percentage of Projects Completed on Budget	100%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2016-17 Actual and the 2017-18 Budget was due mainly to budgeted works on NorthLink WA. The decrease between the 2017-18 Budget and the 2017-18 Estimated Actual is due mainly to NorthLink WA works not advancing as planned due to design and environmental delays. The effect of this delay is an increase between the 2017-18 Estimated Actual and the 2018-19 Budget Target.

2. The movement of income is due mainly to the receipt of Commonwealth infrastructure grants and in line with expenditure.

3. This indicator represents the percentage of contracts that were delivered on time in the Infrastructure for State Development service. In 2016-17 the result achieved was 40% of contracts being delivered on time against a target of 90%. Delays included inclement weather and one project was delayed due to the discovery of hazardous materials during construction.

2. Road System Management

The objective of this program is to optimise real time management of the network, provide traveller information and support delivery of projects. Works include activities of the traffic operation centre, heavy vehicle operation activities, metropolitan and regional road asset management, road user and customer services, emergency telephones, street lighting, intelligent transport systems, traffic signals and road advisory services to the community.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	127,729	209,189	139,549	144,596	1
Less Income	9,342	15,348	12,954	12,878	
Net Cost of Service	118,387	193,841	126,595	131,718	
Employees (Full Time Equivalents)	568	571	568	568	
Efficiency Indicators					
Average Cost of Network Management per Million Vehicle Kilometres Travelled	$5,291	$5,300	$5,470	$5,540	

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2016-17 Actual and the 2017-18 Budget is due mainly to an increased budget as the network operations directorate targeted congestion issues. The reduction between the 2017-18 Budget and the 2017-18 Estimated Actual is due mainly to works being delivered under other service codes such as Road Efficiency Improvements, to be delivered in 2018-19.

3. Road Efficiency Improvements

The objective of this program is to improve the efficiency, capacity and utilisation of the existing road network. Improvements include providing a road of improved standard through geometric improvements, road widening, bridge strengthening and intersection improvements including roundabouts and interchanges.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	356,033	416,960	296,622	542,003	1
Less Income	110,652	407,060	296,739	331,318	2
Net Cost of Service	245,381	9,900	(117)	210,685	
Employees (Full Time Equivalents)	93	93	93	93	
Efficiency Indicators					
Percentage of Projects Completed on Time	68%	90%	85%	90%	3
Percentage of Projects Completed on Budget	93%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2016-17 Actual and the 2017-18 Budget is due mainly to new projects including Armadale Road - Anstey Road to Tapper Road and Marble Bar Road - Coongan Gorge Realignment. The decrease between the 2017-18 Budget and the 2017-18 Estimated Actual is due mainly to cash flow updates on the Great Northern Highway - Muchea to Wubin Stage 2, Bow River Bridge Replacement, Wyndham Spur and Maggie's Jump Up, and Marble Bar Road - Coongan Gorge Realignment. The increase between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due mainly to increased expenditure on projects including Armadale Road - Anstey Road to Tapper Road, Great Northern Highway - Wyndham Spur and Maggie's Jump Up, Mitchell Freeway - Burns Beach Road to Hester Avenue and Transforming Freeways - Roe Highway to Narrows Bridge - Smart Freeways.
2. The income movements are due mainly to the receipt of Commonwealth infrastructure grants.
3. Of the nine contracts that were delivered late, two were due to inclement weather with a follow on effect on two other projects. Two were late due to contractors correcting deficiencies. Service relocations, environmental clearances and design changes account for the other late projects.

4. Road Network Maintenance

The objective of this program is to maintain the existing road and bridge network by maximising asset life and minimising whole of life costs. Works include routine maintenance (crack patching, patching of potholes, control of declared plants and weeds, graffiti removal and litter collections), periodic maintenance (repairs to pavements, culverts and bridge decks, sealing and re-sealing of road surfaces and replacing line markings), rehabilitation works where the primary reason for the works is due to pavement failure and managing and administering various Integrated Service Arrangements.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	360,893	438,460	438,460	440,460	1
Less Income	59,222	112,738	89,359	71,454	2
Net Cost of Service	301,671	325,722	349,101	369,006	
Employees (Full Time Equivalents)	155	146	146	144	
Efficiency Indicators					
Average Cost of Road Network Maintenance per Lane Kilometre of Network	$7,197	$7,250	$7,145	$6,800	3

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2016-17 Actual and the 2017-18 Budget is due mainly to works funded by third parties.

2. The movement in income between years is due mainly to works funded by third parties.

3. This indicator identifies the financial efficiency of road and roadside maintenance works by showing the cost per lane kilometre to maintain acceptable travel conditions on the State roads. Updated information from Australian Bureau of Statistics on the Million Vehicle Kilometres Travelled component of the methodology resulted in a better result than originally estimated; the 2018-19 Budget Target reflects this new information.

5. Road Safety

The objective of this program is to reduce the road fatality rate to be the lowest in Australia, minimise road factors contributing to road trauma and reduce the serious crash injury rate. Works undertaken have safety as the foremost factor and include the State and national Black Spot programs and various projects that improve safety on the existing road network including passing lanes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	214,653	162,081	192,262	211,608	1
Less Income	133,439	86,097	97,410	97,943	2
Net Cost of Service	81,214	75,984	94,852	113,665	
Employees (Full Time Equivalents)	50	50	50	50	
Efficiency Indicators					
Percentage of Projects Completed on Time	77%	90%	85%	90%	3
Percentage of Projects Completed on Budget	93%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service between the 2016-17 Actual and the 2017-18 Budget is due mainly to the completion of the Electronic School Zone sign implementation program and a delay in the approval of the Run-off Road Crashes Road Improvements program. The increase between the 2017-18 Budget and the 2017-18 Estimated Actual is due mainly to additional approvals for Run-off Road Crashes Road Improvements and the Metropolitan Intersections Crash Program.

2. The decreased income between the 2016-17 Actual and the 2017-18 Budget is mainly due to reduced grants from the Road Safety Commission.

3. This indicator represents the percentage of contracts that were delivered on time in the Road Safety service. The result achieved in 2016-17 was 77% of contracts delivered on time, which is below the target of 90%. Whilst the majority of delays were caused by inclement weather, three projects were delayed by technical issues (rectifying bitumen and drainage issues) with a further two delayed by resolution of environmental and heritage clearances.

6. Infrastructure for Community Access

The objective of this program is to provide infrastructure that will improve personal mobility and community access, including increasing the quality of access where appropriate, providing levels of access commensurate with community expectations and meeting minimal levels of appropriate access. Works include providing access to remote communities, pedestrian facilities, cyclist facilities, vulnerable road users' facilities, road user amenities, public transport integration and improvements such as new bridges to address flood closures.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	15,883	27,308	16,036	33,767	1
Less Income	7,222	25,017	3,141	6,525	2
Net Cost of Service	8,661	2,291	12,895	27,242	
Employees (Full Time Equivalents)	28	28	28	28	
Efficiency Indicators					
Percentage of Projects Completed on Time	100%	90%	70%	90%	3
Percentage of Projects Completed on Budget	100%	90%	80%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2016-17 Actual and the 2017-18 Budget is due mainly to funding for Outback Way. The decrease between the 2017-18 Budget and the 2017-18 Estimated Actual is due mainly to reclassification of works on the Outback Way which aligns with local government delivery involvement. The increase between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due mainly to the Principal Shared Path program.

2. The movement of income is due mainly to the receipt of Commonwealth infrastructure grants.

3. The decrease in the Percentage of Projects Completed on Time between the 2017-18 Budget and the 2017-18 Estimated Actual is due mainly to changes in delivery method.

Asset Investment Program

Investment in the road network to enhance and expand the existing asset is crucial for Main Roads to deliver services that benefit the community and respond to current and future levels of demand. An integrated transport network makes provision for freight, commercial and passenger vehicles as well as providing mobility access and active transport options including cyclist and pedestrian facilities. In addition, Main Roads actively coordinates and consults with the Department of Transport and the Public Transport Authority to deliver multi-modal transport solutions that support a progressive and developing city and State. For 2018-19, some significant capital road infrastructure works are discussed below.

Armadale Road - Anstey Road to Tapper Road

This project will provide major safety improvements, remove a dangerous bottleneck and improve access to new residential developments within the Cockburn Central train station and the Jandakot industrial area. This project will upgrade 6.9 km to dual carriageway standard, provide new shared pedestrian and cycling facilities along the length of the project and includes significant intersection works.

Armadale Road Bridge - North Lake Road

Construction of the bridge will connect North Lake Road and Armadale Road and include north facing on and off ramps to Kwinana Freeway. This project will reduce congestion, enhance safety and improve access to the Cockburn Central train station. It will also complement additional investment in the surrounding area including the widening of Armadale Road between Anstey Road and Tapper Road and the Kwinana Freeway northbound between Russell Road and Roe Highway, supporting continued residential and commercial expansion in Cockburn and Armadale.

Reid Highway - Altone Road to West Swan Road

Reid Highway is a strategic east-west route for industry and commuters traversing Perth's northern suburbs. The 4 km section between Altone Road and West Swan Road is the final remaining single carriageway section on the entire length of Reid Highway. Widening this section of road will ensure congestion, improve travel times and enhance safety. A new shared path will also improve cyclist and pedestrian access to the Swan Valley.

Roe Highway and Kalamunda Road Interchange

This section is one of the last remaining signalised intersections on Roe Highway. The scope of works involves grade separating Roe Highway and Kalamunda Road. The outcomes of this project will be reduced congestion and enhanced safety for all road users. It will also allow more efficient, reliable movement of freight on Perth's primary orbital route.

Kwinana Freeway - Russell Road to Roe Highway

Kwinana Freeway northbound, south of Roe Highway, is currently two lanes and experiences a high level of congestion, particularly in the morning peak. This project involves widening the Freeway to provide a third lane from Russell Road to Roe Highway. It will reduce travel times, improve safety and address congestion for road users in Perth's southern suburbs.

NorthLink WA - Central and Northern Sections - Swan Valley Bypass

This project is part of the $1 billion NorthLink WA program. It will provide a 37 km free-flowing link from the intersection of Reid Highway and Tonkin Highway to Muchea. A new road train assembly area will be included, as will new cycling and pedestrian facilities, including a four metre wide shared path to Muchea. The overall NorthLink WA project will provide a vital link between Morley and Muchea, improving freight capacity, efficiency and productivity, reducing travel times and congestion and improving road safety.

Bunbury Outer Ring Road

Planning and pre-construction activities continue on this 25 km long project which will extend from the existing Australind Bypass north of Treendale to Bussell Highway south of Gelorup, providing improved access to the Bunbury Port as well as bypassing Bunbury and its growing residential areas. Construction of the road will facilitate the development of the Bunbury Port and adjacent industry, reduce congestion, improve travel times and freight efficiency and improve road safety. It will also improve access to existing and developing industrial areas south east of Bunbury.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Armadale Road - Anstey Road to Tapper Road	145,000	29,060	24,900	48,000	66,210	1,630	100
Bridges Renewal Program							
Ashton Avenue - Bridge 903	11,000	8,380	8,380	2,620	-	-	-
Coalling Brook - Bridge 24 and Williams River - Bridge 25	12,000	1,350	1,350	8,700	1,950	-	-
Bussell Highway							
Margaret River Perimeter Road	47,583	42,455	27,810	5,000	128	-	-
Vasse to Newtown	21,211	21,111	851	100	-	-	-
Charles Street Bus Bridge	31,626	31,206	3,050	120	100	100	100
Coolgardie-Esperance Highway - Esperance Port Access	117,346	116,296	401	500	500	50	-
Dampier Highway - Balmoral Road to Burrup Peninsula Road (Stages 2-6) - Construct Second Carriageway	108,488	108,103	114	100	100	100	85
Election Commitments							
Albany Ring Road Planning and Project Development	35,000	1,000	1,000	4,000	15,000	15,000	-
Armadale Road Bridge - North Lake Road Flyover	237,000	2,443	2,443	46,545	132,907	52,580	2,525
Bunbury Outer Ring Road - Planning and Pre-construction Activities for Stages 2 and 3	106,250	2,650	2,650	24,850	18,750	27,500	32,500
Coolgardie-Esperance Highway - Widening, Overlay and Reconstruction	8,000	1,000	1,000	4,000	3,000	-	-
Great Eastern Highway - Anzac Drive to Gatacre Drive Dualling	14,000	2,000	2,000	10,000	2,000	-	-
Karratha-Tom Price Road Stages 3 and 4 - Seal 50 km to Millstream	50,000	1,000	1,000	6,000	30,000	13,000	-
Leach Highway - Carrington Street to Stirling Highway	118,000	500	500	7,500	55,000	55,000	-
Reid Highway - Altone Road to West Swan Road Construction of Dual Carriageway	70,000	2,500	2,500	37,500	22,500	7,500	-
Roe Highway - Kalamunda Road - Grade Separated Interchange	86,000	2,130	2,130	3,600	61,970	18,300	-
South Coast Highway - Upgrade between Albany and Jerramungup Stage 1	30,000	1,000	1,000	5,000	24,000	-	-
Wanneroo Road							
Joondalup Drive - Grade Separated Interchange	50,000	2,818	2,818	25,250	21,932	-	-
Ocean Reef Road Grade Separation	64,800	16,572	16,558	35,000	13,228	-	-
Duplication Stage 3 - Joondalup Drive to Flynn Drive	31,000	21,885	21,290	9,115	-	-	-
Gibb River Road - Derby - Gibb River - Wyndham							
Improve Formation and Gravel	106,078	63,080	8,399	8,043	8,240	8,530	8,785
Great Eastern Highway							
Bilgoman Road to Mundaring	34,600	19,916	11,874	14,684	-	-	-
Great Eastern Highway - Passing Lanes [(a)]	29,608	29,395	124	71	71	71	-
Walgoolan to Coolgardie - Upgrade and Widening	32,486	32,159	200	160	167	-	-
Great Northern Highway							
Muchea to Wubin Stage 2	347,241	200,428	69,980	114,324	26,563	5,926	-
Bindi Bindi Curves	40,000	39,201	229	799	-	-	-
Karel Avenue - Farrington Road to Berrigan Drive							
Construct Dual Carriageway	15,000	1,927	1,187	7,161	5,632	175	105
Kwinana Freeway							
Access to Murdoch Activity Centre	112,500	61,791	43,390	45,800	4,909	-	-
Manning Road - On-ramp Construction	35,000	15,400	15,400	10,550	9,050	-	-
Russell Road to Roe Highway - Widening Northbound Lanes	49,000	2,679	2,679	46,321	-	-	-
Transforming Freeways - Roe Highway to Narrows Bridge - Smart Freeways	47,000	4,042	4,042	20,690	12,621	9,647	-
Mitchell Freeway							
Burns Beach Road to Hester Avenue	216,488	202,161	10,590	13,430	300	297	300
Cedric Street to Vincent Street Southbound Widening	40,000	2,727	2,726	24,810	12,463	-	-
National Highway Upgrade Program	40,441	34,041	2,302	6,400	-	-	-
New Lord Street - Reid Highway to Gnangara Road Duplication	49,000	37,155	28,491	11,745	100	-	-
North West Coastal Highway - Minilya to Barradale	106,115	103,824	91	25	63	25	2,178
Northern Australia Roads and Beef Roads Programs							
Great Northern Highway							
Bow River Bridge Replacement	38,500	8,654	8,330	16,380	7,000	6,466	-
Wyndham Spur and Maggie's Jump Up	56,140	19,619	18,809	36,114	407	-	-
Ord River - Halls Creek to Warmun	15,640	787	778	6,281	8,572	-	-
Marble Bar Road - Coongan Gorge Realignment	54,480	4,132	4,132	30,683	13,840	5,225	600
NorthLink WA							
Southern Section - Tonkin Highway Grade Separations	231,200	203,006	73,500	26,600	780	400	414
Central and Northern Sections - Swan Valley Bypass	787,700	407,589	240,675	260,771	114,332	4,008	1,000
Onslow Road - Post Construction Upgrade	67,480	27,206	7,921	23,400	16,874	-	-
Regional Road Safety Program	55,250	15,450	15,450	28,750	11,050	-	-
Reseal Capitalisation Program	563,351	210,492	83,487	66,394	68,050	70,430	72,540
Road Safety Commission [(a)]							
LED School Zone Lights	55,935	39,935	4,000	4,000	4,000	4,000	4,000
Metropolitan Intersections Crash Program	70,666	57,366	17,712	4,300	3,000	3,000	3,000
Run-off Road Crashes Road Improvements	205,968	135,968	18,900	25,000	15,000	15,000	15,000

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Safety Review - Indian Ocean Drive	23,000	3,000	3,000	10,000	10,000	-	-
Wheatbelt Safety Review Program							
Great Eastern Highway and Great Southern Highway	23,470	6,250	1,470	6,800	10,420	-	-
Toodyay Road	7,202	4,802	4,802	2,400	-	-	-
Roe Highway - Tonkin Highway to Welshpool Road Upgrade	41,000	40,150	1,726	400	250	200	-
Safer Roads and Bridges Program	439,683	241,844	31,509	28,497	34,655	38,250	39,400
South Western Highway - Donnybrook to Greenbushes	23,692	14,542	6,120	3,850	5,150	150	-
COMPLETED WORKS							
Albany Ring Road Planning	2,801	2,801	93	-	-	-	-
Aubin Grove Train Station Precinct	28,426	28,426	440	-	-	-	-
Bridges Renewal Program - Bridge Replacement, South Western Highway, Collie River Bridge	12,963	12,963	40	-	-	-	-
Buildings and Equipment - 2017-18 Program	19,000	19,000	19,000	-	-	-	-
Capitalised Operational Costs - 2017-18 Program	65,219	65,219	65,219	-	-	-	-
Coalfields Highway - Wellington Dam Turn-off and Roelands Hill Dual Lanes [(a)]	25,214	25,214	2,565	-	-	-	-
Kwinana Freeway - Roe Highway to Russell Road Widening Southbound	54,564	54,564	3,062	-	-	-	-
Minor Works (Includes Black Spot and Urgent Minor Works) - 2017-18 Program	38,112	38,112	38,112	-	-	-	-
Mitchell Freeway - Hepburn Avenue to Hodges Drive	23,703	23,703	650	-	-	-	-
Perth - Bunbury Highway - Bunbury Port Access Road Stage Two - Construct and Seal Including Bridges	39,272	39,272	303	-	-	-	-
Queen Victoria Street - Fremantle Traffic Bridge Replacement - Planning, Design and Maintenance Works	20,429	20,429	907	-	-	-	-
Reid Highway - Duffy Road to Erindale Road Dual Carriageway	40,029	40,029	176	-	-	-	-
Road Safety Commission [(a)]							
Albany Highway (Arthur River)	4,000	4,000	661	-	-	-	-
Toodyay Road Improvements	20,606	20,606	16,806	-	-	-	-
South Coast Highway - Pfeiffer Road to Cheynes Beach Road [(a)]	5,000	5,000	1,416	-	-	-	-
Various Roads - Caravan and Camping Program Action Plan	5,590	5,590	893	-	-	-	-
NEW WORKS							
Buildings and Equipment							
2018-19 Program	17,855	-	-	17,855	-	-	-
2019-20 Program	18,963	-	-	-	18,963	-	-
2020-21 Program	19,625	-	-	-	-	19,625	-
2021-22 Program	20,215	-	-	-	-	-	20,215
Capitalised Operational Costs							
2018-19 Program	76,295	-	-	76,295	-	-	-
2019-20 Program	74,062	-	-	-	74,062	-	-
2020-21 Program	78,283	-	-	-	-	78,283	-
2021-22 Program	80,668	-	-	-	-	-	80,668
Department of Transport - Principal Shared Path Program	51,734	-	-	15,430	15,429	11,108	9,767
Minor Works (Includes Black Spot and Urgent Minor Works)							
2018-19 Program	19,068	-	-	19,068	-	-	-
2019-20 Program	36,882	-	-	-	36,882	-	-
2020-21 Program	46,831	-	-	-	-	46,831	-
2021-22 Program	34,712	-	-	-	-	-	34,712
Mitchell Freeway - Hutton Street to Cedric Street Northbound Widening	15,000	-	-	15,000	-	-	-
Road Safety Commission - Rural Intersection Advanced Warning Signs [(a)]	1,180	-	-	100	1,000	20	60
Total Cost of Asset Investment Program	6,451,519	3,111,105	1,018,113	1,332,881	1,019,170	518,427	328,054
FUNDED BY							
Capital Appropriation			336,556	263,253	208,327	210,072	196,072
Asset Sales			2,000	-	-	-	-
Commonwealth Grants			591,467	764,381	398,896	91,715	27,740
Drawdowns from the Holding Account			32,300	38,936	31,065	-	-
Internal Funds and Balances			(140,166)	117,184	229,617	156,904	72,415
Other			63,834	91,430	75,723	33,128	31,827
Drawdowns from Royalties for Regions Fund			132,122	57,697	75,542	26,608	-
Total Funding			1,018,113	1,332,881	1,019,170	518,427	328,054

(a) Partially or fully funded from the Road Trauma Trust Account.

Financial Statements

Income Statement

Expenses

Total Cost of Services as per the Income Statement differs from the adjusted Total Cost of Services as per the Service Summary table. The latter includes capitalised road works expenditure and excludes several expense groupings including road infrastructure depreciation, State road funds provided for significant works on local government roads, natural disaster funding applied to local roads, road transfers to local governments and road retirements. These expense groupings have been excluded to provide a clearer picture of the cost of works undertaken on the State road network.

Income

The movement between years in the sale of goods and services is due mainly to changes in the level of works to be carried out on behalf of third parties (local government network, principal shared paths and other agency works).

The majority of grants and subsidies income comes from the Commonwealth Government and fluctuates according to its contribution to the Asset Investment Program in each particular year. Whilst the works may be capital in nature the grants are shown as receipts in the Income Statement.

Other revenue includes road assets transferred to the State from third parties, including local governments.

Statement of Financial Position

Restricted cash is attributable mainly to the Commonwealth Government's infrastructure grants received in recognition of Western Australia's low GST share. This value also includes an estimate of contractors' retention amounts.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	69,506	77,464	77,063	75,223	76,023	76,729	77,313
Grants and subsidies [c]	275,923	222,605	225,909	237,411	204,493	235,375	169,600
Supplies and services	430,702	506,947	493,822	515,067	553,247	450,639	495,632
Accommodation	18,159	20,855	20,855	21,155	21,612	21,804	21,804
Depreciation and amortisation	369,605	384,711	384,711	378,871	413,425	430,875	430,875
Other expenses	168,212	61,802	61,385	54,217	84,145	32,440	32,458
TOTAL COST OF SERVICES	1,332,107	1,274,384	1,263,745	1,281,944	1,352,945	1,247,862	1,227,682
Income							
Sale of goods and services	104,324	115,866	89,593	65,245	65,758	37,523	36,182
Grants and subsidies	414,047	1,192,450	843,310	952,248	578,036	246,455	152,520
Other revenue	38,942	24,315	24,315	56,533	57,604	14,317	14,317
Total Income	557,313	1,332,631	957,218	1,074,026	701,398	298,295	203,019
NET COST OF SERVICES	774,794	(58,247)	306,527	207,918	651,547	949,567	1,024,663
INCOME FROM STATE GOVERNMENT							
Service appropriations	923,910	896,877	874,398	982,697	1,106,248	1,146,675	1,189,179
Resources received free of charge	1,846	2,700	2,700	2,700	2,700	2,700	2,700
Royalties for Regions Fund:							
Regional Community Services Fund	276	14,309	6,128	29,913	18,876	13,676	6,276
Regional Infrastructure and Headworks Fund	-	-	-	12,600	4,000	-	-
TOTAL INCOME FROM STATE GOVERNMENT	926,032	913,886	883,226	1,027,910	1,131,824	1,163,051	1,198,155
SURPLUS/(DEFICIENCY) FOR THE PERIOD	151,238	972,133	576,699	819,992	480,277	213,484	173,492

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,009, 1,000 and 998 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Aglime Routes	-	-	-	8,000	2,000	-	-
Bridges Renewal Program Round Three	-	-	2,304	4,147	-	-	-
Department of Transport Cycling Grants	-	-	-	3,000	5,340	5,340	5,340
Election Commitments	23,600	3,500	3,500	18,500	-	-	-
Local Government Commodity Freight Routes	-	-	-	10,000	-	-	-
Local Road Grants and Subsidies	130,567	118,685	118,685	114,048	108,453	106,535	111,760
Other	1,860	800	800	500	500	500	500
Principal Shared Paths	-	-	-	-	-	10,000	10,000
Road Assets Transferred	70,995	-	-	24,216	6,200	-	-
Stephenson Avenue Extension	-	-	1,000	13,000	40,000	71,000	-
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network	48,901	99,620	99,620	42,000	42,000	42,000	42,000
TOTAL	275,923	222,605	225,909	237,411	204,493	235,375	169,600

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	91,983	151,991	232,231	272,273	223,809	242,371	355,908
Restricted cash	183,137	233,107	205,407	94,540	12,122	4,824	4,824
Holding account receivables	30,303	75,054	37,740	45,767	54,892	63,762	72,632
Receivables	80,682	65,554	80,010	72,837	65,665	57,493	56,821
Other	34,192	29,510	34,192	34,192	34,192	34,192	34,192
Assets held for sale	1,579	7,439	1,579	1,579	1,579	1,579	1,579
Total current assets	421,876	562,655	591,159	521,188	392,259	404,221	525,956
NON-CURRENT ASSETS							
Holding account receivables	2,214,931	2,431,423	2,504,054	2,780,110	3,097,695	3,464,050	3,830,405
Property, plant and equipment	43,592,338	48,007,292	44,988,510	46,831,075	48,324,434	49,314,150	50,113,493
Intangibles	13,498	9,263	11,323	9,147	7,173	5,199	3,225
Other	15,332	118,520	15,812	17,593	18,702	19,811	20,920
Total non-current assets	45,836,099	50,566,498	47,519,699	49,637,925	51,448,004	52,803,210	53,968,043
TOTAL ASSETS	46,257,975	51,129,153	48,110,858	50,159,113	51,840,263	53,207,431	54,493,999
CURRENT LIABILITIES							
Employee provisions	27,345	27,267	27,345	27,345	27,345	27,345	27,345
Payables	10,358	18,086	11,411	12,464	13,517	14,570	15,623
Other	278,979	280,028	280,878	282,777	284,676	286,575	288,474
Total current liabilities	316,682	325,381	319,634	322,586	325,538	328,490	331,442
NON-CURRENT LIABILITIES							
Employee provisions	4,986	4,861	4,986	4,986	4,986	4,986	4,986
Other	48	25	48	48	48	48	48
Total non-current liabilities	5,034	4,886	5,034	5,034	5,034	5,034	5,034
TOTAL LIABILITIES	321,716	330,267	324,668	327,620	330,572	333,524	336,476
EQUITY							
Contributed equity	4,574,691	4,981,677	5,043,369	5,364,319	5,648,188	5,884,868	6,080,940
Accumulated surplus/(deficit)	13,691,108	14,676,391	14,267,807	15,087,799	15,568,076	15,781,560	15,955,052
Reserves	27,670,466	31,140,818	28,475,020	29,379,381	30,293,433	31,207,485	32,121,537
Other	(6)	-	(6)	(6)	(6)	(6)	(6)
Total equity	45,936,259	50,798,886	47,786,190	49,831,493	51,509,691	52,873,907	54,157,523
TOTAL LIABILITIES AND EQUITY	46,257,975	51,129,153	48,110,858	50,159,113	51,840,263	53,207,431	54,493,999

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

STATEMENT OF CASHFLOWS [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	605,922	568,017	545,538	659,678	748,473	771,450	813,954
Capital appropriation	307,721	316,371	336,556	263,253	208,327	210,072	196,072
Holding account drawdowns	60,606	67,617	32,300	38,936	31,065	-	-
Royalties for Regions Fund:							
Regional Community Services Fund	1,248	14,309	6,128	29,913	18,876	13,676	6,276
Regional Infrastructure and Headworks Fund	10,584	123,010	132,122	70,297	79,542	26,608	-
Net cash provided by State Government	986,081	1,089,324	1,052,644	1,062,077	1,086,283	1,021,806	1,016,302
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(69,411)	(77,464)	(77,063)	(75,223)	(76,023)	(76,729)	(77,313)
Grants and subsidies	(209,667)	(222,605)	(225,909)	(213,195)	(198,293)	(235,375)	(169,600)
Supplies and services	(432,094)	(500,893)	(487,768)	(508,948)	(547,128)	(444,520)	(489,513)
Accommodation	(17,656)	(20,855)	(20,855)	(21,155)	(21,612)	(21,804)	(21,804)
Other payments	(156,796)	(167,603)	(167,186)	(167,361)	(167,100)	(167,032)	(167,050)
Receipts							
Grants and subsidies	401,314	1,192,450	843,310	952,248	578,036	246,455	152,520
Sale of goods and services	119,782	116,808	90,535	72,688	73,200	45,965	37,124
GST receipts	143,233	146,808	146,808	146,808	146,808	146,808	146,808
Other receipts	18,391	24,115	24,115	14,117	14,117	14,117	14,117
Net cash from operating activities	(202,904)	490,761	125,987	199,979	(197,995)	(492,115)	(574,711)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(979,336)	(1,467,505)	(1,018,113)	(1,332,881)	(1,019,170)	(518,427)	(328,054)
Proceeds from sale of non-current assets	11,815	2,000	2,000	-	-	-	-
Net cash from investing activities	(967,521)	(1,465,505)	(1,016,113)	(1,332,881)	(1,019,170)	(518,427)	(328,054)
NET INCREASE/(DECREASE) IN CASH HELD	(184,344)	114,580	162,518	(70,825)	(130,882)	11,264	113,537
Cash assets at the beginning of the reporting period	460,207	270,518	275,120	437,638	366,813	235,931	247,195
Net cash transferred to/from other agencies	(743)	-	-	-	-	-	-
Cash assets at the end of the reporting period	275,120	385,098	437,638	366,813	235,931	247,195	360,732

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Taxation							
Permits - Oversize Vehicles and Loads.....	6,221	8,008	8,008	8,184	8,360	8,600	8,600
TOTAL ADMINISTERED INCOME	6,221	8,008	8,008	8,184	8,360	8,600	8,600
EXPENSES							
Grants to Charitable and Other Public Bodies							
Receipts Paid into the Consolidated Account	6,221	8,008	8,008	8,184	8,360	8,600	8,600
TOTAL ADMINISTERED EXPENSES	6,221	8,008	8,008	8,184	8,360	8,600	8,600

Division 38 Public Transport Authority of Western Australia

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	359	359	359	**359**	359	359	360
Total appropriations provided to deliver services	359	359	359	**359**	359	359	360
CAPITAL							
Item 122 Capital Appropriation	576,384	190,431	164,825	**484,555**	543,782	550,908	349,798
Item 123 Capital Appropriation METRONET Projects Under Development	-	-	-	**526,700**	35,700	63,200	103,400
TOTAL APPROPRIATIONS	576,743	190,790	165,184	**1,011,614**	579,841	614,467	453,558
EXPENSES							
Total Cost of Services	1,440,301	1,502,151	1,485,662	**1,491,188**	1,574,358	1,622,327	1,744,373
Net Cost of Services [(a)]	1,163,671	1,209,786	1,187,534	**1,213,096**	1,258,071	1,317,110	1,361,397
CASH ASSETS [(b)]	318,569	88,965	87,853	**608,356**	563,498	376,698	80,098

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
METRONET Office Expenses	1,893	1,923	1,983	2,002	2,008
Senior Executive Service Reduction	(125)	(250)	(250)	(250)	(250)
Other					
Bus Service Contracts Efficiency	(121)	(121)	(121)	(121)	(121)
Central Area Transit (CAT) Bus Services Cost	150	398	763	-	-
Externally Funded Services and Works	7,610	-	-	-	-
Forrestfield-Airport Link Operating Costs	-	-	1,492	4,052	4,132
New Public Sector Wages Policy	1	(473)	(1,282)	(2,152)	-
Optus Stadium - Special Event Services	686	2,953	2,815	2,852	2,852
Optus Stadium Transport Project - Victoria Park Drive Improvements	7,180	-	-	-	-
Radio Systems Replacement Project	-	-	-	1,675	3,880
Railcar Replacement Operating Costs	-	-	-	3,202	23,131
Regional Workers Incentive Allowance Payments	(3)	-	-	-	-
Revised Electricity Expenses	(2,414)	(2,755)	(3,075)	(2,687)	(2,297)
Revised Fuel Expenses	(503)	3,077	625	(808)	(1,325)
Revised Interest Expenses	(17,462)	(19,258)	(14,919)	(16,068)	6,839
RiskCover Contribution Adjustment	(5,134)	(2,176)	(2,360)	(2,621)	(2,418)
School Bus Additional Service Days	-	(628)	2,562	-	-

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
State Fleet Policy and Procurement Initiatives	(117)	(228)	(262)	(299)	(318)
Transfer of Assets to Local Government - Dundas Road	1,000	989	-	-	-
Voluntary Targeted Separation Scheme [(a)]	228	(333)	(337)	(341)	(347)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- Total patronage on Perth's public transport system slipped 3% in 2016-17. The decline continued a softer trend, due mainly to the continued fall in CBD jobs, which appeared in 2013-14 after more than a decade of continuous growth. For the 2017-18 financial year, the Authority has revised the forecast from a decline to a marginal increase of 0.7%. This Budget seeks to further improve this trend and grow patronage by making public transport more attractive and by creating new jobs and wealth for the State. Patronage growth of 1.7% is forecast for 2018-19.

- The Transperth urban passenger network carries over 140 million passengers per annum. Without this network Perth could not function. The network is currently serviced by 96 A-Series railcars and 204 B-Series operating across the network with a further 30 B-Series railcars ordered and being progressively delivered between 2018 and 2019 prior to the opening of the Forrestfield-Airport Link in 2020. The Authority's budget currently includes funding for an additional 102 railcars for the METRONET Stage 1 expansion. This Budget provides further funding to purchase an additional 144 railcars to replace the ageing A-Series railcars which will be progressively retired from around 2026. This will bring total procurement to 246 railcars and the Authority is working closely with manufacturers and other relevant authorities to maximise local content, creating local jobs and strengthening the local economy.

- The Government's METRONET vision will transform Perth's public transport network. The Authority's budget provides funding for the construction of the Forrestfield-Airport Link, the Thornlie-Cockburn Link, the Yanchep Rail Extension, the removal of the Denny Avenue level crossing, existing train station upgrades and for the procurement of an additional 102 railcars.

- In addition, the Budget provides planning funding for the new Morley-Ellenbrook line, the Midland Station project and the Armadale to Byford extension, new and existing train station upgrades, improved signalling and level crossing removals.

- Completing the Forrestfield-Airport Link is a key part of the METRONET plan, creating a 20 minute direct link between the eastern foothills and the CBD - as well as the wider public transport network - via the airport. Three new stations are under construction as part of the new rail link: Redcliffe Station, Airport Central Station and Forrestfield Station. Planning is underway to upgrade the Bayswater Station and Claremont Station and construct the associated rail turnback facilities. About 2,000 jobs will be created over the life of the project, including in the manufacturing and construction industries. Completion is expected in late 2020.

- The Authority is planning for the introduction of new technology across the urban passenger rail infrastructure network and its train fleet to enable increased train service frequency. A business case for a new Automatic Train Control system is being developed to replace life-expired systems with an integrated contemporary system solution, before their obsolescence impacts the safe and reliable provision of public transport services, and improve the resilience of train operations.

- The Optus Stadium commenced operations in 2018 with some very significant events which attracted capacity crowds. The challenges associated with such large crowds using bus public transport were successfully met through good planning and communications. The opening of the Matagarup footbridge by mid-2018 will reduce the patronage pressures on the Stadium railway and bus station with patrons being able to utilise public transport services from the Nelson Avenue bus station located on the western end of the footbridge. The provision of reliable public transport is essential to the efficient operations of the Stadium, the many events that the Stadium will host, the community's satisfaction rating of the Stadium and the economic benefits that these events will generate for Western Australia. The Authority will continue its focus on ensuring efficient and effective public transport services to the Stadium.

- With a fleet of over 1,600 Transperth and Transregional buses, the Authority needs to ensure that buses are safe, efficient and reliable. The Authority does this by staying abreast of new technologies, by maintaining rigorous maintenance standards and through a rolling bus replacement program. In 2018-19 the Authority will purchase the final 91 environmentally friendly Euro 6 buses from an existing contract for Volvo buses. The Authority has invited tenders for the next 10 year bus replacement program which will see an estimated 900 new technology buses purchased over the 10 year contract period commencing July 2019.
- The Authority recognises that passengers are entitled to feel comfortable and safe in using bus, rail and ferry services. To ensure this, the Authority maintains a team of highly trained and effective security and customer service personnel. Additionally, the Authority ensures that all infrastructure and rolling stock have adequate lighting and are monitored by CCTV cameras.
- Safe access to the Authority's many stations and busports is critical. The Authority ensures that appropriate systems, processes, resources (particularly customer service and security staff) and communications are in place to safely guide and control regular patronage and further tailors these to meet specific needs of the very large crowds that result from special events such as football games and concerts. The Authority also recognises that some passengers are particularly vulnerable to slips, trips and falls in using the many escalators that provide access and egress for railway stations and busports. To help safeguard these passengers, the Authority has increased the presence of customer service personnel at escalators and embarked on a series of marketing campaigns to educate elderly passengers on better options to use, such as lifts, or guidance on the safe usage of escalators.
- Transperth passengers' first experience in accessing Transperth's fully integrated bus, train and ferry public transport system is via the Authority's ticketing system, SmartRider. The SmartRider card and ticketing system has been operational since 2007 and has been highly successful due to its simplicity and quick transaction times. Whilst not readily obvious to passengers, the technology is dated. Work is progressing to upgrade the existing SmartRider ticketing system. The new system will take advantage of new technologies, which will allow the use of credit and debit cards and smartphone functionalities that will enhance accessibility to services.
- The provision of safe and cost-effective public transport services to regional Western Australia remains a priority for Government. Despite experiencing a marginal decline in inter-regional patronage over recent years, more than 375,000 trips were made on Transwa services in 2017-18. Accordingly, the Authority continues to invest in Transwa services and to look for opportunities to enhance the services. This investment in our towns and regions includes the purchase of a new Australind railcar and the upgrade of Yarloop, Cookernup and North Dandalup train stations.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Accessible, reliable and safe public transport system.	1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services
	Protection of the long-term functionality of the rail corridor and railway infrastructure.	4. Rail Corridor and Residual Freight Issues Management

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Metropolitan and Regional Passenger Services	1,083,115	1,142,632	1,122,524	1,156,020	1,242,948	1,304,595	1,423,037
2. Country Passenger Rail and Road Coach Services	50,016	49,314	51,389	52,457	53,319	54,746	55,746
3. Regional School Bus Services	127,828	129,755	129,777	128,373	134,121	133,914	134,690
4. Rail Corridor and Residual Freight Issues Management	179,342	180,450	181,972	154,338	143,970	129,072	130,900
Total Cost of Services	1,440,301	1,502,151	1,485,662	1,491,188	1,574,358	1,622,327	1,744,373

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan bus services	1.17	1.14	1.15	1.16	
Metropolitan train services	2.91	2.86	2.88	2.93	
Metropolitan ferry services	14	13.82	13.32	13.45	
Regional bus services	0.6	0.55	0.54	0.54	
Country passenger rail services	0.2	0.19	0.19	0.19	
Country passenger road coach services	0.06	0.05	0.06	0.06	1
Accessible public transport:					
The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service	85%	85%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time	84%	85%	86%	85%	
Train arriving within four minutes of scheduled time	96%	95%	96%	95%	
Ferries arriving within three minutes of scheduled time	96%	96%	96%	96%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time	36%	80%	63%	80%	2
Australind arriving within 10 minutes of scheduled time	88%	90%	85%	90%	
MerredinLink arriving within 10 minutes of scheduled time	57%	90%	78%	90%	2
AvonLink arriving within 10 minutes of scheduled time	70%	90%	95%	90%	
Road Coaches arriving within 10 minutes of scheduled time	97%	95%	96%	95%	
School bus services reliability:					
Satisfaction with school bus availability at arrival/departure time	n/a	99%	100%	99%	3
Drop-off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending	99%	n/a	n/a	n/a	3
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan bus services	89%	87%	88%	88%	
Metropolitan train services	94%	92%	92%	92%	
Metropolitan ferry services	99%	98%	98%	99%	
Country passenger rail and road coach services	91%	92%	92%	92%	
Customer perception of safety - independent external surveys:					
Train station - daytime	98%	96%	96%	96%	
On-board train - daytime	98%	97%	97%	97%	
Train station - night-time	73%	70%	70%	70%	
On-board train - night-time	81%	75%	75%	76%	
Bus station - daytime	98%	97%	97%	98%	
On-board bus - daytime	99%	99%	99%	99%	
Bus station - night-time	75%	74%	74%	75%	
On-board bus - night-time	83%	83%	83%	83%	

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Level of notifiable safety occurrences - notifiable occurrences:					
Category A occurrences per million passenger boardings	0.3	0.33	0.37	0.23	4
Category A occurrences per million train kilometres	0.8	0.87	1	0.72	4
Category B occurrences per million passenger boardings	15.23	16.46	20.42	12.26	5
Category B occurrences per million train kilometres	40.73	43.34	55.36	37.10	5
Regional school bus services: notifiable occurrences (accidents) reported each school year	18	19	19	19	
Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:					
Number of lease breaches	nil	nil	nil	nil	

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

Explanation of Significant Movements

(Notes)

1. The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget is mainly due to an increase in road coach patronage largely due to the new Transwa road coach fleet.

2. The 2017-18 Estimated Actual for the Prospector and the Merredin Link has reduced compared to the 2017-18 Budget due to a number of delays associated with crossings and track-related issues as a result of maintenance work undertaken by Arc Infrastructure. These works are now largely complete with fewer delays anticipated in 2018-19.

3. From the start of the 2017 school year, the Authority transferred the vehicle inspection of 'orange' school buses to the Department of Transport. As the Authority's staff who undertook these inspections also carried out sampling of school bus arrivals and departures, this key effectiveness indicator was replaced with an alternative indicator - 'Satisfaction with school bus availability at arrival/departure time' - which is calculated based on parent/school feedback via the designated webpage.

4. The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget is mainly due to an increase in the number of incidents on the Authority's network which is beyond the Authority's control. The reduction for the 2018-19 Budget Target reflects the average annual number of occurrences over the last five years.

5. The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget is mainly due to changes in the definition and reporting requirements by the Office of the National Rail Safety Regulator.

Services and Key Efficiency Indicators

1. Metropolitan and Regional Passenger Services

Provision of customer focused, safe and cost effective passenger transport to the Metropolitan area and regional towns.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	1,083,115	1,142,632	1,122,524	1,156,020	1
Less Income	226,012	240,229	249,130	242,512	
Net Cost of Service	857,103	902,403	873,394	913,508	
Employees (Full Time Equivalents)	1,399	1,534	1,479	1,591	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
Transperth Bus Operations	$1.18	$1.27	$1.28	$1.30	
Transperth Train Operations	$0.57	$0.58	$0.55	$0.58	
Transperth Ferry Operations	$1.55	$1.52	$1.52	$1.52	
Average Cost per 1,000 Place Kilometres:					
Regional Bus Services	$79.01	$76.52	$74.34	$74.50	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2018-19 Budget Target increased by $33.5 million (3%) from the 2017-18 Estimated Actual due to:

   - increased interest expense ($15.5 million);
   - escalation of bus contract costs ($12.2 million);
   - increased depreciation expense ($11.3 million);
   - additional operating costs for Optus Stadium special events ($7.2 million);
   - escalation of contractor costs ($5.8 million);
   - increased operating costs for the Forrestfield-Airport Link ($5 million);
   - escalation of labour costs ($4.4 million);
   - increased fuel expense ($3.1 million);
   - a one-off decrease in 2017-18 RiskCover contributions ($2.7 million); and
   - increased electricity expense ($2.6 million).

   This was offset by a decrease in expenditure due to:

   - reduced expensing of assets transferred to local government ($10.5 million);
   - reduced external works undertaken for third parties ($8.4 million);
   - Agency Expenditure Review savings measures ($5.8 million);
   - a one-off expense for the Optus Stadium jetty in 2017-18 ($4.5 million);
   - the new public sector wages policy ($3 million);
   - the rolling efficiency dividend ($2.7 million);
   - completion of remediation works for Perth City Link ($0.8 million);
   - the Voluntary Targeted Separation Scheme ($0.4 million);
   - State Fleet Policy and Procurement Initiatives ($0.1 million); and
   - the Senior Executive Service reduction ($0.1 million).

2. Country Passenger Rail and Road Coach Services

Provision of customer focused, safe and cost effective passenger transport to regional communities.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	50,016	49,314	51,389	52,457	1
Less Income	11,630	10,733	10,329	10,475	
Net Cost of Service	38,386	38,581	41,060	41,982	
Employees (Full Time Equivalents)	135	134	135	137	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
TransWA Rail	$0.55	$0.53	$0.56	$0.57	
TransWA Road Coaches	$0.25	$0.30	$0.27	$0.27	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2018-19 Budget Target increased by $1.1 million (2.1%) from the 2017-18 Estimated Actual due to:

   - escalation of contractor costs ($1.6 million);
   - increased fuel expense ($0.3 million); and
   - escalation of labour costs ($0.3 million).

   This was offset by a decrease in expenditure due to:

   - reduced interest expense ($0.6 million);
   - new public sector wages policy ($0.3 million); and
   - the Voluntary Targeted Separation Scheme ($0.2 million).

3. Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	127,828	129,755	129,777	128,373	1
Less Income	5,093	5,265	5,265	5,265	
Net Cost of Service	122,735	124,490	124,512	123,108	
Employees (Full Time Equivalents)	40	36	36	36	
Efficiency Indicators					
Average Cost per Contracted Kilometre - School Bus Services	$3.72	$3.75	$3.86	$3.77	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2018-19 Budget Target decreased by $1.4 million (-1.1%) from the 2017-18 Estimated Actual due to:

   - the rolling efficiency dividend ($6 million);
   - a reduction in school bus service days ($0.6 million); and
   - new public sector wages policy ($0.2 million).

   This was offset by an increase in expenditure due to:

   - escalation of bus contract costs ($4.9 million); and
   - increased fuel expense ($0.5 million).

4. Rail Corridor and Residual Freight Issues Management [(a)]

Managing the rail freight corridor and infrastructure leased to the private sector and associated freight transport issues.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	179,342	180,450	181,972	154,338	1
Less Income	33,895	36,138	33,404	19,840	2
Net Cost of Service	145,447	144,312	148,568	134,498	
Employees (Full Time Equivalents)	27	25	31	33	
Efficiency Indicators					
Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues	$179,342	$180,451	$181,972	$154,338	

(a) Under the terms and conditions of the Railway Infrastructure Lease, an independent inspection of the Railway Infrastructure is carried out every five years.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2018-19 Budget Target decreased by $27.6 million (-15.2%) from the 2017-18 Estimated Actual due to:
   - completion of the Nicholson Road grade separation project in 2017-18 ($18.4 million);
   - reduced external works undertaken for third parties ($4.5 million);
   - reduced depreciation expense ($2.8 million); and
   - reduced interest expense ($1.9 million).

2. The total income in the 2018-19 Budget Estimate decreased by $13.6 million from the 2017-18 Estimated Actual. The decrease is mainly attributable to:
   - a reduction in Commonwealth funding due to the completion of the Nicholson Road grade separation project in 2017-18 ($6.6 million);
   - a one-off receipt from LandCorp in 2017-18 ($2.7 million); and
   - a reduction in funding for external works undertaken for third parties ($4.5 million).

   This is offset by an increase in rent revenue ($0.2 million).

Asset Investment Program

METRONET - Forrestfield-Airport Link

The Forrestfield-Airport Link is well advanced. Three new stations will be built as part of the new rail link: Redcliffe Station, Airport Central Station and Forrestfield Station. As part of the $1.9 billion project, the Authority will spend an estimated $86 million to upgrade Bayswater train station, providing for the future requirements of the Morley-Ellenbrook line; an estimated $58 million to construct a turnback at Claremont; and an estimated $30 million to construct a multi-deck car park at Forrestfield. In 2018-19, an estimated $514.9 million will be expended.

METRONET - Thornlie-Cockburn Link

$535.8 million will be spent to extend the Thornlie rail line to Cockburn. In 2018-19, an estimated $110 million will be expended. The total cost includes the construction of two new stations at Nicholson Road and Ranford Road, with park and ride facilities and bus interchanges.

METRONET - Yanchep Rail Extension

$420.2 million will be invested to extend the northern suburbs rail line to Yanchep (with the Western Australian Planning Commission to spend a further $100 million). In 2018-19, an estimated $128.7 million will be expended. The total cost includes the construction of three new stations at Yanchep, Eglinton and Alkimos, with bus interchanges and park and ride facilities.

METRONET - Rail Line Planning (Morley-Ellenbrook Line and Armadale to Byford Extension)

$20.2 million will be spent to undertake planning for the Morley-Ellenbrook rail line and extension of the Armadale line to Byford. In 2018-19, an estimated $12.1 million will be expended.

Railcar Acquisition for METRONET and A-Series Railcar Replacement

$1.6 billion will be spent to procure new Transperth railcars. In 2018-19, an estimated $29.5 million will be expended. In total, 246 railcars will be procured to provide for METRONET Stage 1 projects (102 railcars) and to replace A-Series railcars (144 railcars). The new railcars will be six-car sets, which provide additional passenger capacity compared to the three-car sets currently in operation. This program of works also provides for the construction a manufacturing facility, generating local jobs, and a new railcar depot.

METRONET - New Stations and Existing Station Upgrades

$101.3 million will be spent on planning for new stations ($4 million) and land acquisition to extend the Midland line ($26.2 million). Works will also be undertaken to upgrade existing train stations ($71.1 million), including $10.5 million for the Claremont Station precinct. In 2018-19, an estimated $28.3 million will be expended. Planning will be undertaken for a new station on the Mandurah line at Karnup and for the relocation of the Midland station to the Midland town centre. The Authority will acquire land for the future extension of the Midland line and undertake planning for the new station. Existing stations will be upgraded to improve disability access, CCTV, lighting, station access and pathways.

METRONET - Level Crossing Removal

$70 million will be spent to remove the rail level crossing at Denny Avenue (Kelmscott), and to plan for the future removal of level crossings at Caledonian Avenue (Maylands), Oats Street (Carlisle) and Wharf Street (Queens Park). In 2018-19, an estimated $35 million will be expended.

METRONET - Automatic Train Control - Project Definition

$7.4 million will be spent to undertake planning for a future investment in an Automatic Train Control (ATC) system. In 2018-19, an estimated $3.2 million will be expended. An ATC system will replace the existing Transperth rail network signalling system and allow increased service frequencies to meet rail demand forecast under long term transport planning.

Australind Train Service - Rail Future Fund

$32 million will be spent to purchase a new Australind railcar and to upgrade the Yarloop, Cookernup and North Dandalup train stations on the Bunbury rail line. In 2018-19, an estimated $2 million will be expended. The stations upgrades include construction of high level platforms and improved disability access.

Mandurah Train Station Car Park

$16.1 million will be spent to construct a multi-storey car park at Mandurah train station, subject to the confirmation of a matching funding contribution from the Commonwealth Government.

Rail to Kemerton Industrial Park

$10 million will be spent for planning, land acquisition and as a contribution towards the construction of a rail link from the existing Bunbury freight line to Kemerton Industrial Park. In 2018-19, an estimated $1 million will be expended.

SmartRider System Asset Replacement and Technology Update

$33.8 million will be spent to replace SmartRider system assets and update the technology used by the system. In 2018-19, an estimated $22.5 million will be expended. The updated system will introduce the ability to pay with credit cards and smartphones when boarding.

Transperth Rail 'At Grade' Crossing Improvement Project

$23.2 million will be spent to improve level crossings on the Fremantle, Midland and Armadale rail lines. In 2018-19, an estimated $7.3 million will be expended. The works will improve safety, reduce traffic delays and upgrade pedestrian crossings to comply with Commonwealth disability standards under the *Disability and Discrimination Act 1992*.

Mount Claremont Bus Depot Acquisition

$7.8 million will be invested in a new bus depot in Mount Claremont. In 2018-19, an estimated $4.2 million will be expended. The new depot will be used for the Claremont Transperth bus contract area.

Transperth Ferry Acquisition

$2.6 million will be spent to acquire a new Transperth ferry. In 2018-19, an estimated $1.6 million will be expended. The new ferry will replace the service provided by the older of the two existing ferries, which will provide spare capacity.

Optus Stadium Transport Project

The majority of the $366.4 million transport package to service Optus Stadium is now commissioned and operational. The Matagarup footbridge will be completed by mid-2018. An amount of $0.7 million will be spent in 2018-19 to complete remaining minor works.

Radio Systems Replacement Project

$136.1 million will be invested to replace the obsolete analogue radio system used by the Authority to operate its passenger rail services with a modern digital radio system capable of serving the Authority's foreseeable needs over the next 20 years. In 2018-19, an estimated $41.5 million will be expended.

Future Urban Railcar Procurement

A total of 30 new B-Series railcars are being delivered over a three year period, which commenced in 2017-18, at a cost of $122.7 million to provide services between Forrestfield and Claremont upon the opening of the Forrestfield-Airport Link. The Authority will also spend $90 million relocating Brookfield Rail to a new maintenance facility, of which $33.2 million has been spent on purchasing land at Kenwick to enable the relocation. $16.3 million will be spent upgrading facilities to assist with the increased operational demand of the new railcars. It is anticipated that $68.6 million will be expended in 2018-19.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Bus Infrastructure Program							
Bus Depot Acquisition	7,850	7,564	451	286	-	-	-
Bus Priority Projects	18,976	16,807	325	2,169	-	-	-
Mount Claremont Bus Depot Acquisition	7,846	3,616	3,616	4,230	-	-	-
Northbridge Bus Layover	10,839	8,377	1,257	2,462	-	-	-
Smartrider System Asset Replacement and Technology Update	33,821	6,928	6,928	22,510	4,383	-	-
Bus Replacement Program							
Bus Acquisition Program for Additional Bus Service Kilometres	71,246	70,792	7,152	454	-	-	-
Bus Replacement Program	309,428	268,803	48,030	40,625	-	-	-
Regional Bus Acquisition	71,983	60,580	4,028	5,953	5,450	-	-
Replacement of 32 CAT Buses	18,268	17,298	3,440	970	-	-	-
Common Infrastructure Program - Minor Capital Works 2018-19 Program	3,500	-	-	3,500	-	-	-
Freight Program - Election Commitment - Rail to Kemerton Industrial	10,000	500	500	1,000	3,000	5,500	-
Major Projects							
METRONET							
Forrestfield-Airport Link	1,861,000	762,891	332,696	514,930	419,520	163,659	-
Thornlie-Cockburn Link	535,797	8,000	8,000	110,000	155,000	150,000	112,797
Yanchep Rail Extension	420,170	7,000	7,000	128,650	131,533	143,634	9,353
Railcar Acquisition	508,199	1,000	1,000	29,469	30,471	71,435	44,233
New Stations and Existing Station Upgrades	101,301	4,000	4,000	28,339	10,769	11,049	11,336
Level Crossing Removal Program	70,000	1,000	1,000	35,000	34,000	-	-
Rail Line Planning	20,206	8,107	8,107	12,099	-	-	-
Automatic Train Control - Project Definition	7,400	4,200	4,200	3,200	-	-	-
Election Commitment - Mandurah Station - New Parking Bays	16,085	-	-	2,624	13,461	-	-
Perth City Link	576,469	573,469	6,802	3,000	-	-	-
Optus Stadium Transport Project	366,401	365,662	85,987	739	-	-	-
Radio Systems Replacement	136,074	11,514	7,430	41,500	42,000	28,537	12,523
Operational Business Support Systems Program							
Business Support Upgrades							
2008-09 to 2019-20 Program	54,546	42,906	8,375	9,840	1,800	-	-
2017-18 to 2020-21 Program	6,854	927	927	1,359	3,136	1,432	-
CCTV Systems Program	25,895	4,827	4,481	11,568	8,500	1,000	-
Train Control Remote Terminal Unit Five Year Life Extension	4,593	1,418	1,034	1,780	1,395	-	-
Parking Facilities Program - Car Park Upgrade Program 2016-17 to 2019-20	4,079	1,298	1,272	1,611	1,170	-	-
Rail Infrastructure Program							
Escalator Replacements	24,761	14,299	9,480	10,462	-	-	-
Rail Infrastructure In Progress	195,374	98,016	26,842	39,710	37,350	1,800	3,889
Resilience Package	59,877	45,273	14,761	10,830	2,342	1,432	-
Transperth Urban Passenger Rail 'At Grade' Crossing Improvement Project	23,246	4,676	4,085	7,313	4,199	4,902	1,880
Election Commitment - Rail Futures Fund (Upgrade to Cookernup and North Dandalup Train Stations and Completion of Yarloop)	2,000	600	600	1,000	400	-	-
Railcar Program							
Future Urban Railcar Procurement	228,979	152,857	51,207	68,568	7,506	48	-
Election Commitment - Rail Futures Fund (Australind Railcar Replacement)	30,000	-	-	1,000	17,000	12,000	-
Vessel Replacement Program - Transperth Ferry Acquisition	2,604	1,042	1,042	1,562	-	-	-
COMPLETED WORKS							
Bus Replacement Program - Road Coach Replacement Program	15,978	15,978	1,241	-	-	-	-
Common Infrastructure Program - Minor Capital Works Program Completed	25,270	25,270	4,742	-	-	-	-
Operational Business Support Systems Program							
Passenger Information Network Systems Upgrade	2,633	2,633	59	-	-	-	-
Major Projects							
Aubin Grove Station	66,834	66,834	1,648	-	-	-	-
Edgewater Multi-storey Car Park	22,407	22,407	303	-	-	-	-
Extension of the Northern Suburbs Railway to Butler	190,515	190,515	1,264	-	-	-	-
Rail Infrastructure Program - Power Substation and Stow Roads to Support New Railcars	13,584	13,584	78	-	-	-	-
Rail Stations Program							
East Perth Station - Upgrade	19,297	19,297	4,567	-	-	-	-
Rail Station Upgrades Completed	9,903	9,903	918	-	-	-	-
Railcar Program - Purchase of 22 Railcars	244,880	244,880	15	-	-	-	-

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
NEW WORKS							
Bus Replacement Program - New Bus Replacement New Works	624,017	-	-	-	47,566	65,278	102,808
Common Infrastructure Program - Minor Capital Works Program New Works	10,500	-	-	-	3,500	3,500	3,500
Operational Business Support Systems Program Business Support Upgrades - 2021-22 to 2023-24	18,000	-	-	-	-	-	5,500
Parking Facilities Program - Car Park Upgrade Program 2020-21 to 2022-23	5,000	-	-	-	-	1,000	2,000
Rail Infrastructure Program - Rail Infrastructure New Works	235,550	-	-	-	795	42,583	53,349
Railcar Program - Railcar Replacement	1,059,500	-	-	-	-	-	151,166
Total Cost of Asset Investment Program	8,409,535	3,187,548	680,890	1,160,312	986,246	708,789	514,334
Loan and Other Repayments			115,791	137,798	182,009	174,790	127,436
Total	8,409,535	3,187,548	796,681	1,298,110	1,168,255	883,579	641,770
FUNDED BY							
Capital Appropriation			134,125	339,555	227,782	170,208	225,398
Borrowings			238,761	678,354	476,678	201,415	201,080
Drawdowns from the Holding Account			58,285	122,641	113,934	113,756	90,892
Internal Funds and Balances			227,239	5,227	-	-	-
Other			10,096	970	-	-	-
Drawdowns from Royalties for Regions Fund			1,100	5,624	33,861	17,500	-
Funding Included in Department of Treasury - New Perth Stadium			96,375	739	-	-	-
Capital Appropriation Other			10,700	15,000	16,000	38,700	124,400
Sourced from Commonwealth (METRONET and Related Projects)			20,000	130,000	300,000	342,000	-
Total Funding			**796,681**	**1,298,110**	**1,168,255**	**883,579**	**641,770**

Financial Statements

Income Statement

Expenses

The Total Cost of Services in the 2018-19 Budget Estimate increased by $5.5 million (0.4%) from the 2017-18 Estimated Actual.

Income

The total income in the 2018-19 Budget Estimate decreased by $20 million from the 2017-18 Estimated Actual, which is mainly attributable to a reduction in funding for external works undertaken for third parties ($12.9 million) and a reduction in Commonwealth funding due to the completion of the Nicholson Road grade separation project in 2017-18 ($6.6 million).

Statement of Financial Position

The total equity in the 2018-19 Budget Estimate increases by $639.3 million from the 2017-18 Estimated Actual. This comprises a projected increase in total assets of $1,174.4 million (of which $526.7 million is related to a Commonwealth contribution to METRONET Projects Under Development) and an increase in total liabilities of $535.1 million. The Authority's statement shows accumulated deficits across the forward estimates period as accrual appropriation is not being provided to fund depreciation. It has been determined that there is no need to provide the significant accrual appropriation that would be required to fund depreciation.

Other payments for financing activities associated with the new asset investment provision for METRONET Projects under Development total $729 million over the period 2019-20 to 2021-22. The asset investment is reflected as global provision outside of the Authority's Asset Investment Program.

Repayment of borrowings and proceeds of borrowings have increased by $0.4 billion over the period 2018-19 to 2021-22 compared to the 2017-18 Mid-year Review, reflecting a whole-of-government change in accounting policy where debt with a maturity of more than six months will be recognised on a gross basis (recognising the repayment and reborrowing of 10 year bonds) from 1 July 2018. This debt was previously reported on a net basis. This has no net impact on the total quantum of debt as shown on the Statement of Financial Position.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	170,473	188,433	189,235	197,759	211,640	221,345	227,781
Grants and subsidies [c]	511,869	540,072	545,299	554,384	567,864	564,913	570,424
Supplies and services	236,369	229,921	239,181	200,845	232,052	220,753	309,233
Accommodation	30,061	30,974	28,567	30,562	31,544	36,384	39,362
Depreciation and amortisation	377,679	382,011	374,353	382,745	384,684	416,882	428,498
Other expenses	113,850	130,740	109,027	124,893	146,574	162,050	169,075
TOTAL COST OF SERVICES	1,440,301	1,502,151	1,485,662	1,491,188	1,574,358	1,622,327	1,744,373
Income							
Sale of goods and services	190,923	197,581	202,208	206,393	214,267	233,703	241,462
Regulatory fees and fines	3,816	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies	17,853	37,915	29,261	15,705	16,070	15,307	15,307
Other revenue	64,038	52,929	62,719	52,054	82,010	52,267	122,267
Total Income	276,630	292,365	298,128	278,092	316,287	305,217	382,976
NET COST OF SERVICES	1,163,671	1,209,786	1,187,534	1,213,096	1,258,071	1,317,110	1,361,397
INCOME FROM STATE GOVERNMENT							
Service appropriations	359	359	359	359	359	359	360
Resources received free of charge	626	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund	13	13	10	13	13	13	79,939
Regional Infrastructure and Headworks Fund	2,037	-	-	-	-	-	-
Other appropriations (operating subsidy)	798,772	838,550	812,104	834,456	878,481	905,322	858,066
TOTAL INCOME FROM STATE GOVERNMENT	801,807	838,922	812,473	834,828	878,853	905,694	938,365
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(361,864)	(370,864)	(375,061)	(378,268)	(379,218)	(411,416)	(423,032)

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,601, 1,681 and 1,797 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Department of Transport - Optus Stadium Jetty	-	-	4,500	-	-	-	-
Local Government	3,438	-	-	-	-	-	-
METRONET Office Expenses	-	-	801	1,518	1,519	1,532	1,536
Metropolitan and Regional Town Services							
Bus Operators	368,602	397,331	397,304	410,212	416,329	414,931	419,485
Ferry Services	1,687	1,520	1,325	1,372	1,392	1,388	1,403
Regional Bus Services	16,509	16,906	16,878	18,614	18,892	18,828	19,035
Regional School Bus Services							
Conveyance Allowance	2,165	2.292	2.292	2,312	2,333	2,356	2,371
School Bus Services	119,468	122,023	122,199	120,356	127,399	125,878	126,594
TOTAL	511,869	540,072	545,299	554,384	567,864	564,913	570,424

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	89,471	74,017	68,002	61,805	60,247	60,247	60,247
Restricted cash	225,275	11,988	16,028	542,728	499,428	312,628	16,028
Holding account receivables	75,917	64,232	75,917	75,917	82,885	97,102	93,011
Receivables	31,226	33,050	31,226	31,226	31,226	31,226	31,226
Other	45,797	32,240	32,754	32,754	32,754	32,754	32,754
Total current assets	467,686	215,527	223,927	744,430	706,540	533,957	233,266
NON-CURRENT ASSETS							
Holding account receivables	724,955	664,506	666,670	544,029	423,127	295,154	208,353
Property, plant and equipment	7,486,182	7,916,049	7,786,183	8,562,222	9,162,208	9,459,960	9,546,140
Intangibles	9,973	4,232	4,659	5,198	6,774	929	585
Restricted cash	3,823	2,960	3,823	3,823	3,823	3,823	3,823
Total non-current assets	8,224,933	8,587,747	8,461,335	9,115,272	9,595,932	9,759,866	9,758,901
TOTAL ASSETS	8,692,619	8,803,274	8,685,262	9,859,702	10,302,472	10,293,823	9,992,167
CURRENT LIABILITIES							
Employee provisions	33,080	32,666	33,010	33,010	33,010	33,010	33,010
Payables	81,734	59,850	81,734	81,734	81,734	81,734	81,734
Other	145,159	200,121	161,719	200,427	207,795	195,146	139,912
Total current liabilities	259,973	292,637	276,463	315,171	322,539	309,890	254,656
NON-CURRENT LIABILITIES							
Employee provisions	7,294	7,102	7,294	7,294	7,294	7,294	7,294
Borrowings	2,034,920	2,282,393	2,141,531	2,643,379	2,929,122	2,968,396	3,097,274
Other	183,542	178,405	178,076	172,610	167,144	161,678	156,212
Total non-current liabilities	2,225,756	2,467,900	2,326,901	2,823,283	3,103,560	3,137,368	3,260,780
TOTAL LIABILITIES	2,485,729	2,760,537	2,603,364	3,138,454	3,426,099	3,447,258	3,515,436
EQUITY							
Contributed equity	4,423,147	4,725,422	4,673,216	5,690,834	6,225,177	6,606,785	6,659,983
Accumulated surplus/(deficit)	(1,413,033)	(1,786,990)	(1,788,094)	(2,166,362)	(2,545,580)	(2,956,996)	(3,380,028)
Reserves	3,196,776	3,104,305	3,196,776	3,196,776	3,196,776	3,196,776	3,196,776
Total equity	6,206,890	6,042,737	6,081,898	6,721,248	6,876,373	6,846,565	6,476,731
TOTAL LIABILITIES AND EQUITY	8,692,619	8,803,274	8,685,262	9,859,702	10,302,472	10,293,823	9,992,167

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	799,131	838,909	812,463	834,815	878,840	905,681	858,426
Capital appropriation	576,384	190,431	164,825	1,011,255	579,482	614,108	453,198
Holding account drawdowns	48,121	72,134	58,285	122,641	113,934	113,756	90,892
Royalties for Regions Fund:							
Regional Community Services Fund	13	13	10	13	13	13	79,939
Regional Infrastructure and Headworks Fund	6,573	600	1,100	5,624	33,861	17,500	-
Receipts paid into Consolidated Account	-	-	(301)	-	-	-	-
Other	104,323	92,481	98,175	739	-	-	-
Net cash provided by State Government	1,534,545	1,194,568	1,134,557	1,975,087	1,606,130	1,651,058	1,482,455
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(168,905)	(188,433)	(189,305)	(197,759)	(213,198)	(221,345)	(227,781)
Grants and subsidies	(509,944)	(540,073)	(545,300)	(554,384)	(567,864)	(564,913)	(570,424)
Supplies and services	(238,281)	(227,149)	(229,728)	(200,845)	(232,052)	(220,753)	(309,233)
Accommodation	(27,253)	(30,970)	(28,563)	(30,562)	(31,544)	(36,384)	(39,362)
Other payments	(250,685)	(282,557)	(276,617)	(303,705)	(334,187)	(342,730)	(303,281)
Receipts							
Regulatory fees and fines	3,572	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies	17,853	37,915	29,261	15,705	16,070	15,307	15,307
Sale of goods and services	192,153	197,581	202,208	206,393	214,267	233,703	241,462
GST receipts	138,655	152,192	168,965	179,801	187,613	180,680	134,206
Other receipts	55,421	48,906	52,015	46,588	76,544	46,801	116,801
Net cash from operating activities	(787,414)	(828,648)	(813,124)	(834,828)	(880,411)	(905,694)	(938,365)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(630,623)	(876,824)	(680,890)	(1,160,312)	(986,246)	(708,789)	(514,334)
Proceeds from sale of non-current assets	536	-	-	-	-	-	-
Net cash from investing activities	(630,087)	(876,824)	(680,890)	(1,160,312)	(986,246)	(708,789)	(514,334)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(193,065)	(163,040)	(165,490)	(316,524)	(346,524)	(326,524)	(176,524)
Other payments	(6,000)	(1,800)	(1,800)	-	(79,000)	(250,000)	(400,000)
Proceeds from borrowings	226,375	447,780	288,761	857,080	641,193	353,149	250,168
Net cash from financing activities	27,310	282,940	121,471	540,556	215,669	(223,375)	(326,356)
NET INCREASE/(DECREASE) IN CASH HELD	144,354	(227,964)	(237,986)	520,503	(44,858)	(186,800)	(296,600)
Cash assets at the beginning of the reporting period	150,259	309,659	318,569	87,853	608,356	563,498	376,698
Net cash transferred to/from other agencies	23,956	7,270	7,270	-	-	-	-
Cash assets at the end of the reporting period	318,569	88,965	87,853	608,356	563,498	376,698	80,098

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

Provision for METRONET Projects Under Development

Part 9 Transport

Asset Investment Program

Various METRONET projects are still under development, with business cases currently being drafted for projects such as the Morley-Ellenbrook line and extension of the Armadale line to Byford. Accordingly, a provision for METRONET projects has been included in the Budget. This provision totals around $1.1 billion, with $750 million of this within the current forward estimates period. The provision will remain until such time that business cases are finalised and the Government makes a formal investment decision to allocate the spending provision to the relevant delivery agency.

The $750 million provision over the forward estimates period is funded from a $729 million contribution from the Commonwealth, paid to the METRONET Account, and $21 million from the Metropolitan Region Improvement Fund.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
NEW WORKS							
METRONET Projects Under Development	1,073,000	-	-	-	100,000	250,000	400,000
Total Cost of Asset Investment Program	1,073,000	-	-	-	100,000	250,000	400,000
FUNDED BY							
Commonwealth Funding Held in METRONET Special Purpose Account [(a)]			-	-	79,000	250,000	400,000
Metropolitan Region Improvement Fund			-	-	21,000	-	-
Total Funding			-	-	100,000	250,000	400,000

(a) These are provisional allocations matched to the spending profile. Funding received from the Commonwealth will be transferred to the METRONET Special Purpose Account. Funding receipts are expected to be $513.3 million in 2017-18, $13.4 million in 2018-19, $35.7 million in 2019-20, $63.2 million in 2020-21 and $103.4 million in 2021-22.

Fremantle Port Authority

Part 9 Transport

Asset Investment Program

The Authority's Asset Investment Program for 2018-19 to 2021-22 totals $205.7 million. Major approved projects planned or underway include:

- Kwinana Bulk Terminal (KBT):
  - $32 million (2018-19) and $1.2 million (2019-20) is planned to be spent to secure strategic industrial land at KBT for port operations. This land purchase will ensure land already used by the Authority is retained as well as enabling efficiencies and increasing operational capacity; and
  - $19.2 million (2018-19) and $26.4 million (2019-20 to 2021-22) is planned to be spent on the replacement and upgrade of assets at KBT to facilitate the ongoing import, export and storage of bulk materials for customers;
- Kwinana Bulk Jetty (KBJ) - the projected growth of the export and import of bulk commodities at KBJ requires an additional spend of $2 million (2018-19) and $17.5 million (2019-20) on improved product handling infrastructure and equipment. This investment will improve the utilisation of the jetty;
- Fremantle Inner Harbour berth upgrades - $14.9 million (2019-20 to 2020-21) is planned to be spent on continuing upgrades to certain berths in the Inner Harbour to accommodate larger vessels and to allow for heavy duty use;
- Fremantle Waterfront Implementation Plan including the commercial precinct - the objective of this project is to undertake the works and provide the services associated with the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay. Expenditure of $3 million (2018-19) and $12.2 million (2019-20 to 2021-22) is subject to the Authority being able to secure private sector interest in the development through a planned Expression of Interest process; and
- Fremantle Passenger Terminal - this terminal, which facilitates the transit of many thousands of cruise passengers each year, is undergoing a substantial refurbishment commencing in 2017-18. $3.3 million is planned to be spent on works in 2018-19 to improve passenger amenities and the efficiency of operations.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Fremantle Waterfront Project - Commercial Precinct							
Access and Services	4,279	1,329	-	-	-	2,950	-
Inner and Outer Harbour Security Upgrades Stage 2	5,900	500	500	3,450	1,950	-	-
Inner Harbour							
Deepening of the Inner Harbour Stage 1	107,655	97,415	-	-	-	10,240	-
Overseas Passenger Terminal	10,234	2,234	1,000	3,300	200	-	-
North Quay							
Berth Upgrades - Western Stage	74,213	69,522	-	-	4,691	-	-
Emergency Warning and Intercommunication System	1,500	300	300	1,200	-	-	-
Environmental Improvement Program	3,390	2,890	100	300	-	200	-
Land Acquisitions	25,400	18,200	18,200	-	1,700	5,500	-
Outer Harbour							
Kwinana Bulk Jetty							
Fire Fighting Foam System	3,143	2,193	1,500	950	-	-	-
Replace/Upgrade Transformer and Switchgear	4,700	2,700	2,700	2,000	-	-	-
Kwinana Bulk Terminal							
Civil and Mechanical Assets Upgrade	4,973	3,235	1,000	1,738	-	-	-
Dust Control and Roadworks	2,386	1,386	-	1,000	-	-	-
Infrastructure, Equipment Replacement and Upgrade	39,714	9,764	850	10,500	13,800	-	1,050
Replacement and Relocation of Operations/Maintenance Offices and Workshop	3,000	400	400	2,600	-	-	-
Plant and Equipment							
Mobile Truck Mounted Capstans	700	200	-	-	-	250	-
Replacement of Navigational Aids	3,977	1,667	250	250	550	750	-
Rous Head - Seawall Construction and Extension Stage 2	52,025	51,059	320	966	-	-	-

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Victoria Quay							
Fremantle Waterfront Implementation Plan	16,226	3,953	-	3,000	3,273	3,000	3,000
Berth H Fender Replacement	3,800	100	100	3,700	-	-	-
COMPLETED WORKS							
Inner Harbour							
Shore Tension Mooring System	4,650	4,650	546	-	-	-	-
Underwater Rock Mound	3,500	3,500	3,306	-	-	-	-
Minor Works - 2017-18 Program	3,231	3,231	3,231	-	-	-	-
Outer Harbour							
Kwinana Bulk Jetty - Conveyor CV03 Drive Replacement	500	500	500	-	-	-	-
Kwinana Bulk Terminal - Upgrade Rail Infrastructure and Replacement of Other Plant	501	501	300	-	-	-	-
NEW WORKS							
Inner and Outer Harbour							
Water Minimisation (Environmental)	3,900	-	-	1,500	1,500	900	-
Inner Harbour							
Provision of Alternative Vehicular Access	1,000	-	-	-	-	-	1,000
Replacement of High Voltage Cable from Main Substation to Substation 4	550	-	-	550	-	-	-
Replacement of Mechanical Plant	490	-	-	490	-	-	-
Rous Head - Replace Street Lighting (West)	1,250	-	-	1,250	-	-	-
Minor Works							
2018-19 Program	4,450	-	-	4,450	-	-	-
2019-20 Program	5,000	-	-	-	5,000	-	-
2020-21 Program	5,000	-	-	-	-	5,000	-
2021-22 Program	5,000	-	-	-	-	-	5,000
North Quay - Berth - Heavy Duty Pad	7,900	-	-	-	-	-	7,900
Outer Harbour							
Kwinana Bulk Jetty – Export/Import Infrastructure	39,500	-	-	2,000	17,500	-	-
Kwinana Bulk Terminal							
Bulk Handling Equipment	12,000	-	-	2,000	10,000	-	-
Replacement of JC01 Conveyor	5,000	-	-	5,000	-	-	-
Land Acquisition	33,232	-	-	32,000	1,232	-	-
Replacement of Front End Loaders	1,500	-	-	-	1,500	-	-
Plant and Equipment - Replace Floating Plant	15,000	-	-	-	7,500	-	-
Victoria Quay							
Motor Vehicle Decking	15,900	-	-	-	-	-	2,000
Replacement Workshop and Fire Station	2,372	-	-	-	-	-	2,372
Total Cost of Asset Investment Program	538,641	281,429	35,103	84,194	70,396	28,790	22,322
FUNDED BY							
Borrowings			-	76,000	40,982	-	5,500
Internal Funds and Balances			35,044	8,144	29,364	28,740	16,822
Other			59	50	50	50	-
Total Funding			35,103	84,194	70,396	28,790	22,322

Kimberley Ports Authority

Part 9 Transport

Asset Investment Program

The Authority's 2018-19 Asset Investment Program consists of $2.3 million for minor works and $6 million to continue dredging works in the channel at the Broome Port to allow all-tide access, primarily for cruise ships, as part of the ports' role in facilitating trade to create jobs and strengthen the region's economy.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Major Port Infrastructure - Port of Broome							
Channel Dredging	7,000	1,000	1,000	6,000	-	-	-
COMPLETED WORKS							
Major Port Infrastructure							
Port of Broome - Cruise Ship Gangway	750	750	750	-	-	-	-
Waste Water Servicing Works	435	435	48	-	-	-	-
Wharf Essential Works - Electrical Upgrade	729	729	644	-	-	-	-
Wharf Extension of Life	23,364	23,364	4,251	-	-	-	-
Minor Works - 2017-18 Program	1,698	1,698	1,121	-	-	-	-
NEW WORKS							
Minor Works							
2018-19 Program	2,290	-	-	2,290	-	-	-
2019-20 Program	1,575	-	-	-	1,575	-	-
2020-21 Program	1,575	-	-	-	-	1,575	-
2021-22 Program	1,575	-	-	-	-	-	1,575
Total Cost of Asset Investment Program	40,991	27,976	7,814	8,290	1,575	1,575	1,575
FUNDED BY							
Drawdowns from Royalties for Regions Fund			1,000	1,250	-	-	-
Funding Included in Department of Treasury Administered Item			375	2,500	-	-	-
Internal Funds and Balances			6,439	4,540	1,575	1,575	1,575
Total Funding			7,814	8,290	1,575	1,575	1,575

Mid West Ports Authority

Part 9 Transport

Asset Investment Program

The Authority's Asset Investment Program for 2018-19 is $8 million. Planned projects include:

- $5 million for minor works, which in 2018-19 will be applied to upgrading the Authority's services and civil infrastructure, security, environmental systems, computer systems and equipment replacement; and
- $3 million for comprehensive rehabilitation works to the Berth 3 extension and Berth 4 structures. These works will remediate the degradation to elements of the structures to enable continued future use.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Comprehensive Rehabilitation Works to Berth 3 Extension and Berth 4 Structures	7,906	4,956	4,834	2,950	-	-	-
COMPLETED WORKS							
Information Technology Software Upgrade	2,500	2,500	117	-	-	-	-
Miscellaneous Works							
2016-17 Program	5,027	5,027	251	-	-	-	-
2017-18 Program	5,000	5,000	5,000	-	-	-	-
NEW WORKS							
Miscellaneous Works							
2018-19 Program	5,000	-	-	5,000	-	-	-
2019-20 Program	5,000	-	-	-	5,000	-	-
2020-21 Program	5,500	-	-	-	-	5,500	-
2021-22 Program	5,500	-	-	-	-	-	5,500
Total Cost of Asset Investment Program	41,433	17,483	10,202	7,950	5,000	5,500	5,500
FUNDED BY							
Borrowings			4,834	3,072	-	-	-
Internal Funds and Balances			5,368	4,878	5,000	5,500	5,500
Total Funding			10,202	7,950	5,000	5,500	5,500

Pilbara Ports Authority

Part 9 Transport

Asset Investment Program

The Authority's 2018-19 Asset Investment Program totals $210.6 million for the provision of major and minor works, construction of port infrastructure at the Port of Ashburton and capital projects funded by the Port Improvement Rate (PIR) at the Port of Port Hedland. The PIR was established to fund critical capital improvement necessary to sustain the long-term operation and development of the Port of Port Hedland.

Partial handover of the Port of Ashburton infrastructure assets from Chevron occurred in 2017-18, with the remaining handover expected to occur in November 2018. Planning for earthworks at the Port of Ashburton is underway with concept design work completed and earthworks expected to occur in 2018-19. The earthworks will allow future development of the multi-user port infrastructure on port vested land as required, including an administration building, gatehouse and security, and power and water facilities.

The Authority will be required to develop and maintain the Port of Ashburton capital infrastructure. A minor works allocation of $6.4 million has been included in 2018-19 through to 2021-22 for the development of services at the Port of Ashburton.

The overall minor works program (excluding the Port of Ashburton) ($14.4 million in 2018-19 and $52.8 million over the forward estimates period) provides for upgrades to safety, information and communications technology, electrical and other equipment, and infrastructure (civil and marine). It also provides for the replacement of mobile plant and office equipment.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Port of Ashburton - Port Infrastructure Construction Project	32,400	9,299	8,799	23,101	-	-	-
Port of Port Hedland							
Berth 3 Deck Replacement	33,537	8,535	8,535	25,002	-	-	-
Port Improvement Rate							
Channel Marker Replacement Program	40,492	21,078	15,763	19,414	-	-	-
Channel Risk Optimisation Project	121,100	16,969	15,635	104,131	-	-	-
Integrated Marine Operations Centre	70,691	47,859	41,577	22,491	341	-	-
COMPLETED WORKS							
Minor Works - 2017-18 Program	14,688	14,688	14,688	-	-	-	-
NEW WORKS							
Minor Works							
2018-19 Program	14,429	-	-	14,429	-	-	-
2019-20 Program	17,325	-	-	-	17,325	-	-
2020-21 Program	17,325	-	-	-	-	17,325	-
2021-22 Program	18,191	-	-	-	-	-	18,191
Port of Ashburton - Minor Works	6,402	-	-	2,034	2,302	1,052	1,014
Total Cost of Asset Investment Program	386,580	118,428	104,997	210,602	19,968	18,377	19,205
FUNDED BY							
Internal Funds and Balances			23,223	41,465	19,627	18,377	19,205
Other			81,774	169,137	341	-	-
Total Funding			104,997	210,602	19,968	18,377	19,205

Southern Ports Authority

Part 9 Transport

Asset Investment Program

The Authority's 2018-19 Asset Investment Program of $14.8 million includes:

- $8.8 million across three ports for the replacement of plant and equipment, improvements to port infrastructure and other civil works; and
- $6 million for road upgrades at the Port of Esperance.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Port of Esperance - Port Road Upgrades	11,240	5,212	1,400	6,028	-	-	-
COMPLETED WORKS							
Minor Works - 2017-18 Program							
Port of Albany	1,000	1,000	1,000	-	-	-	-
Port of Bunbury	3,000	3,000	3,000	-	-	-	-
Port of Esperance	5,182	5,182	5,182	-	-	-	-
NEW WORKS							
Southern Ports Authority - Minor Works							
2018-19 Program	8,750	-	-	8,750	-	-	-
2019-20 Program	8,750	-	-	-	8,750		-
2020-21 Program	9,000	-	-	-	-	9,000	-
2021-22 Program	9,000	-	-	-	-	-	9,000
Total Cost of Asset Investment Program	55,922	14,394	10,582	14,778	8,750	9,000	9,000
FUNDED BY							
Internal Funds and Balances			10,582	14,778	8,750	9,000	9,000
Total Funding			10,582	14,778	8,750	9,000	9,000

Part 10

Environment

Summary of Portfolio Appropriations

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Water and Environmental Regulation			
– Delivery of Services	90,813	92,892	82,809
– Capital Appropriation	11,329	10,264	4,654
Total	102,142	103,156	87,463
Biodiversity, Conservation and Attractions			
– Delivery of Services	251,404	253,465	239,719
– Capital Appropriation	2,427	2,427	3,762
Total	253,831	255,892	243,481
GRAND TOTAL			
– Delivery of Services	342,217	346,357	322,528
– Capital Appropriation	13,756	12,691	8,416
Total	**355,973**	**359,048**	**330,944**

Division 39 Water and Environmental Regulation

Part 10 Environment

Appropriations, Expenses and Cash Assets

	2016-17 Actual [a] $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 79 Net amount appropriated to deliver services	87,915	90,200	92,490	**82,407**	82,185	85,670	86,099
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	613	613	402	**402**	402	402	402
Total appropriations provided to deliver services	88,528	90,813	92,892	**82,809**	82,587	86,072	86,501
CAPITAL							
Item 124 Capital Appropriation	14,642	11,329	10,264	**4,654**	6,228	6,060	6,582
TOTAL APPROPRIATIONS	103,170	102,142	103,156	**87,463**	88,815	92,132	93,083
EXPENSES							
Total Cost of Services	171,584	180,259	185,127	**170,560**	167,110	164,130	164,398
Net Cost of Services [b]	65,136	71,215	66,286	**45,774**	41,678	37,912	37,686
CASH ASSETS [c]	88,525	55,854	82,204	**81,996**	84,763	88,046	91,329

(a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
Scientific Inquiry into Fracking in Western Australia	320	74	-	-	-
Senior Executive Service Reduction	(612)	(1,111)	(1,111)	(1,111)	(1,111)
Other					
2017-18 Accommodation Review	(850)	(850)	(821)	(821)	(821)
2017-18 Revenue Review	-	203	174	174	174
2018-19 Tariffs, Fees and Charges	-	3,236	3,541	3,508	3,658
Assessment and Protection of the Swan Canning River System	112	-	-	-	-
Brabham Subsoil Drainage	30	-	-	-	-
Contaminated Sites Management Account Disbursements	658	208	208	208	208
Decommissioning Ellam Street Jetty	-	250	-	-	-
Establishing and Maintaining Vegetation Offset Account Disbursements	3,700	-	-	-	-
Government Office Accommodation Reform Program	(99)	(107)	(98)	(103)	(103)
Government Regional Officer Housing	(447)	(452)	(457)	(462)	(462)
Keralup Hybrid Nanoclay Nutrient Project	150	-	-	-	-
Land Held for Sale	700	-	-	-	-
New Public Sector Wages Policy	(534)	(1,029)	(1,534)	(2,061)	-
Payroll Tax Review	(1,916)	(1,916)	(1,916)	(1,916)	(1,916)
Pilbara Environmental Offsets Fund Disbursements	15	2,374	2,305	2,306	2,306
Port Hedland Dust Taskforce Report	-	274	535	535	224
Royalties for Regions	6	670	-	-	95
Rural Water Grants	-	-	(1,263)	(563)	(563)
Salaries and Allowances Tribunal Determination	(211)	(211)	(211)	(211)	(211)

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
State Fleet Policy and Procurement Initiatives	(198)	(338)	(372)	(399)	(399)
State Groundwater Investigation Program	-	687	678	644	644
Termination of Reserve 31165 Trust Account	-	590	-	-	-
Transfer of Land to Western Australian Agriculture Authority - Carnarvon	230	-	-	-	-
Voluntary Targeted Separation Scheme [(a)]	3,714	(4,784)	(4,825)	(4,866)	(4,930)
Waste Avoidance And Resource Recovery Account Review	-	1,750	1,750	1,750	1,750
Water for Food Programs	(3,462)	(5,348)	(17,000)	(18,500)	-
Water Options for Intensive Agriculture/Carabooda	35	-	-	-	-

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- In 2018-19, the Department will continue to develop and deliver on the Government's priority to create a 'one-stop shop' for industry and developers by integrating and streamlining Western Australia's water and environmental regulation. The creation of a new Regulatory Capability division will drive the identification of regulatory innovation and integration initiatives for the Department's regulatory reform program. This division will also be responsible for implementing the Environment Online initiative to consolidate the existing Water Online portal and create a streamlined application process for both applicants and the Department.

- In 2018-19, the Department is seeking to introduce an improved cost recovery model for environmental regulation services, the additional revenue from which will be reinvested in the Department to improve service delivery and efficiency in these services. The revenue will be used to employ additional staff in environmental regulation and compliance functions, and to invest in new systems, including Environment Online. This investment will improve the timeliness of decision-making on environmental approvals and ensure an appropriate response to the increasing demand for environmental assessments and approvals, relating to economic growth. The model will also better reflect the true cost of the Department's environmental regulation for industry.

- The Department is also implementing a new fee structure for the assessment of applications for water licences and permits in the mining and public water supply scheme business sectors. These will support effective regulation and sustainable management of the State's valuable water resources. Reinvested revenue will be directed towards customer-centred service delivery and improved online systems.

- From 1 July 2018, the Department will implement the Government's ban on the supply of lightweight plastic bags in Western Australia to reduce the impacts of plastic waste on the environment. The Department and its implementation partners are engaging with retailers and the community to raise awareness and support the introduction of the ban, including managing the potential impacts of the ban on consumers and businesses.

- Groundwater makes up nearly 75% of Perth's water supply; it provides almost half of the drinking water supply and almost all of the self-supply water used for parks, sporting grounds, horticulture, large gardens and around one in four backyard gardens. As a result of a changing climate, the southwest of Western Australia is experiencing declining annual rainfall. To ensure the sustainable use of groundwater resources in Perth, and to provide long-term supply, amenity and environmental benefits for the community, the Department is developing a new Gnangara water allocation plan to be released for public comment in late-2018. In parallel, the Department is collaborating with local governments and other partners on longer term water supply strategies for local areas across the Perth and Peel region.

- As part of the Department's support for the Government's reform agenda, a Water Resource Management Bill is proposed to meet the challenges presented by climate change and modernise legislation to better manage the State's natural water resources. In addition, the Environmental Protection Act 1986 is proposed to be amended to improve regulatory efficiency and effectiveness and facilitate bilateral agreements to deliver better environmental and sustainable development outcomes.

- The Government has committed to introducing a new container deposit scheme to reduce litter and increase recycling rates. Over 97% of people who responded to an online survey from the Department support a container deposit scheme for Western Australia. The Department is developing the scheme for implementation in 2020. The scheme will contribute to the protection of Western Australia's unique wildlife and scenery from the impacts of litter and also create business development and job opportunities.

- The Department will support the Environmental Protection Authority (the Authority) as it considers an estimated 75% increase in proposals requiring assessment by the Authority in 2018-19, relative to 2016-17, alongside an increasing complexity and diversity of proposals. Further, an update of the Authority's policy and guidance framework will be implemented.
- Management of waste remains a Government priority and the introduction by the Chinese Government of import restrictions on recyclable waste presents challenges and opportunities not only for Australia but for countries worldwide. The Department will continue to support the Waste Authority in developing a revised waste strategy to make Western Australia into a sustainable, low-waste society in which human health and the environment are valued and protected. The Department will work with government agencies, local government and industry to encourage the use of recycled materials.
- The Department will continue to promote water-sensitive urban design principles and advocate a waterwise approach to urban development. It will work with major developers and government agencies to ensure that significant projects, such as METRONET, embrace water-sensitive design elements.
- The Department will continue work to provide implementable plans to reverse serious impacts in the Peel-Harvey and Leschenault Estuaries, improve outcomes from offsets through the Pilbara Environmental Offsets Fund, and address the cumulative impacts of clearing.
- The Department will complete an internal restructure to ensure greater integration and innovation in regulation, improve partnerships and engagement with stakeholders and facilitate the relocation of the Department's head office to Joondalup in early 2019.
- The Department will commence work on a water allocation plan for the Fitzroy River to assist in achieving objectives for the Fitzroy River contained in the Government's Plan for the Kimberley.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Ministers	Services
Minister for Water	1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance
Minister for Environment	4. Environmental Regulation 5. Environment Policy 6. Waste Strategies 7. Environmental Impact Assessment Services to the Environmental Protection Authority (EPA) 8. Environmental Management Services to the EPA 9. Compliance Monitoring Services to the Minister

Outcomes, Services and Key Performance Information

Where practical, Key Performance Information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State.	1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance
	Emissions, discharges and clearing of native vegetation are effectively regulated to avoid unacceptable risks to public health and the environment.	4. Environmental Regulation
	Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes.	5. Environment Policy
	Waste avoided and the recovery of materials from landfill maximised.	6. Waste Strategies
	Quality advice to the EPA and the Minister on significant proposals and environmental issues.	7. Environmental Impact Assessment Services to the EPA 8. Environmental Management Services to the EPA
	Compliance with Ministerial statement implementation conditions are monitored effectively.	9. Compliance Monitoring Services to the Minister for Environment

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Water Information and Advice	40,733	43,286	39,408	36,562	36,108	36,338	35,569
2. Water Planning, Allocation and Optimisation	37,942	34,373	41,738	32,011	28,128	26,024	25,631
3. Water Regulation, Licensing and Industry Governance	15,921	17,706	21,483	18,593	18,321	17,880	17,876
4. Environmental Regulation	36,624	39,277	37,833	38,496	39,819	39,641	40,950
5. Environment Policy	5,975	6,910	6,347	5,405	5,265	5,075	5,045
6. Waste Strategies	20,016	24,604	22,934	23,983	24,047	24,069	24,075
7. Environmental Impact Assessment Services to the EPA	8,709	8,229	9,232	9,440	9,413	9,234	9,340
8. Environmental Management Services to the EPA	3,473	3,483	3,963	3,958	3,909	3,809	3,837
9. Compliance Monitoring Services to the Minister for Environment	2,191	2,391	2,189	2,112	2,100	2,060	2,075
Total Cost of Services	171,584	180,259	185,127	170,560	167,110	164,130	164,398

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State:					
Proportion of stakeholders who perceive the Department to be effectively managing the State's water as a resource for sustainable, productive use.....	69%	60%	60%	60%	
Proportion of priority growth areas that have a water supply planning strategy	63%	94%	75%	43%	1
Outcome: Emissions, discharges and clearing of native vegetation are effectively regulated to avoid unacceptable risks to public health and the environment:					
Percentage of regulatory compliance activities completed as planned	n/a	100%	80%	100%	2
Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months.....	n/a	80%	60%	80%	3
Outcome: Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes:					
Percentage of advice and recommendations that met Ministerial approval, without the need for significant modification.....	99%	95%	99%	95%	
Outcome: Waste avoided and the recovery of materials from landfill maximised:					
Percentage of municipal solid waste reported as diverted from landfill through recycling compared to waste strategy target in the Perth Metropolitan Region ...	35%	50%	34%	50%	4
Percentage of commercial and industrial waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target....	46%	55%	46%	55%	5
Percentage of construction and demolition waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target....	64%	60%	77%	60%	6
Outcome: Quality advice to the EPA and the Minister for Environment on significant proposals and environmental issues:					
The EPA's satisfaction with the Department's Environmental Impact Assessment (EIA) services, during the year, in line with Best Practice Principles of EIA.....	88%	82%	85%	80%	
Percentage of project-specific conditions which did not require significant change following the appeal process	94%	80%	85%	80%	
Percentage of assessments that met agreed timelines	82%	83%	80%	75%	
The EPA's satisfaction with the Department's provision of environmental management services during the year	83%	83%	80%	80%	
Outcome: Compliance with Ministerial statement implementation conditions are monitored effectively:					
The number of Ministerial statements audited compared to targets.....	100%	100%	100%	100%	

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

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual is lower than expected as the draft Gascoyne Master Plan project is unlikely to be finalised during 2017-18. The decrease between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due to the resetting of the list of priority areas at the start of the 2018-19 financial year, whereby completed strategies are removed and new priority areas are added. Fourteen new priority areas will be listed and six are expected to be completed within the 2018-19 financial year.
2. The 2017-18 Estimated Actual is lower than expected as compliance resources have targeted areas of highest risk during this period and often these matters are more complex and protracted than general compliance activities. The compliance activities have also been impacted by a high number of staff vacancies.
3. The reduction between the 2017-18 Budget and the 2017-18 Estimated Actual is due to the targeting of compliance resources towards areas of highest risk and the non-compliances identified are generally more complex and rely on third party actions to be compliant. The compliance activities have also been impacted by a high number of staff vacancies.

4. The reduction in the 2017-18 Estimated Actual municipal solid waste diversion rate reflects a continuing lack of significant change in the services and infrastructure being provided by local governments to households. The roll-out of the Better Bins program is expected to have a positive impact on diversion rates in 2018-19. The 2016-17 Actual has been amended to correct inaccuracies in the reporting of municipal solid waste that was disposed of to landfill.
5. A decrease in the amount of commercial and industrial waste disposed of to landfill, and a similar fall in the amount that was diverted from landfill in 2017-18, resulted in a constant landfill diversion rate between the 2016-17 Actual and the 2017-18 Estimated Actual. The 2016-17 Actual has been amended to correct inaccuracies in the reporting of commercial and industrial waste that was both recycled and disposed of to landfill.
6. The increase in the 2017-18 Estimated Actual diversion rate is a result of a reduction in the amount of construction and demolition waste disposed of to landfill. Evidence suggests that stockpiling of construction and demolition waste has contributed to this fall. The 2016-17 Actual has been amended to correct inaccuracies in the reporting of construction and demolition waste that was both recycled and disposed of to landfill.

Services and Key Efficiency Indicators

1. Water Information and Advice

The Department enables investment decisions of regional and State significance through the provision of data and information on the quantity, quality, location of, and demand for water across the State. The information also underpins policy advice for consideration by Government and supports other government agencies and stakeholders in their planning for future economic growth and urban and rural development.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	40,733	43,286	39,408	36,562	1
Less Income	2,713	314	1,516	1,531	1
Net Cost of Service	38,020	42,972	37,892	35,031	
Employees (Full Time Equivalents) [(a)]	195	194	211	210	
Efficiency Indicators					
Proportion of Statutory Referrals from Decision-making Authorities Where Advice is Provided within Target Timeframes [(b)]	95%	96%	97%	97%	
Average Cost per Statutory Referral Assessment	$8,828	$10,273	$12,491	$11,912	2
Average Cost per Water Measurement Site Managed	$10,095	$12,933	$7,372	$7,085	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.
(b) Decision-making authorities include the Departments of Water and Environmental Regulation, Planning, Lands and Heritage, Mines, Industry Regulation and Safety and Local Government, Sports and Cultural Industries. The target timeframe is 35 business days.

Explanation of Significant Movements

(Notes)

1. The reduction of the Total Cost of Service and the increase in income between the 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is due to changes to the cost and revenue base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.

2. The increase in the Average Cost per Statutory Referral Assessment between the 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is due to changes to the cost allocation basis. The number of statutory referral assessments undertaken over this time is expected to remain as forecast.

3. The reduction in the Average Cost per Water Measurement Site Managed between the 2017-18 Budget and the 2017-18 Estimated Actual is due to an increased number of water measurements sites managed than previously included, resulting from the upgrade and amalgamation of the two previously separate recording systems (Water Information and Hydstra).

2. Water Planning, Allocation and Optimisation

Water planning, allocation and optimisation ensure the sustainable management of water resources for the long-term benefit of the State and rely on good science. This includes planning and allocating water for sustainable productive use, protecting public drinking water sources and ensuring the sustainability of water resources and their dependent ecosystems.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	37,942	34,373	41,738	32,011	1
Less Income	3,355	223	6,479	1,972	2
Net Cost of Service	34,587	34,150	35,259	30,039	
Employees (Full Time Equivalents) [(a)]	126	139	137	128	
Efficiency Indicators					
Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation	$256,315	$218,250	$433,108	$334,511	3
Average Cost per Hour of Scientific Support for Water Planning, Allocation and Optimisation	$197	$210	$206	$194	

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to the carryover of external project funding (including Royalties for Regions projects) from 2016-17. In addition, changes to the cost allocation basis have impacted on the Total Cost of Service.

2. The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to the changes in the funding classification for the Water for Food program in 2017-18 from Royalties for Regions income to grants and subsidies income.

3. The increase in the Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation between the 2017-18 Budget and the 2017-18 Estimated Actual is due to a forecast reduction in the number of plans completed.

3. Water Regulation, Licensing and Industry Governance

Responsible and proportional regulation ensures that investment, growth and development is underpinned by sustainable management of the State's water resources for the long-term benefit of the State. This service includes the management of water licensing and the management of the legislation governing the operations of water service providers.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	15,921	17,706	21,483	18,593	1
Less Income	937	160	503	1,382	1
Net Cost of Service	14,984	17,546	20,980	17,211	
Employees (Full Time Equivalents) [(a)]	103	99	109	109	
Efficiency Indicators					
Average Cost of Assessing a Water Licence Application by Risk Assessment Category:					2
Low Risk	$3,315	$4,709	$1,791	$2,236	
Medium Risk	$5,815	$5,551	$6,903	$7,604	
High Risk	$6,026	$8,571	$10,659	$15,655	
Average Time Taken (Days) to Assess a Licence Application by Risk Assessment Category:					3
Low Risk	65	65	62	65	
Medium Risk	75	75	89	75	
High Risk	57	57	120	95	
Average Cost of Compliance Monitoring and Enforcement Action	$515	$576	$585	$413	4

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service and income between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.

2. The variance between the risk assessment categories between the 2017-18 Budget and the 2017-18 Estimated Actual Average Cost of Assessing a Water Licence Application by Risk Assessment Category is due to changes made to the categorisation of applications. Some applications were loaded during the deployment of the online approval system which amended the default category of risk from high to low. Consequently, the number of applications for the medium and high categories have reduced and the number of low has increased. In addition, changes to the cost allocation basis have impacted on the cost base.

3. The variance between the 2017-18 Budget and the 2017-18 Estimated Actual Average Time Taken (Days) to Assess a Licence Application by Risk Assessment Category is due to an increase in processing times across risk categories following the roll-out of the new online approval system. Integration of the system during 2018-19 is expected to lead to a decrease in the forecast average time taken for assessments.

4. The decrease in the Average Cost of Compliance Monitoring and Enforcement Action between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due to an expected increase in the compliance and monitoring enforcement actions that will reduce the average cost of an action. This is driven by the implementation of the new Rights in Water and Irrigation Regulations 2018, which were published in the Government Gazette on 20 February 2018.

4. Environmental Regulation

The Department seeks to prevent, control and abate activities that have the potential to cause pollution or environmental harm. It has adopted a risk-based approach to delivering its regulatory role, which broadly fits into three main functions:

- approvals and licensing;
- monitoring, audit and compliance inspections; and
- enforcement, including complaint and incident investigation.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	36,624	39,277	37,833	38,496	
Less Income	28,513	30,646	26,568	32,582	1
Net Cost of Service	8,111	8,631	11,265	5,914	
Employees (Full Time Equivalents) [(a)]	231	223	222	245	
Efficiency Indicators					
Average Cost per Works Approval and Licence Application	$28,875	$24,263	$53,275	$68,503	2
Average Cost per Native Vegetation Clearing Permit Application	$7,629	$7,991	$40,730	$28,428	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The decrease in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to changes to the revenue base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes. The increase in income between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due to the inclusion of income under the Vegetation Offset Account and forecast increases in fees and charges in 2018-19.

2. The increase in the Average Cost per Works Approval and Licence Application between the 2017-18 Budget and the 2017-18 Estimated Actual is due to a reduction in the number of applications processed. A backlog in applications for clearing permits, works approvals, licences and amendments is being addressed through reforms implemented by the newly created Regulatory Capability Unit. In addition, changes to the cost allocation basis have impacted on costs across the forward estimates period.

3. The increase in the Average Cost per Native Vegetation Clearing Permit Application between the 2017-18 Budget and the 2017-18 Estimated Actual is due to a reduction in the number of applications being processed. A backlog in applications is being addressed through reforms implemented by the newly created Regulatory Capability Unit. In addition, changes to the cost allocation basis and calculation methodology have impacted on costs.

5. Environment Policy

Develop and implement policies and strategies that promote environmental outcomes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	5,975	6,910	6,347	5,405	1
Less Income	442	135	599	577	2
Net Cost of Service	5,533	6,775	5,748	4,828	
Employees (Full Time Equivalents) [(a)]	42	46	39	39	
Efficiency Indicators					
Average Cost per Hour of Policy Advice and Recommendations	$101	$107	$134	$114	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service between the 2017-18 Budget and the 2018-19 Budget Target is mainly due to reduced staffing costs as the number of Full Time Equivalents fell over this period and changes to the cost allocation basis as the Department has restructured, amalgamated and reformed functions.

2. The increase in income between the 2017-18 Budget and the 2018-19 Budget Target is due to the impact of the change in the revenue allocation basis as the Department has restructured, amalgamated and reformed functions.

3. The increase in the Average Cost per Hour of Policy Advice and Recommendations between the 2017-18 Budget and the 2017-18 Estimated Actual is due to an expected decrease in the number of policy hours worked and a reduction in Full Time Equivalents.

6. Waste Strategies

Waste avoided and the recovery of materials from landfill maximised.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	20,016	24,604	22,934	23,983	
Less Income	70,470	77,446	77,748	84,705	1
Net Cost of Service	(50,454)	(52,842)	(54,814)	(60,722)	
Employees (Full Time Equivalents) [(a)]	42	46	47	47	
Efficiency Indicators					
Cost of Landfill Levy Compliance as a Percentage of Landfill Levy Income Collected	2.4%	2.8%	1.6%	2%	2

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in income between the 2017-18 Budget and the 2018-19 Budget Target is due to the scheduled increase in the Landfill Levy rate from 1 July 2018.

2. The reduction in the Cost of Landfill Levy Compliance as a Percentage of Landfill Levy Income Collected between the 2017-18 Budget and the 2017-18 Estimated Actual is a result of efficiencies achieved in the landfill compliance area and a reduced cost base following the Machinery of Government changes.

7. Environmental Impact Assessment Services to the EPA

Conduct, for the EPA, environmental impact assessments of significant proposals and schemes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,709	8,229	9,232	9,440	1
Less Income	11	120	3,791	1,423	2
Net Cost of Service	8,698	8,109	5,441	8,017	
Employees (Full Time Equivalents) [(a)]	52	51	48	48	
Efficiency Indicators					
Cost per Standardised Unit of Assessment Output	$22,047	$23,513	$40,140	$31,467	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2017-18 Budget and the 2017-18 Estimated Actual is due to changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
2. The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to the commencement of the Pilbara Environmental Offsets Fund during 2017-18 and changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
3. The increase in Cost per Standardised Unit of Assessment Output between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to an expected reduction in complex proposals and changes to the cost allocation basis.

8. Environmental Management Services to the EPA

Develop, for the EPA, statutory policies, guidelines and strategic advice to manage environmental impacts and protect the environment.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	3,473	3,483	3,963	3,958	1
Less Income	4	-	1,087	408	1
Net Cost of Service	3,469	3,483	2,876	3,550	
Employees (Full Time Equivalents) [(a)]	20	21	16	16	
Efficiency Indicators					
Cost per Standardised Unit of Environmental Management Services Output	$26,310	$26,790	$43,549	$39,577	2

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service and income between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to changes to the cost and revenue base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
2. The increase in the Cost per Standardised Unit of Environment Management Services Output between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes. The level of assessment output over this period is expected to be consistent with the 2016-17 Actual.

9. Compliance Monitoring Services to the Minister

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	2,191	2,391	2,189	2,112	
Less Income	3	-	550	206	1
Net Cost of Service	2,188	2,391	1,639	1,906	
Employees (Full Time Equivalents) [(a)]	12	15	12	12	
Efficiency Indicators					
Average Cost per Environmental Audit Completed	$36,515	$39,846	$36,490	$35,207	2

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to changes as the Department has restructured, amalgamated and reformed functions to the cost base following the Machinery of Government changes.

2. The reduction in the Average Cost per Environmental Audit Completed between the 2017-18 Budget and the 2018-19 Budget Target is mainly due to the impact of changes to the cost allocation basis as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.

Asset Investment Program

The Department will spend $14.5 million on its Asset Investment Program in 2018-19 and $58.3 million over the forward estimates period. This supports the delivery of its services and the rolling program to update plant, equipment and computer software, including the groundwater investigation and monitoring bore program.

The Department will also spend approximately $9 million over four years on the Environment Online project that will provide customers with a 'one-stop shop' to perform business with the Department for environment-related approvals.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Engineering Works - Kent Street Weir	4,805	4,805	3,924	-	-	-	-
Land Acquisition - Land Purchase in Priority 1 Areas 2017-18 Program	1,328	1,328	1,328	-	-	-	-
Peel Development Commission Transforming Peel Stage 1 - 2017-18 Program	662	662	662	-	-	-	-
Plant, Equipment and Minor Works - 2017-18 Program	1,849	1,849	1,849	-	-	-	-
Replace and Maintain Monitoring Bores - 2017-18 Program	2,843	2,843	2,843	-	-	-	-
Replace and Maintain River Gauging Stations 2017-18 Program	1,507	1,507	1,507	-	-	-	-
State Groundwater Investigation - 2017-18 Program	3,547	3,547	3,547	-	-	-	-
Water Modelling - 2017-18 Program	1,347	1,347	1,347	-	-	-	-
Water Online	14,132	14,132	290	-	-	-	-
NEW WORKS							
Environment Online - 2018-19 Program	9,024	-	-	1,951	1,874	2,272	2,927
Land Acquisition - Land Purchase in Priority 1 Areas 2018-19 Program	1,410	-	-	1,410	-	-	-
2019-20 Program	1,000	-	-	-	1,000	-	-
2020-21 Program	1,000	-	-	-	-	1,000	-
2021-22 Program	1,000	-	-	-	-	-	1,000

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Plant, Equipment and Minor Works							
2018-19 Program	763	-	-	763	-	-	-
2019-20 Program	1,346	-	-	-	1,346	-	-
2020-21 Program	1,410	-	-	-	-	1,410	-
2021-22 Program	1,410	-	-	-	-	-	1,410
Port Hedland Dust Taskforce Report	486	-	-	486	-	-	-
Replace and Maintain Monitoring Bores							
2018-19 Program	3,144	-	-	3,144	-	-	-
2019-20 Program	3,144	-	-	-	3,144	-	-
2020-21 Program	3,144	-	-	-	-	3,144	-
2021-22 Program	3,424	-	-	-	-	-	3,424
Replace and Maintain River Gauging Stations							
2018-19 Program	1,504	-	-	1,504	-	-	-
2019-20 Program	1,504	-	-	-	1,504	-	-
2020-21 Program	1,504	-	-	-	-	1,504	-
2021-22 Program	1,504	-	-	-	-	-	1,504
State Groundwater Investigation							
2018-19 Program	3,891	-	-	3,891	-	-	-
2019-20 Program	3,841	-	-	-	3,841	-	-
2020-21 Program	3,651	-	-	-	-	3,651	-
2021-22 Program	3,651	-	-	-	-	-	3,651
Water Modelling							
2018-19 Program	1,367	-	-	1,367	-	-	-
2019-20 Program	1,387	-	-	-	1,387	-	-
2020-21 Program	1,408	-	-	-	-	1,408	-
2021-22 Program	1,408	-	-	-	-	-	1,408
Total Cost of Asset Investment Program	90,345	32,020	17,297	14,516	14,096	14,389	15,324
FUNDED BY							
Capital Appropriation			10,264	4,654	6,228	6,060	6,582
Drawdowns from the Holding Account			5,652	6,307	5,994	6,057	5,815
Internal Funds and Balances			1,381	3,555	1,874	2,272	2,927
Total Funding			17,297	14,516	14,096	14,389	15,324

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The reduction in Total Cost of Services between the 2017-18 Estimated Actual and the 2018-19 Budget Estimate is due to a range of targeted and workforce savings such as accommodation, state fleet and voluntary separations.

Income

The increase in total income between the 2017-18 Estimated Actual and the 2018-19 Budget Estimate is mainly due to additional Landfill Levy and increased fees and charges revenue due to proposed changes to the Department's tariffs, fees and charges.

Statement of Financial Position

The increase in restricted cash between the 2017-18 Estimated Actual and the 2018-19 Budget is due to the commencement of the Pilbara Environmental Offsets Fund, an increase in the Landfill Levy in 2018-19 and the reclassification of cash for the payment of workforce composition and separations from grants and subsidies to restricted cash.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	99,766	99,592	102,808	92,227	91,024	91,414	92,503
Grants and subsidies [c]	9,668	14,209	12,620	15,145	11,802	11,802	11,802
Supplies and services	32,997	38,306	40,778	35,296	35,141	28,922	28,738
Accommodation	11,641	10,542	9,593	9,658	9,740	9,810	9,810
Depreciation and amortisation	10,549	13,334	15,604	15,666	16,988	19,776	19,139
Other expenses	6,963	4,276	3,724	2,568	2,415	2,406	2,406
TOTAL COST OF SERVICES	171,584	180,259	185,127	170,560	167,110	164,130	164,398
Income							
Sale of goods and services	3,966	3,783	8,337	-	-	-	-
Regulatory fees and fines	24,362	23,797	23,797	30,898	32,139	32,925	33,730
Grants and subsidies	5,000	3,951	4,194	4,189	3,622	3,622	3,311
Landfill Levy	69,428	76,000	76,000	83,000	83,000	83,000	83,000
Other revenue	3,692	1,513	6,513	6,699	6,671	6,671	6,671
Total Income	106,448	109,044	118,841	124,786	125,432	126,218	126,712
NET COST OF SERVICES	65,136	71,215	66,286	45,774	41,678	37,912	37,686
INCOME FROM STATE GOVERNMENT							
Service appropriations	88,528	90,813	92,892	82,809	82,587	86,072	86,501
Resources received free of charge	1,822	1,775	1,775	1,734	1,743	1,743	1,743
Royalties for Regions Fund:							
Regional Community Services Fund	10,499	8,261	77	95	95	95	95
Regional Infrastructure and Headworks Fund	8,695	8,905	8,929	9,011	6,334	-	-
TOTAL INCOME FROM STATE GOVERNMENT	109,544	109,754	103,673	93,649	90,759	87,910	88,339
SURPLUS/(DEFICIENCY) FOR THE PERIOD	44,408	38,539	37,387	47,875	49,081	49,998	50,653

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 823, 841 and 854 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Contaminated Sites Management Account Grants	110	442	1,100	650	650	650	650
Grants Other	394	-	-	-	-	-	-
Rural Water Grants	2,578	2,350	2,350	1,950	687	687	687
State-wide Water Efficiency Measures	-	50	50	50	50	50	50
Vegetation Offsets Account	-	-	3,480	-	-	-	-
Waste Avoidance and Resource Recovery Account	5,543	10,250	4,523	9,998	9,998	9,998	9,998
Water Innovation Partnership	225	267	267	267	267	267	267
Water Sensitive Cities - Cooperative Research Centre	109	150	150	150	150	150	150
Watering WA	685	700	700	2,080	-	-	-
Western Australian Biodiversity Science Institute	10	-	-	-	-	-	-
Western Australian Marine Science Institute	14	-	-	-	-	-	-
TOTAL	9,668	14,209	12,620	15,145	11,802	11,802	11,802

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	25,675	10,080	17,235	17,691	19,213	21,417	22,294
Restricted cash	62,516	45,056	64,264	63,241	64,126	64,829	67,235
Holding account receivables	6,617	7,711	6,646	5,671	5,262	4,740	4,740
Receivables	3,624	1,214	3,624	3,624	3,624	3,624	3,624
Other	18,574	17,737	18,574	18,574	18,574	18,574	18,574
Assets held for sale	1,055	-	1,055	1,055	1,055	1,055	1,055
Total current assets	118,061	81,798	111,398	109,856	111,854	114,239	117,522
NON-CURRENT ASSETS							
Holding account receivables	22,237	32,318	30,626	41,171	52,789	67,247	80,788
Property, plant and equipment	330,638	274,245	333,100	332,952	331,793	330,133	318,298
Intangibles	27,915	21,953	25,324	24,393	22,639	18,913	26,934
Restricted cash	334	718	705	1,064	1,424	1,800	1,800
Other	32	59	934	923	914	913	912
Total non-current assets	381,156	329,293	390,689	400,503	409,559	419,006	428,732
TOTAL ASSETS	499,217	411,091	502,087	510,359	521,413	533,245	546,254
CURRENT LIABILITIES							
Employee provisions	20,541	19,515	19,711	19,599	19,488	19,377	19,266
Payables	5,308	1,503	4,224	4,224	4,224	4,224	4,224
Other	2,003	1,249	2,185	2,346	2,509	2,670	2,831
Total current liabilities	27,852	22,267	26,120	26,169	26,221	26,271	26,321
NON-CURRENT LIABILITIES							
Employee provisions	5,588	5,471	4,093	4,093	4,092	4,092	4,092
Other	8	7	1	1	1	1	1
Total non-current liabilities	5,596	5,478	4,094	4,094	4,093	4,093	4,093
TOTAL LIABILITIES	33,448	27,745	30,214	30,263	30,314	30,364	30,414
EQUITY							
Contributed equity	322,634	284,307	345,718	306,066	267,988	229,772	192,078
Accumulated surplus/(deficit) [b]	53,667	38,539	37,387	85,262	134,343	184,341	234,994
Reserves	89,468	60,500	88,768	88,768	88,768	88,768	88,768
Total equity	465,769	383,346	471,873	480,096	491,099	502,881	515,840
TOTAL LIABILITIES AND EQUITY	499,217	411,091	502,087	510,359	521,413	533,245	546,254

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The 2016-17 Actual Accumulated surplus of $53.7 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	79,098	77,311	77,120	66,932	65,384	66,079	67,145
Capital appropriation	14,642	11,329	10,264	4,654	6,228	6,060	6,582
Holding account drawdowns	6,967	4,622	7,354	6,307	5,994	6,057	5,815
Royalties for Regions Fund:							
Regional Community Services Fund	10,506	8,261	77	95	95	95	95
Regional Infrastructure and Headworks Fund	9,219	8,905	8,929	9,011	6,334	-	-
Receipts paid into Consolidated Account	(32,180)	(40,030)	(41,203)	(44,276)	(44,276)	(44,276)	(44,276)
Net cash provided by State Government	88,252	70,398	62,541	42,723	39,759	34,015	35,361
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(98,124)	(99,201)	(104,936)	(92,178)	(90,973)	(91,364)	(92,453)
Grants and subsidies	(8,799)	(14,209)	(12,620)	(15,145)	(11,802)	(11,802)	(11,802)
Supplies and services	(32,516)	(34,672)	(37,191)	(31,606)	(31,436)	(25,188)	(25,004)
Accommodation	(10,906)	(10,542)	(9,593)	(9,668)	(9,750)	(9,820)	(9,820)
Other payments	(13,986)	(14,662)	(14,222)	(11,696)	(11,600)	(9,976)	(9,974)
Receipts [b]							
Regulatory fees and fines	24,168	23,797	23,797	30,898	32,139	32,925	33,730
Grants and subsidies	3,975	3,951	4,194	4,189	3,622	3,622	3,311
Sale of goods and services	4,110	3,783	7,637	-	-	-	-
Landfill Levy	69,439	76,000	76,000	83,000	83,000	83,000	83,000
GST receipts	6,250	8,487	8,854	7,192	7,233	5,589	5,587
Other receipts	2,964	1,513	6,513	6,599	6,671	6,671	6,671
Net cash from operating activities	(53,425)	(55,755)	(51,567)	(28,415)	(22,896)	(16,343)	(16,754)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(12,579)	(17,139)	(17,297)	(14,516)	(14,096)	(14,389)	(15,324)
Other payments	-	-	(698)	-	-	-	-
Proceeds from sale of non-current assets	291	-	700	-	-	-	-
Net cash from investing activities	(12,288)	(17,139)	(17,295)	(14,516)	(14,096)	(14,389)	(15,324)
NET INCREASE/(DECREASE) IN CASH HELD	22,539	(2,496)	(6,321)	(208)	2,767	3,283	3,283
Cash assets at the beginning of the reporting period	65,986	58,350	88,525	82,204	81,996	84,763	88,046
Cash assets at the end of the reporting period	88,525	55,854	82,204	81,996	84,763	88,046	91,329

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Regulatory Fees and Fines							
Regulatory Fees - Receipts	24,168	23,797	23,797	30,898	32,139	32,925	33,730
Grants and Subsidies							
Other Grants and Contributions	3,975	3,951	4,194	4,189	3,622	3,622	3,311
Sale of Goods and Services							
Sales of Goods and Services	4,110	3,783	7,637	-	-	-	-
Landfill Levy							
Landfill Levy	69,439	76,000	76,000	83,000	83,000	83,000	83,000
GST Receipts							
GST Receipts	6,250	8,487	8,854	7,192	7,233	5,589	5,587
Other Receipts							
Interest Received	1,614	750	750	750	750	750	750
Lease of Commercial Land and Buildings	332	319	319	344	346	346	346
Other Receipts	1,018	444	444	3,505	3,575	3,575	3,575
Pilbara Environmental Offsets Fund	-	-	5,000	2,000	2,000	2,000	2,000
TOTAL	110,906	117,531	126,995	131,878	132,665	131,807	132,299

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Commonwealth Grants							
National Water Infrastructure Development Fund - Feasibility	2,386	3,770	2,147	1,623	-	-	-
Fines							
Regulatory Fines	108	55	155	155	155	155	155
TOTAL ADMINISTERED INCOME	2,494	3,825	2,302	1,778	155	155	155
EXPENSES							
Grants to Charitable and Other Public Bodies							
National Water Infrastructure Development Fund - Feasibility	2,131	3,770	2,402	1,623	-	-	-
Other							
Receipts Paid into the Consolidated Account	126	55	155	155	155	155	155
TOTAL ADMINISTERED EXPENSES	2,257	3,825	2,557	1,778	155	155	155

Agency Special Purpose Account Details

CONTAMINATED SITES MANAGEMENT ACCOUNT

Account Purpose: The purpose of the trust account is to enable investigation or remediation of any site where the State or a public authority (excluding Local Government) is responsible for remediation.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	1,772	1,629	1,960	1,160
Receipts:				
Other	298	300	300	300
	2,070	1,929	2,260	1,460
Payments	110	442	1,100	650
CLOSING BALANCE	1,960	1,487	1,160	810

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Account Purpose: The purpose of the trust account is to fund nominated programs and other waste management initiatives approved by the Minister for Environment on the advice of the Waste Authority of Western Australia.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	30,398	33,247	33,246	37,996
Receipts:				
Other	18,054	19,750	19,750	21,500
	48,452	52,997	52,996	59,496
Payments	15,206	19,000	15,000	20,750
CLOSING BALANCE	33,246	33,997	37,996	38,746

RESERVE 31165 TRUST ACCOUNT

Account Purpose: The purpose of the trust account is to hold moneys to be used for the purposes of protecting the water resource values of Lake Argyle and the Ord River Dam, protecting the Lake Argyle wetland values and maintaining and enhancing the traditional culture of the Miriuwung-Gajerrong people.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	-	387	387	489
Receipts:				
Other	399	48	112	101
	399	435	499	590
Payments	12	12	10	590
CLOSING BALANCE	387	423	489	-

Division 40 Biodiversity, Conservation and Attractions

Part 10 Environment

Appropriations, Expenses and Cash Assets

	2016-17 Actual [a] $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 80 Net amount appropriated to deliver services	241,143	251,029	253,090	**239,344**	239,362	238,373	240,737
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	375	375	375	**375**	375	375	377
Total appropriations provided to deliver services	241,518	251,404	253,465	**239,719**	239,737	238,748	241,114
CAPITAL							
Item 125 Capital Appropriation	1,377	2,427	2,427	**3,762**	5,855	5,581	5,581
TOTAL APPROPRIATIONS	242,895	253,831	255,892	**243,481**	245,592	244,329	246,695
EXPENSES							
Total Cost of Services	388,660	420,889	420,533	**396,303**	386,445	384,972	385,661
Net Cost of Services [b]	249,155	279,994	279,638	**255,257**	244,849	243,150	243,739
CASH ASSETS [c]	126,315	110,440	113,740	**112,611**	115,943	119,372	122,378

(a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitments					
Preston River to Ocean and Leschenault Regional Parks	-	1,240	1,240	1,240	1,240
Senior Executive Service Reduction	(500)	(1,000)	(1,000)	(1,000)	(1,000)
Other					
New Public Sector Wages Policy	(1,042)	(2,059)	(3,098)	(4,178)	-
State Fleet Policy and Procurement Initiatives	(752)	(1,446)	(1,588)	(1,762)	(1,713)
Voluntary Targeted Separation Scheme [a]	2,965	(4,169)	(4,220)	(4,270)	(4,340)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

Government Initiatives

- The Government has provided $10.5 million to fast-track the creation of the Preston River to Ocean Regional Park in the Bunbury region. The new regional park will protect the area's biodiversity and cultural values while improving recreational opportunities for the residents of Bunbury and surrounds. It will create a continuous reserve of almost 900 hectares from the south of Bunbury west of the Preston River to the coast. The approved funding will also allow the Government to create the 2,297 hectare Leschenault Regional Park, which will extend along the Collie and Brunswick Rivers westwards across the Swan Coastal Plain. Establishment of these regional parks will provide local jobs for Aboriginal enterprises and contribute to tourism opportunities in the City of Bunbury.
- An Aboriginal Ranger Program has been established to capitalise on the economic and social benefits that employment provides in remote and regional Western Australian communities and to protect the environment. This five year $20 million program is employing Aboriginal people through direct employment and fee-for-service contracts, carrying out work such as biodiversity monitoring and research, management of tourism and cultural sites, weeds and feral animals, prescribed burning, bushfire suppression and environmental protection works.
- A new Fitzroy River National Park will be created and managed jointly by the Department and Traditional Owners to protect the environment and culture of the Fitzroy River. The park is proposed to extend the existing Geikie Gorge National Park along the Fitzroy River to the north and along the Margaret River to the east. The Government will ensure there is consistency across other election commitments for the Fitzroy River area. Discussions with Traditional Owners to develop Indigenous Land Use Agreements (ILUAs) to enable the creation of the park are underway. Consultation with other affected interest holders, e.g. pastoral lessees, has also commenced.
- A national park and marine park will be established to include the remote islands and fringing reefs of the Buccaneer Archipelago. Discussions with Traditional Owners regarding the parks have commenced. The Department will also commence the preparation of a marine park and islands national park management plan, which will facilitate employment of Aboriginal rangers for park management and opportunities for Aboriginal people to create sustainable economic enterprises.
- Funding is being provided to 17 community volunteer groups in the first round of grants in the Community Rivercare Program. Recipient groups have local knowledge, experience and volunteer resources to complete restoration projects throughout the Swan Canning river system. Later in 2018-19 there will be an opportunity for other groups to apply for funding in round two of the program.
- The Department will continue planning for expansion of the Wellington National Park, near Collie, with a view to enhancing the potential tourism and recreation opportunities in the area.
- The Department will develop Lake Kepwari, near Collie, as a water-based tourism precinct. Works will include the construction of boating infrastructure, public facilities and road access that will provide the foundations for future tourism investment.

Joint Management and Visitor Services

- As part of joint management arrangements with Traditional Owners at Murujuga National Park on the Burrup Peninsula, the Department will assist in the development of a Living Knowledge Centre and park infrastructure in collaboration with Woodside and Rio Tinto. Consultation is being undertaken with the Murujuga Aboriginal Corporation to consider the nomination of the Burrup Peninsula for World Heritage listing.
- In the northern Goldfields, the Department will negotiate and implement an ILUA and Joint Management Agreement with Tjiwarl Traditional Owners related to land tenure changes associated with the Class A Wanjarri Nature Reserve.
- The Department will continue to jointly manage the Yawuru terrestrial conservation estate with Traditional Owners to meet the State's commitments under the Yawuru Agreements.
- An ILUA with the Gnulli Traditional Owners for reservation and joint management arrangements for the Ningaloo Coast will be finalised and a management plan is being prepared.
- Visitation to Department managed lands and waters is maintaining a strong upwards trend, with a record high 20 million visits in 2016-17.

- There will be increasing engagement of volunteers to assist the Department in undertaking conservation and park management activities. The value of volunteer contributions exceeded $24 million in 2016-17.
- The Kalbarri Skywalk and National Park Tourist Infrastructure project is expected to be finalised in 2018-19 including two new lookout structures overlooking the Murchison River Gorge in Kalbarri National Park, providing a significant economic driver to the regional community.
- The Swan Canning River Protection Strategy continues to improve coordination across Government to protect and enhance the ecological and community benefits of the Swan Canning Riverpark.
- On Rottnest Island the former Aboriginal prison building known as the Quod, located in the Main Settlement, will return to the management and control of the Rottnest Island Authority. The Authority proposes to consult extensively with the Aboriginal community throughout Western Australia on the future of the building. It is anticipated that future uses will combine memorial and interpretive functions with Aboriginal economic development opportunities. The Authority intends to seek support for the Quod redevelopment from private, philanthropic and Commonwealth Government sources.
- The Wadjemup Aboriginal Burial Ground associated with the Quod building is to be a permanent memorial space with funding provided by Lotterywest to the Rottnest Foundation, an independent community organisation. This development is subject to approval by the Rottnest Island Authority, which will also be responsible for the ongoing maintenance and use of the space including interpretive elements.
- Rottnest Island will benefit from a major new development with the construction of Discovery Eco Village, providing an additional 83 accommodation units (glamping - permanent tents) and associated resort facilities. A separate staff housing facility incorporating 25 rooms will provide much needed additional staff accommodation on the island.
- The Rottnest Hotel Resort has planned for additional development in the 2019 calendar year that would add 80 new rooms, additional bars, recreational areas and a convention centre.
- Rottnest Island Authority, with the support of Main Roads WA, is reviewing transportation needs and options on the island.
- The Perth Zoo will continue to seek opportunities to increase commercial revenue returns, including finalisation of plans for a new café, and function and catering facilities.
- Kings Park and Botanic Garden remains the State's single most visited destination. The high level of visitation continues to apply pressure on existing operations and infrastructure, requiring ongoing upgrades to public amenities such as footpaths, cycle paths and public toilets and a review of services to meet high levels of demand.
- $2.4 million has been secured from Lotterywest by the Friends of Kings Park to construct new facilities for hands-on volunteer activities in Kings Park. The Volunteer Hub detailed design has progressed and construction is planned for 2018-19.

Fire Management

- The Department will continue to undertake an active fire management program in an increasingly complex operating environment, exacerbated by drying conditions in the southwest of Western Australia. An extra $5.5 million will be available in 2018-19 for prescribed burning to reduce bushfire risk, in addition to the Department's annual recurrent budget for prescribed burning.

Biodiversity Science and Conservation

- Western Australia has a highly significant biodiversity that faces threats and complex challenges, requiring integrated multi-disciplinary approaches to conservation and management that are underpinned by high quality science. The Department is progressing consolidation of science across the agency to build and share the State's biodiversity knowledge and deliver scientific information to support effective conservation and management.
- Priority is being given to developing regulations, in consultation with stakeholders, to support full proclamation of the *Biodiversity Conservation Act 2016*, replacing the *Wildlife Conservation Act 1950* and *Sandalwood Act 1929*.
- The Department will continue to apply adaptive management strategies to assist in meeting the challenges of climate change, particularly in response to the reduced rainfall and hotter conditions predicted for the southwest of Western Australia.

- Invasive pests, weeds and diseases will continue to be managed. The Department will maintain the Western Shield fauna recovery program in partnership with industry and the community, including undertaking trials of the Eradicat® bait for feral cats.
- Conservation and management of Bold Park and Kings Park will continue to achieve environmental targets, provide appropriate visitor access and mitigate risks.
- The Perth Zoo will commence a review of its master plan to inform project priorities. The review will be undertaken in consultation with the community and will support animal management, visitor amenity, asset management and commercial revenue generation priorities.

Forest Management

- The State's forests will continue to be managed to conserve plants and animals, provide for a sustainable timber industry, protect water catchments, enable recreation and tourism activities and allow mining and other public uses under the direction of the Forest Management Plan 2014-2023. In consultation with the Conservation and Parks Commission, the Department will prepare a mid-term performance review of the plan.
- The Department will lead negotiations with the Commonwealth Government Department of Agriculture and Water Resources to extend Western Australia's Regional Forest Agreement to 2039.
- The Department continues to prepare a sandalwood biodiversity management program under the *Biodiversity Conservation Act 2016*. This will complement other initiatives to enhance the conservation and management of wild sandalwood resources, including additional resources to control illegal harvesting.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Ministers	Services
Minister for Environment	1. Visitor Services and Public Programs Provided at Kings Park and Bold Park 3. Visitor Services and Public Programs Provided at Perth Zoo 4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark 5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters 6. Conserving Habitats, Species and Ecological Communities (Shared Ministerial Responsibility) 7. Research and Conservation Partnerships (Shared Ministerial Responsibility) 8. Implementation of the Forest Management Plan 9. Prescribed Burning and Fire Management 10. Bushfire Suppression
Minister for Tourism	2. Visitor Services and Public Programs Provided at Rottnest Island 6. Conserving Habitats, Species and Ecological Communities (Shared Ministerial Responsibility) 7. Research and Conservation Partnerships (Shared Ministerial Responsibility)

Outcomes, Services and Key Performance Information

Where practical, Key Performance Information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Community enjoyment, appreciation and understanding of attractions under the Department's care.	1. Visitor Services and Public Programs Provided at Kings Park and Bold Park 2. Visitor Services and Public Programs Provided at Rottnest Island 3. Visitor Services and Public Programs Provided at Perth Zoo 4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark 5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters
	Plants and animals are conserved and habitat, ecosystem and landscape-scale conservation utilises evidenced-based science.	6. Conserving Habitats, Species and Ecological Communities 7. Research and Conservation Partnerships
	Sustainable use of forest resources.	8. Implementation of the Forest Management Plan
	Lands under the Department's care are managed to protect communities, visitors and built and natural assets from bushfire damage and planned fire is used to achieve other land, forest and wildlife management objectives.	9. Prescribed Burning and Fire Management 10. Bushfire Suppression

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Visitor Services and Public Programs Provided at Kings Park and Bold Park	11,098	11,994	11,942	11,012	10,832	10,849	10,947
2. Visitor Services and Public Programs Provided at Rottnest Island	39,105	45,338	44,391	41,659	39,830	39,820	39,961
3. Visitor Services and Public Programs Provided at Perth Zoo	22,617	22,548	22,912	22,894	23,025	23,112	23,322
4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark	15,799	15,027	14,828	13,888	13,934	13,898	13,681
5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters	86,076	107,297	105,880	91,810	89,733	88,806	87,805
6. Conserving Habitats, Species and Ecological Communities	77,851	81,858	80,474	76,433	76,042	75,731	76,531
7. Research and Conservation Partnerships	30,154	35,162	38,542	37,844	37,845	37,855	37,917
8. Implementation of the Forest Management Plan	20,039	24,095	22,826	21,918	21,809	21,719	21,908
9. Prescribed Burning and Fire Management	50,803	45,022	46,758	46,985	41,510	41,335	41,676
10. Bushfire Suppression	35,118	32,548	31,980	31,860	31,885	31,847	31,913
Total Cost of Services	388,660	420,889	420,533	396,303	386,445	384,972	385,661

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Community enjoyment, appreciation and understanding of attractions under the Department's care:					
Average level of visitor satisfaction at Kings Park and Bold Park	98%	99%	98%	98%	
Average level of visitor satisfaction at Rottnest Island	97%	97%	97%	97%	
Average level of visitor satisfaction at Perth Zoo	96%	97%	97%	97%	
Average level of visitor satisfaction in the Swan and Canning Riverpark	n/a	95%	87%	90%	1
Average level of visitor satisfaction in national parks and other lands and waters	92.5%	95%	91%	90%	
Outcome: Plants and animals are conserved and habitat, ecosystem and landscape-scale conservation utilises evidenced-based science:					
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan	72.9%	73%	71%	72%	
Area of land baited for introduced predators	4,514,535 ha	n/a	4,404,138 ha	4,347,107 ha	2
Outcome: Sustainable use of forest resources:					
Cumulative removal of jarrah and karri sawlogs by approved harvesting operations compared to limits in the Forest Management Plan	381,941 m^3	764,000 m^3	497,501 m^3	955,000 m^3	3
Outcome: Lands under the Department's care are managed to protect communities, visitors and built and natural assets from bushfire damage and planned fire is used to achieve other land, forest and wildlife management objectives:					
Proportion of planned Priority 1 prescribed burns achieved	49%	55%	55%	55%	
Proportion of South West bushfires contained to less than 2 ha	83%	75%	80%	75%	

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

Explanation of Significant Movements

(Notes)

1. Visitor satisfaction surveys were previously undertaken every two years, the last being completed in September 2015. No survey was undertaken for 2016-17. The visitor satisfaction survey will now be conducted annually.

2. This is a new key effectiveness indicator for the 2018-19 Budget and, as such, no target is available for the 2017-18 Budget.

3. From 2014-15 and successive years, the target figure is a cumulative annual figure of 10% (that is 10, 20, 30 and 40% for years one, two, three and four respectively) of the total first and second grade jarrah and karri sawlog resource available for removal for the 10 year life of the Forest Management Plan 2014-2023, which commenced on 1 January 2014. The annual and cumulative removals are lower than the pro-rata limits for both jarrah and karri sawlogs, reflecting market conditions for both sawlog and non-sawlog grades of timber. Adjustments to these removal figures to account for variations over time in product specifications and utilisation will be made in the mid-term performance review of the Forest Management Plan.

Services and Key Efficiency Indicators

1. Visitor Services and Public Programs Provided at Kings Park and Bold Park

Provide facilities, experiences and programs to visitors to Kings Park and Bold Park for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for conservation of plants, animals and habitats.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	11,098	11,994	11,942	11,012	
Less Income	6,893	7,126	7,126	6,484	
Net Cost of Service	4,205	4,868	4,816	4,528	
Employees (Full Time Equivalents)	62	62	60	60	
Efficiency Indicators					
Average Cost per Visitor at Kings Park and Bold Park	$1.76	$1.88	$1.96	$1.84	

2. Visitor Services and Public Programs Provided at Rottnest Island

Provide facilities, experiences and programs to visitors to Rottnest Island for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for maintaining the built and cultural heritage of the island while conserving natural marine and terrestrial habitats.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	39,105	45,338	44,391	41,659	1
Less Income	38,520	35,396	34,950	35,469	
Net Cost of Service	585	9,942	9,441	6,190	
Employees (Full Time Equivalents)	90	85	90	90	
Efficiency Indicators					
Average Cost per Visitor at Rottnest Island	$60.39	$71.97	$70.46	$66.13	

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service for 2018-19 is largely due to the cessation of fixed-term funding for a Roofing Structural Integrity Program.

3. Visitor Services and Public Programs Provided at Perth Zoo

Provide facilities, experiences and educational programs to visitors to the Perth Zoo for their enjoyment and appreciation of natural, cultural and heritage values and to encourage positive behavioural change and community participation in the conservation of plants, animals and habitats.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	22,617	22,548	22,912	22,894	
Less Income	13,179	15,203	15,417	15,835	
Net Cost of Service	9,438	7,345	7,495	7,059	
Employees (Full Time Equivalents)	143	147	143	141	
Efficiency Indicators					
Average Cost per Visitor at Perth Zoo	$34.41	$34.42	$34.98	$32.94	

4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark

Provide facilities, experiences and programs to visitors to the Swan and Canning Riverpark for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for conservation of plants, animals and habitats.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	15,799	15,027	14,828	13,888	
Less Income	2,999	3,258	3,180	3,180	
Net Cost of Service	12,800	11,769	11,648	10,708	
Employees (Full Time Equivalents)	52	51	51	50	
Efficiency Indicators					
Average Cost per Hectare in the Swan and Canning Riverpark	$2,158.04	$2,052.30	$2,025.13	$1,896.75	

5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters

Provide facilities, experiences and programs to visitors to national parks and other lands and waters for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for conservation of plants and animals.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	86,076	107,297	105,880	91,810	1
Less Income	32,854	31,400	31,478	31,559	
Net Cost of Service	53,222	75,897	74,402	60,251	
Employees (Full Time Equivalents)	399	382	381	384	
Efficiency Indicators					
Average Cost per Hectare in National Parks and Other Lands and Waters	$2.73	$3.40	$3.36	$2.92	

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service from the 2017-18 Estimated Actual to the 2018-19 Budget Target largely reflects the one-off payment in 2017-18 of $8 million to the Murujuga Aboriginal Corporation and the cessation of Royalties for Regions funds for the New Kimberley National Park and Great Kimberley Marine Park.

6. Conserving Habitats, Species and Ecological Communities

Develop and implement programs for the conservation of biodiversity.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	77,851	81,858	80,474	76,433	
Less Income	10,112	7,618	8,064	8,045	
Net Cost of Service	67,739	74,240	72,410	68,388	
Employees (Full Time Equivalents)	487	483	472	473	
Efficiency Indicators					
Average Cost per Hectare of Wildlife Habitat	$2.10	$2.56	$2.16	$2.05	

7. Research and Conservation Partnerships

Work with the community, industry, Traditional Owners and other stakeholders to deliver research and conservation outcomes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	30,154	35,162	38,542	37,844	
Less Income	23,308	30,877	30,663	30,457	
Net Cost of Service	6,846	4,285	7,879	7,387	
Employees (Full Time Equivalents)	112	116	111	111	
Efficiency Indicators					
Average Cost per Hectare of Wildlife Habitat	$0.96	$1.01	$1.22	$1.19	

8. Implementation of the Forest Management Plan

Manage State forests in accordance with the approved Forest Management Plan and provide services that support forest production activities.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	20,039	24,095	22,826	21,918	
Less Income	6,281	6,759	6,759	6,759	
Net Cost of Service	13,758	17,336	16,067	15,159	
Employees (Full Time Equivalents)	135	139	131	131	
Efficiency Indicators					
Average Cost per Hectare of Forest	$17.72	$18.65	$17.68	$16.98	

9. Prescribed Burning and Fire Management

Deliver prescribed burning and fire management to protect the community and enhance natural values.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	50,803	45,022	46,758	46,985	
Less Income	1,793	230	230	230	
Net Cost of Service	49,010	44,792	46,528	46,755	
Employees (Full Time Equivalents)	255	212	255	255	
Efficiency Indicators					
Average Cost per Hectare Burnt	$15.70	$15.70	$16.49	$16.57	

10. Bushfire Suppression

Suppress bushfires that threaten or occur on lands managed by the Department.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	35,118	32,548	31,980	31,860	
Less Income	3,566	3,028	3,028	3,028	
Net Cost of Service	31,552	29,520	28,952	28,832	
Employees (Full Time Equivalents)	122	137	121	121	
Efficiency Indicators					
Average Cost per Hectare Burnt	$33.04	$32.00	$18.21	$17.10	1

Explanation of Significant Movements

(Notes)

1. The decreased Average Cost per Hectare Burnt for the 2017-18 Estimated Actual is due to the significantly larger area burnt by bushfires compared to 2016-17, particularly in the Department's Kimberley, Goldfields and South Coast Regions. This trend is expected to continue in 2018-19.

Asset Investment Program

The Department will continue with ongoing investment programs at the Perth Zoo, Rottnest Island, Kings Park and in national parks and other lands and waters across the State. The total Asset Investment Program is $38.6 million in 2018-19.

New capital funding of $1.4 million per annum has been provided for the Preston River to Ocean and Leschenault Regional Parks election commitment.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Enhanced Prescribed Burning	271	161	161	110	-	-	-
Koombana Park Facilities	11,404	8,144	2,800	3,260	-	-	-
Park Improvement Program							
Election Commitment - Lake Kepwari	3,000	225	225	1,000	1,775	-	-
Great Kimberley Marine Park	2,740	1,940	543	800	-	-	-
Kalbarri Skywalk and National Park Tourist Infrastructure	20,033	14,033	8,286	6,000	-	-	-
Kimberley Science and Conservation Strategy							
Kimberley National Park and Oomeday National Park (Horizontal Falls)	150	50	50	50	50	-	-
Marine Parks	290	120	120	120	50	-	-
Roebuck Bay Marine Park	590	300	270	270	20	-	-
Public Recreation and Joint Management Arrangements for the Ningaloo Coast	3,255	1,435	1,105	1,820	-	-	-
Zoological Parks Authority							
Animal Exhibits and Park Facilities	3,459	1,524	702	-	-	-	-
Facilities and Equipment - Water Infrastructure Management Project	11,901	11,148	1,662	753	-	-	-
COMPLETED WORKS							
Botanic Gardens and Parks Authority - Asset Replacement - 2017-18 Program	1,000	1,000	1,000	-	-	-	-
Conservation Land Acquisition - 2017-18 Program	320	320	320	-	-	-	-
Election Commitment - Lake Stockton	250	250	250	-	-	-	-
Fire-related Bridge Maintenance and Replacement 2017-18 Program	1,739	1,739	1,739	-	-	-	-
Firefighting Fleet Replacement - 2017-18 Program	2,200	2,200	2,200	-	-	-	-
Park Improvement							
2017-18 Program	3,700	3,700	3,700	-	-	-	-
Caravan and Camping (Parks for People)	21,053	21,053	810	-	-	-	-
Election Commitment - Wellington Dam Walk Trails	200	200	200	-	-	-	-
Gnangara Park Development - 2017-18 Program	400	400	400	-	-	-	-
Kimberley Tourism Initiatives	3,125	3,125	863	-	-	-	-
Lucky Bay Campground Redevelopment Stage 2	900	900	900	-	-	-	-
Marine Parks Management - Capes and Dampier	779	779	167	-	-	-	-
New Kimberley National Parks	1,030	1,030	973	-	-	-	-
Plant and Equipment							
2017-18 Program	3,807	3,807	3,807	-	-	-	-
Swan Canning Riverpark - 2017-18 Program	432	432	432	-	-	-	-
Rottnest Island Authority - Holiday and Tourism Facilities - 2017-18 Program	4,665	4,665	4,665	-	-	-	-
Tourism Road Improvement - 2017-18 Program	1,650	1,650	1,650	-	-	-	-
Zoological Parks Authority							
Animal Exhibits and Park Facilities - Lion Exhibit Upgrade	2,940	2,940	2,008	-	-	-	-
Facilities and Equipment - Computer Equipment 2017-18 Program	100	100	100	-	-	-	-
NEW WORKS							
Botanic Gardens and Parks Authority - Asset Replacement							
2018-19 Program	1,000	-	-	1,000	-	-	-
2019-20 Program	1,000	-	-	-	1,000	-	-
2020-21 Program	1,000	-	-	-	-	1,000	-
2021-22 Program	1,000	-	-	-	-	-	1,000
Conservation Land Acquisition							
2018-19 Program	340	-	-	340	-	-	-
2019-20 Program	360	-	-	-	360	-	-
2020-21 Program	380	-	-	-	-	380	-
2021-22 Program	400	-	-	-	-	-	400
Election Commitment - Preston River to Ocean and Leschenault Regional Parks	5,496	-	-	1,374	1,374	1,374	1,374

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Fire-related Bridge Maintenance and Replacement							
2018-19 Program	1,791	-	-	1,791	-	-	-
2019-20 Program	1,845	-	-	-	1,845	-	-
2020-21 Program	1,900	-	-	-	-	1,900	-
2021-22 Program	1,957	-	-	-	-	-	1,957
Firefighting Fleet Replacement							
2018-19 Program	2,200	-	-	2,200	-	-	-
2019-20 Program	2,200	-	-	-	2,200	-	-
2020-21 Program	2,200	-	-	-	-	2,200	-
2021-22 Program	2,200	-	-	-	-	-	2,200
Park Improvement							
2018-19 Program	3,900	-	-	3,900	-	-	-
2019-20 Program	4,100	-	-	-	4,100	-	-
2020-21 Program	4,300	-	-	-	-	4,300	-
2021-22 Program	4,500	-	-	-	-	-	4,500
Gnangara Park Development							
2018-19 Program	400	-	-	400	-	-	-
2019-20 Program	400	-	-	-	400	-	-
2020-21 Program	400	-	-	-	-	400	-
2021-22 Program	400	-	-	-	-	-	400
Plant and Equipment							
2018-19 Program	4,985	-	-	4,985	-	-	-
2019-20 Program	6,732	-	-	-	6,732	-	-
2020-21 Program	7,348	-	-	-	-	7,348	-
2021-22 Program	7,749	-	-	-	-	-	7,749
Rottnest Island Authority - Holiday and Tourism Facilities							
2018-19 Program	4,669	-	-	4,669	-	-	-
2019-20 Program	4,265	-	-	-	4,265	-	-
2020-21 Program	4,265	-	-	-	-	4,265	-
2021-22 Program	4,265	-	-	-	-	-	4,265
Tourism Road Improvement Program							
2018-19 Program	1,750	-	-	1,750	-	-	-
2019-20 Program	1,850	-	-	-	1,850	-	-
2020-21 Program	1,950	-	-	-	-	1,950	-
2021-22 Program	2,050	-	-	-	-	-	2,050
Zoological Parks Authority							
Animal Exhibits and Park Facilities							
2018-19 Program	1,905	-	-	1,905	-	-	-
2019-20 Program	1,905	-	-	-	1,905	-	-
2020-21 Program	1,905	-	-	-	-	1,905	-
2021-22 Program	1,905	-	-	-	-	-	1,905
Facilities and Equipment - Computer Equipment							
2018-19 Program	100	-	-	100	-	-	-
2019-20 Program	100	-	-	-	100	-	-
2020-21 Program	100	-	-	-	-	100	-
2021-22 Program	100	-	-	-	-	-	100
Total Cost of Asset Investment Program	212,950	89,370	42,108	38,597	28,026	27,122	27,900
FUNDED BY							
Capital Appropriation			2,427	3,762	5,855	5,581	5,581
Asset Sales			578	500	500	500	500
Drawdowns from the Holding Account			11,118	10,879	10,737	11,802	12,480
Internal Funds and Balances			17,792	9,715	7,765	7,865	7,965
Drawdowns from Royalties for Regions Fund			10,193	13,741	3,169	1,374	1,374
Total Funding			42,108	38,597	28,026	27,122	27,900

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The Total Cost of Services is estimated to decrease by $24.6 million between the 2017-18 Budget and the 2018-19 Budget Estimate, largely due to the effect of a one-off $8 million payment to the Murujuga Aboriginal Corporation in 2017-18, the cessation of a fixed-term boost to maintenance at Rottnest Island, the cessation of fixed-term Royalties for Regions funding for two projects and Budget repair measures coming into full effect in 2018-19, including the Senior Executive Service reduction, State Fleet Policy and Procurement Initiatives and the Voluntary Targeted Separation Scheme.

Income

Total income from the State Government is projected to decrease by $21.7 million to $257.8 million in the 2018-19 Budget Estimate compared to the 2017-18 Budget, reflecting the income impacts of spending reductions noted above.

Statement of Financial Position

The largest asset for the Department is land held for conservation and multiple uses, reported within the category property, plant and equipment. Restricted cash in specific purpose accounts funded by external parties represents the majority of the Department's cash holdings.

Statement of Cashflows

Purchase of non-current assets is expected to decrease by $9.1 million to $38.6 million in the 2018-19 Budget Estimate compared to the 2017-18 Budget of $47.7 million, largely due to the commissioning of the Koombana Park Facilities, the Kalbarri Skywalk and national park tourist infrastructure.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	210,594	223,662	225,137	217,214	215,374	216,144	218,139
Grants and subsidies [c]	7,659	4,850	4,850	4,650	4,650	4,650	4,350
Supplies and services	90,525	117,723	116,644	99,644	91,924	89,860	88,805
Accommodation	8,345	7,098	7,098	7,127	7,143	7,143	7,143
Depreciation and amortisation	36,799	38,167	38,167	39,667	39,667	39,667	39,667
Other expenses	34,738	29,389	28,637	28,001	27,687	27,508	27,557
TOTAL COST OF SERVICES	388,660	420,889	420,533	396,303	386,445	384,972	385,661
Income							
Sale of goods and services	65,516	70,772	70,772	71,778	72,181	72,311	72,311
Regulatory fees and fines	1,201	1,259	1,259	1,264	1,269	1,265	1,265
Grants and subsidies	30,802	28,893	28,893	28,955	28,945	28,945	28,945
Other revenue	41,986	39,971	39,971	39,049	39,201	39,301	39,401
Total Income	139,505	140,895	140,895	141,046	141,596	141,822	141,922
NET COST OF SERVICES	249,155	279,994	279,638	255,257	244,849	243,150	243,739
INCOME FROM STATE GOVERNMENT							
Service appropriations	241,518	251,404	253,465	239,719	239,737	238,748	241,114
Resources received free of charge	741	1,524	1,524	1,525	1,526	1,526	1,526
Royalties for Regions Fund:							
Regional Community Services Fund	10,603	25,603	25,255	16,513	8,662	8,151	6,051
Regional Infrastructure and Headworks Fund	150	900	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	253,012	279,431	280,244	257,757	249,925	248,425	248,691
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,857	(563)	606	2,500	5,076	5,275	4,952

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,857, 1,815 and 1,816 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Local Projects Local Jobs	351	-	-	-	-	-	-
Other	48	-	-	-	-	-	-
Swan and Canning Rivers Community Rivercare	-	-	-	300	300	300	-
Swan and Canning Rivers Management	6,023	4,450	4,450	3,950	3,950	3,950	3,950
Western Australia Parks Foundation	250	-	-	-	-	-	-
Western Australian Museum (Species Identification in the Pilbara)	597	-	-	-	-	-	-
Wildlife Conservation	390	400	400	400	400	400	400
TOTAL	7,659	4,850	4,850	4,650	4,650	4,650	4,350

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	39,905	37,212	41,142	40,836	44,098	46,557	48,593
Restricted cash	79,672	68,968	64,890	63,097	62,197	62,197	62,267
Holding account receivables	11,118	10,879	10,879	10,737	11,802	11,802	-
Receivables	18,006	21,885	18,006	18,006	18,006	18,006	18,006
Other	11,696	11,355	11,560	11,560	11,560	11,560	11,560
Total current assets	160,397	150,299	146,477	144,236	147,663	150,122	140,426
NON-CURRENT ASSETS							
Holding account receivables	155,775	177,340	177,340	200,547	222,689	244,831	278,097
Property, plant and equipment	3,479,490	3,434,924	3,481,851	3,480,511	3,469,667	3,458,291	3,447,693
Intangibles	1,422	1,590	1,348	1,274	1,274	950	626
Restricted cash	738	2,010	1,708	2,678	3,648	4,618	5,518
Other	52,075	51,403	53,961	53,804	53,057	52,212	51,367
Total non-current assets	3,689,500	3,667,267	3,716,208	3,738,814	3,750,335	3,760,902	3,783,301
TOTAL ASSETS	3,849,897	3,817,566	3,862,685	3,883,050	3,897,998	3,911,024	3,923,727
CURRENT LIABILITIES							
Employee provisions	38,094	35,825	37,038	37,050	37,062	37,074	37,086
Payables	13,224	13,601	13,224	13,224	13,224	13,224	13,224
Other	24,047	24,276	24,307	24,657	24,943	25,227	25,511
Total current liabilities	75,365	73,702	74,569	74,931	75,229	75,525	75,821
NON-CURRENT LIABILITIES							
Employee provisions	8,656	7,757	8,417	8,417	8,417	8,417	8,417
Other	836	15	836	836	836	836	836
Total non-current liabilities	9,492	7,772	9,253	9,253	9,253	9,253	9,253
TOTAL LIABILITIES	84,857	81,474	83,822	84,184	84,482	84,778	85,074
EQUITY							
Contributed equity	3,062,359	3,263,768	3,257,696	3,275,199	3,284,223	3,291,178	3,298,133
Accumulated surplus/(deficit) [b]	182,120	(563)	606	3,106	8,182	13,457	18,409
Reserves	520,561	472,887	520,561	520,561	521,111	521,611	522,111
Total equity	3,765,040	3,736,092	3,778,863	3,798,866	3,813,516	3,826,246	3,838,653
TOTAL LIABILITIES AND EQUITY	3,849,897	3,817,566	3,862,685	3,883,050	3,897,998	3,911,024	3,923,727

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The 2016-17 Actual Accumulated surplus of $182.1 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	217,374	218,960	221,021	205,775	205,793	204,804	207,170
Capital appropriation	1,377	2,427	2,427	3,762	5,855	5,581	5,581
Holding account drawdowns	11,123	11,118	11,118	10,879	10,737	11,802	12,480
Royalties for Regions Fund:							
Regional Community Services Fund	16,273	28,088	26,505	19,263	8,682	8,151	6,051
Regional Infrastructure and Headworks Fund	17,751	17,635	8,943	10,991	3,149	1,374	1,374
Net cash provided by State Government	263,898	278,228	270,014	250,670	234,216	231,712	232,656
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(206,053)	(223,450)	(226,232)	(216,928)	(215,043)	(215,919)	(217,914)
Grants and subsidies	(7,546)	(4,850)	(4,850)	(4,650)	(4,650)	(4,650)	(4,350)
Supplies and services	(82,084)	(99,137)	(98,058)	(86,731)	(79,298)	(77,284)	(76,229)
Accommodation	(7,238)	(10,530)	(10,530)	(7,161)	(7,178)	(7,173)	(7,173)
Other payments	(65,111)	(59,361)	(58,609)	(56,530)	(56,047)	(55,729)	(55,778)
Receipts [b]							
Regulatory fees and fines	1,178	1,259	1,259	1,264	1,269	1,265	1,265
Grants and subsidies	29,160	28,893	28,893	28,955	28,945	28,945	28,945
Sale of goods and services	64,311	70,967	70,967	72,809	73,221	73,361	73,361
GST receipts	21,279	16,392	16,392	16,405	16,405	16,405	16,405
Other receipts	42,174	39,709	39,709	38,865	39,018	39,118	39,218
Net cash from operating activities	(209,930)	(240,108)	(241,059)	(213,702)	(203,358)	(201,661)	(202,250)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(45,785)	(47,700)	(42,108)	(38,597)	(28,026)	(27,122)	(27,900)
Proceeds from sale of non-current assets	684	578	578	500	500	500	500
Net cash from investing activities	(45,101)	(47,122)	(41,530)	(38,097)	(27,526)	(26,622)	(27,400)
NET INCREASE/(DECREASE) IN CASH HELD	8,867	(9,002)	(12,575)	(1,129)	3,332	3,429	3,006
Cash assets at the beginning of the reporting period	117,448	119,442	126,315	113,740	112,611	115,943	119,372
Cash assets at the end of the reporting period	126,315	110,440	113,740	112,611	115,943	119,372	122,378

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [a]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Grants and Subsidies							
Grants and Subsidies	16,536	26,823	26,823	26,835	26,835	26,835	26,835
Sale of Goods and Services							
Sale of Goods and Services	25,829	20,524	20,524	20,583	20,621	20,621	20,621
GST Receipts							
GST Input Credits	8,898	5,827	5,827	5,827	5,827	5,827	5,827
GST Receipts on Sales	5,318	5,500	5,500	5,500	5,500	5,500	5,500
Other Receipts							
Other Receipts	32,559	29,679	29,679	29,779	29,879	29,979	30,079
Interest Received	1,807	1,988	1,988	1,988	1,988	1,988	1,988
TOTAL	90,947	90,341	90,341	90,512	90,650	90,750	90,850

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Royalties							
Fauna Royalties	28	60	60	60	60	60	60
Fines							
Receipts from Regulatory Fees and Fines	35	30	30	30	30	30	30
TOTAL ADMINISTERED INCOME	63	90	90	90	90	90	90
EXPENSES							
Other							
Receipts Paid into the Consolidated Account	63	90	90	90	90	90	90
TOTAL ADMINISTERED EXPENSES	63	90	90	90	90	90	90

Part 11

Planning and Land Use

Summary of Portfolio Appropriations

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Planning, Lands and Heritage			
– Delivery of Services	115,311	113,516	93,015
– Capital Appropriation	2,391	2,391	2,485
Total	117,702	115,907	95,500
Western Australian Planning Commission			
– Delivery of Services	100,508	98,986	90,497
– Capital Appropriation	5,504	5,504	5,400
Total	106,012	104,490	95,897
Western Australian Land Information Authority			
– Delivery of Services	31,773	31,640	34,789
Total	31,773	31,640	34,789
Heritage Council of Western Australia			
– Delivery of Services	1,421	1,421	1,390
Total	1,421	1,421	1,390
National Trust of Australia (WA)			
– Delivery of Services	3,212	3,368	3,146
– Capital Appropriation	435	435	435
Total	3,647	3,803	3,581
GRAND TOTAL			
– Delivery of Services	252,225	248,931	222,837
– Capital Appropriation	8,330	8,330	8,320
Total	**260,555**	**257,261**	**231,157**

Division 41 Planning, Lands and Heritage

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 81 Net amount appropriated to deliver services	123,982	114,083	112,541	**92,293**	89,273	88,776	88,843
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,228	1,228	975	**722**	722	722	725
Total appropriations provided to deliver services	125,210	115,311	113,516	**93,015**	89,995	89,498	89,568
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments	89,714	-	-	**-**	-	-	-
CAPITAL							
Item 126 Capital Appropriation	5,283	2,391	2,391	**2,485**	2,610	3,473	3,647
TOTAL APPROPRIATIONS	220,207	117,702	115,907	**95,500**	92,605	92,971	93,215
EXPENSES							
Total Cost of Services	175,851	201,529	189,590	**178,604**	167,741	158,608	158,439
Net Cost of Services [(a)]	121,367	143,483	133,419	**120,423**	111,309	101,843	101,674
CASH ASSETS [(b)]	75,305	53,193	67,448	**52,668**	48,454	47,442	46,475

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitment					
Senior Executive Service Reduction	(500)	(1,000)	(1,000)	(1,000)	(1,000)
Other					
2018-19 Tariffs, Fees and Charges	-	303	303	303	303
Aboriginal Policy Section 25 Transfer to the Department of the Premier and Cabinet	(1,008)	(2,240)	(2,255)	(2,270)	(2,286)
Government Office Accommodation Reform Program	90	328	336	344	351
Indian Ocean Territories Service Level Agreement	410	-	-	-	-
Kariyarra Indigenous Land Use Agreement	-	-	-	-	244
New Public Sector Wages Policy	(601)	(1,043)	(1,505)	(1,982)	-
Office of the Government Architect Section 25 Transfer from the Department of Finance	165	660	660	660	660
Redevelopment of Claremont North East Precinct	1,500	-	-	-	-
Southwest Settlements Funding Allocation	-	669	-	-	-
State Fleet Policy and Procurement Initiatives	(74)	(118)	(131)	(164)	(167)
Voluntary Targeted Separation Scheme [(a)]	3,224	(4,271)	(4,311)	(4,350)	(4,415)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

Aboriginal Lands Trust

- In 2018-19 the Government will continue to facilitate the transfer of Aboriginal Lands Trust land and infrastructure assets to Aboriginal control in order to foster increased economic opportunities critical to the sustainability of Aboriginal communities in regional and remote Western Australia.

Fremantle Prison

- The Department manages, conserves and operates the World Heritage listed Fremantle Prison ensuring the economic sustainability of Western Australia's most recognised and important historic tourism and compatible use asset.

Land Asset Sales Program

- The program will continue to manage the divestment of surplus or underutilised State property to optimise the value and best use of these assets.

Northampton Townsite

- The Northampton Lead Tailings project continues to be progressed with $3.8 million allocated in 2018-19 to continue the removal, management and the safe disposal of lead tailings at 132 properties.

Wittenoom Asbestos Management Area

- The Department will continue its commitment to finalise the closure of the Wittenoom town site, providing a budget of $4.1 million across 2017-18 and 2018-19 to acquire the remaining freehold properties.

METRONET Planning

- The Department supports the METRONET taskforce and provides planning expertise and advice in relation to land use planning around the project's development and delivery.

Westport

- The Department continues to support the Westport taskforce in the development of the long-term strategic plans for the Port of Fremantle's Outer Harbour and future Inner Harbour.

Forrestfield-Airport Link (FAL)

- The Department will continue to work with the METRONET team on the station precinct planning for the FAL, on behalf of the Western Australian Planning Commission (WAPC). FAL is one of the first key projects to be delivered as part of METRONET Stage 1 and includes new stations at Forrestfield, Airport Central and Redcliffe.

Planning Reform

- The Department is supporting the review of Western Australia's planning system. An independent Green Paper is being prepared which includes proposals to address key reform priorities. This paper will be released for public comment and feedback received will be used to inform a White Paper which will be provided to Government for consideration.

Urban Development

- The Department continues to monitor and coordinate land supply and the timely delivery of residential, industrial and commercial land for the WAPC.

Demography and Indicators Program

- The Department delivers an ongoing program of demography and applied urban research projects that enable government to understand population trends and plan for the efficient delivery of services. This information is available to all government departments and is readily accessible in documents including WA Tomorrow and the Metropolitan Land Use Forecasting System. Lot data is critical to industry in matching demand and supply of lots.

Review of the Swan Valley Planning Framework

- The Department is reviewing the Swan Valley Development Plan and the Swan Valley Protection Bill. The review will consider both social and economic priorities to balance the region's significance as a centre for cultural and viticultural tourism. Consultation with the community will help inform the review.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Ministers	Services
Minister for Planning and Lands	1. Integrated Land and Infrastructure Policy Development 2. Land Accessibility Planning and Policy Development 3. Land Asset Management 4. Crown Land Administration 5. Native Title Administration 6. Preparation for Sale of State-owned Land Assets
Minister for Heritage	7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia 8. Community Engagement in Cultural Heritage
Minister for Aboriginal Affairs	9. Heritage Management 10. Land Management

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	An effective and efficient planning system that supports the sustainable development of well-planned communities in Western Australia.	1. Integrated Land and Infrastructure Policy Development 2. Land Accessibility Planning and Policy Development
	The State's land asset is managed responsibly.	3. Land Asset Management
	Security of Land Tenure.	4. Crown Land Administration 5. Native Title Administration
Sustainable Finances: Responsible financial management and better service delivery.	Optimise the value of the State's land assets.	6. Preparation for Sale of State-owned Land Assets
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.	7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia
	Cultural heritage management for community education and appreciation.	8. Community Engagement in Cultural Heritage
	Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community.	9. Heritage Management
	Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes.	10. Land Management

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Integrated Land and Infrastructure Policy Development	44,551	48,549	46,678	44,459	43,075	42,857	42,879
2. Land Accessibility Planning and Policy Development	44,488	48,220	45,908	43,964	42,789	42,573	42,595
3. Land Asset Management	9,647	18,830	14,357	16,809	12,827	5,334	5,336
4. Crown Land Administration	23,176	22,619	22,753	18,161	17,673	17,562	17,571
5. Native Title Administration	11,388	16,269	15,270	12,878	10,753	9,964	9,725
6. Preparation for Sale of State-owned Land Assets	8,926	12,095	12,871	12,344	12,223	12,169	12,171
7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia	8,020	7,931	6,844	7,034	6,842	6,777	6,780
8. Community Engagement in Cultural Heritage	6,980	5,672	5,496	6,154	6,001	5,951	5,953
9. Heritage Management	12,139	13,235	11,598	10,128	9,225	9,150	9,155
10. Land Management	6,536	8,109	7,815	6,673	6,333	6,271	6,274
Total Cost of Services	175,851	201,529	189,590	178,604	167,741	158,608	158,439

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: An effective and efficient planning system that supports the sustainable development of well-planned communities in Western Australia:					
The percentage of subdivision applications determined within the statutory timeframe	73%	80%	82%	80%	
The percentage of deposited and strata plans (excluding built strata plans) endorsed within the statutory timeframe	99%	99%	99%	99%	
The percentage of development applications determined within the statutory timeframe	65%	70%	73%	70%	
The percentage of finalised appeals (excluding Development Assessment Panel (DAP) appeals) that are not upheld on review by the State Administrative Tribunal	96%	95%	98%	95%	
The percentage of Local Planning Scheme (LPS) amendments processed by the Department under delegated authority and submitted to the Minister within the statutory timeframe:					
Basic (42 days)	51%	60%	82%	60%	1
Standard (60 days)	29%	60%	60%	60%	1
The percentage of DAP applications that are determined within the statutory timeframe	80%	70%	79%	75%	
Outcome: The State's land asset is managed responsibly:					
Percentage of unmanaged Crown land in the State of Western Australia	38%	38%	40%	38%	
Percentage of rent reviews implemented by the recent review date	50%	80%	86%	80%	
Outcome: Security of Land Tenure:					
Percentage of all accepted enquiries progressed to completion or resolution	46%	60%	40%	60%	2
Number of challenges to provision of tenure	nil	nil	nil	nil	
Percentage of new Crown land applications assessed for Native Title	100%	100%	100%	100%	

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Optimise the value of the State's land assets:					
Percentage of Crown land sales target achieved	79%	100%	52%	100%	3
Outcome: Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:					
The Minister for Heritage's satisfaction with the services provided by the Department	96%	85%	85%	85%	
The Heritage Council of Western Australia's satisfaction with the services provided by the Department	93%	85%	85%	85%	
Outcome: Cultural heritage management for community education and appreciation:					
Visitors to Fremantle Prison's satisfaction with the services provided by the Department	97%	85%	85%	85%	
Outcome: Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community:					
Percentage of direct stakeholders satisfied with the services related to the management of Aboriginal heritage	81%	80%	80%	80%	
Outcome: Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes:					
Percentage of direct stakeholders satisfied with the services related to the management of the Aboriginal Lands Trust Estate	67%	80%	70%	80%	

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

Explanation of Significant Movements

(Notes)

1. Internal process reforms have enabled the Department to better manage LPS amendment applications.

2. The 2017-18 Budget for accepted enquiries progressed to completion or resolution was predicated on the implementation of an electronic workflow management system. Delays in the implementation of this system has resulted in lower than estimated completions/resolutions. It is anticipated that the system will be implemented early in 2018-19 and with planned improvements the land enquiry processes should improve.

3. The significant variance to the 2017-18 Budget is attributable to delays and uncertainty regarding the Bentley Regeneration Precinct which has an indicative value of $20 million.

Services and Key Efficiency Indicators

1. Integrated Land and Infrastructure Policy Development

By shaping the pattern of development and influencing the location, scale, density, design and mix of land uses, integrated land use systems contribute to the Government's goal, 'Better Places' by:

- ensuring flexibility to meet the demands of a changing economy and market environments; and
- maximising the use of existing infrastructure rather than incurring the costs of green fields infrastructure with its resulting impact on home affordability.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	44,551	48,549	46,678	44,459	1
Less Income	9,243	10,996	10,566	11,206	
Net Cost of Service	35,308	37,553	36,112	33,253	
Employees (Full Time Equivalents)	233	239	240	222	
Efficiency Indicators					
Average Cost per Policy Hour for Integrated Land Policy Development	$144.74	$159.59	$153.95	$144.95	

Explanation of Significant Movements

(Notes)

1. The decrease in expenditure between the 2017-18 Estimated Actual and the 2018-19 Budget Target is mainly due to the suspension of the Strategic Assessment of the Perth and Peel Region Project ($2 million) in 2018-19 and reductions resulting from the Voluntary Targeted Separation Scheme.

2. Land Accessibility Planning and Policy Development

This service contributes to the Government's 'Better Places' goal through:

- ensuring that sufficient land is available for purchase for both residential and commercial, industrial/employment purposes;
- controlling lot sizes and therefore the costs of infrastructure required to service each lot;
- minimising land supply delays and the attendant costs by making accurate, timely decisions on redevelopment and subdivision proposals; and
- providing resources to the WAPC to enable:
  - the acquisition and management of properties reserved under Perth's Metropolitan Region Scheme for important urban roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects; and
  - other special planning projects undertaken within the Perth metropolitan area.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	44,488	48,220	45,908	43,964	1
Less Income	32,423	36,943	35,498	37,650	
Net Cost of Service	12,065	11,277	10,410	6,314	2
Employees (Full Time Equivalents)	232	237	244	221	
Efficiency Indicators					
Average Cost per Statutory Application Processed	$7,230	$8,683	$7,191	$6,523	3

Explanation of Significant Movements

(Notes)

1. The $2.3 million decrease in expenditure between the 2017-18 Budget and 2017-18 Estimated Actual is due to the deferral of strategic planning projects being undertaken on behalf of the WAPC.

2. The decrease in Net Cost of Service between 2017-18 Estimated Actual and 2018-19 Budget Target is as a result of an increase in expected number of applications combined with a reduction in salary costs.

3. A reduction in the Total Cost of Service along with a higher than anticipated number of applications received has resulted in a reduction in the Average Cost per Statutory Application Processed between the 2017-18 Budget and the 2017-18 Estimated Actual.

3. Land Asset Management

The Department manages Crown land to ensure that land is being utilised at its full value and potential. This service is responsible for supporting the policies and strategies that unlock the land potential for the State, and manage the risk of Crown land including managed and unmanaged Crown land.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	9,647	18,830	14,357	16,809	1
Less Income	6,808	2,878	2,878	2,878	
Net Cost of Service	2,839	15,952	11,479	13,931	
Employees (Full Time Equivalents)	38	29	28	23	
Efficiency Indicators					
Percentage of Pastoral Leases Monitored	91%	90%	90%	90%	
Average Cost per Square Kilometre to Manage Crown Land	$2.37	$2.40	$2.49	$2.18	

Explanation of Significant Movements

(Notes)

1. The increase in expenditure between the 2016-17 Actual and the 2017-18 Budget is mainly due to the Mitigation of Extreme Bushfire and Other Risks on State-owned Land initiative ($5 million) and deferral of expenditure pertaining to the Wittenoom Townsite project ($3.7 million).

   The decrease in expenditure between the 2017-18 Budget and 2017-18 Estimated Actual is primarily due to the deferral of expenditure pertaining to the Wittenoom Townsite project ($3.4 million), Phase 2 of the Northampton Lead Tailings project ($1.6 million) and the Mitigation of Extreme Bushfire and Other Risks on State Owned Land initiative ($1.5 million). This is partially offset by an increase of $1.5 million for the Redevelopment of the Claremont North East Precinct.

   The decrease in expenditure between the 2017-18 Budget to the 2018-19 Budget Target is mainly due to the deferral of expenditure for the Wittenoom Townsite project ($2.4 million) from 2017-18 to 2018-19, due to negotiated settlements being unable to be reached with a number of property owners.

4. Crown Land Administration

The Department administers and manages Crown land to support the needs of the community of Western Australia and to deliver primary land tenure for strategic infrastructure projects.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	23,176	22,619	22,753	18,161	1
Less Income	1,507	1,092	1,092	1,080	
Net Cost of Service	21,669	21,527	21,661	17,081	
Employees (Full Time Equivalents)	92	134	112	90	
Efficiency Indicators					
Operational Cost per Crown Land Action	$7,245	$7,069	$8,976	$7,264	2
Average Number of Days to Progress an Inquiry from Assessment to Acceptance	13 working days	12 working days	30 working days	15 working days	3

Explanation of Significant Movements

(Notes)

1. The decrease in expenditure between the 2017-18 Estimated Actual and the 2018-19 Budget Target is mainly due to the Voluntary Targeted Separation Scheme and finalisation of Royalties for Regions funded initiatives including Water for Food and Modernising the Framework of Crown Land Administration.
2. The increase in the Operational Cost per Crown Land Action in the 2017-18 Estimated Actual is due to a reduction in the estimated number of Crown Land Actions.
3. The impact of Machinery of Government changes and a delay in the implementation of an electronic workflow management system led to an increase in the Average Number of Days to Progress an Inquiry from Assessment to Acceptance during 2017-18. The implementation of the new system early in 2018-19 and realignment of resources should decrease timeframes for all land enquiry processes.

5. Native Title Administration

The Department ensures that in the case of land subject to native title rights and interests, security of land tenure is provided by dealing with Native Title appropriately depending on the use and type of tenure proposed.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	11,388	16,269	15,270	12,878	1
Less Income	-	-	-	-	
Net Cost of Service	11,388	16,269	15,270	12,878	
Employees (Full Time Equivalents)	45	46	45	38	
Efficiency Indicators					
Average Operational Cost per Native Title Action Taken	$93,585	$88,938	$100,144	$88,267	2

Explanation of Significant Movements

(Notes)

1. The increase in expenditure between the 2016-17 Actual and the 2017-18 Budget is due to the commencement of the Kariyarra Indigenous Land Use Agreement (ILUA), which has a budget of $4.5 million.

   The decrease in expenditure between the 2017-18 Estimated Actual and the 2018-19 Budget Target is mainly due to the Kariyarra ILUA settlement budget being less in 2018-19 and cost reductions resulting from the Voluntary Targeted Separation Scheme.
2. The cost of Native Title actions will vary on a case-by-case basis and is determined by a variable level of complexity.

6. Preparation for Sale of State-owned Land Assets

The Department administers the Government's Land Asset Sales Program, whereby surplus or underutilised Crown land assets are identified and prepared for sale. Sale of land enables the assets to be used for a higher and/or better use in a way that unlocks the full potential of the assets for the betterment of Western Australia.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,926	12,095	12,871	12,344	
Less Income	-	-	-	-	
Net Cost of Service	8,926	12,095	12,871	12,344	
Employees (Full Time Equivalents)	35	23	23	19	
Efficiency Indicators					
Percentage of Divestment Fund Spent to Unlock Crown Land Assets	75%	100%	31%	100%	1

Explanation of Significant Movements

(Notes)

1. The reduced Divestment Fund expenditure in the 2017-18 Estimated Actual correlates with the reduced level of land sales expected to be achieved.

7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia

Provide quality advice and support to the Heritage Council to establish and maintain a comprehensive Heritage Register; provide conservation advice on development referrals and other relevant matters; develop the role of public authorities in conserving and managing heritage places; provide financial assistance and other conservation incentives; provide publications, seminars and other promotional activities.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	8,020	7,931	6,844	7,034	
Less Income	8	1,087	1,087	7	1
Net Cost of Service	8,012	6,844	5,757	7,027	
Employees (Full Time Equivalents)	30	31	34	33	
Efficiency Indicators					
Average Cost per Place of Maintaining the Heritage Register	$61	$60	$47	$50	
Average Cost of Development Referrals	$1,072	$900	$877	$895	
Average Cost of Administering Grants (per Grant Dollar)	$0.10	$0.10	$0.15	$0.15	2

Explanation of Significant Movements

(Notes)

1. The increase in the 2017-18 Budget and Estimated Actual is due to the income from the sale of the Coogee Hotel.

2. The increase in the Average Cost of Administering Grants (per Grant Dollar) from the 2017-18 Budget to the Estimated Actual is due to the cessation of the Heritage Advisory Service Subsidy program.

8. Community Engagement in Cultural Heritage

Conserve and interpret the applicable world, national, State and local heritage values of places under management (Fremantle Prison); promote a sustainable future for places under management through an integrated development framework, compatible uses and delivery of visitor standards consistent with being Western Australia's premier heritage sites; promote heritage success stories and engagement with the State's heritage through media, publications, tourism and interpretation.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	6,980	5,672	5,496	6,154	
Less Income	4,352	4,910	4,910	5,220	
Net Cost of Service	2,628	762	586	934	
Employees (Full Time Equivalents)	26	32	24	26	
Efficiency Indicators					
Average Cost per Visitor to the Fremantle Prison	$30.08	$40	$33.16	$32.25	1

Explanation of Significant Movements

(Notes)

1. The reduction in the Average Cost per Visitor to the Fremantle Prison in the 2017-18 Estimated Actual and 2018-19 Budget Target is due to an increase in expected visitors.

9. Heritage Management

Involves the provision of secretariat and policy support for the Aboriginal Cultural Material Committee; provision of advice on matters relating to Aboriginal heritage; processing of statutory approvals administration of heritage sites register; family history research; and heritage compliance activities.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	12,139	13,235	11,598	10,128	1
Less Income	95	100	100	100	
Net Cost of Service	12,044	13,135	11,498	10,028	
Employees (Full Time Equivalents)	54	61	58	45	
Efficiency Indicators					
Average Processing Time per Statutory Approval	79 days	70 days	86 days	70 days	2
Average Time to Update Register	21 days	12 days	19 days	12 days	3
Average Time to Complete Initial Assessment	3 days	3 days	3 days	3 days	

Explanation of Significant Movements

(Notes)

1. The decrease in expenditure between the 2017-18 Budget and the 2018-19 Budget Target is mainly due to the transfer of functions to other agencies as part of the Machinery of Government changes and savings from the Voluntary Targeted Separation Scheme.

2. The Average Processing Time per Statutory Approval increased from 70 days in the 2017-18 Budget to 86 days in 2017-18 Estimated Actual due to an increase in the number of applications received (27%) during the year.

3. The Average Time to Update Register improves from 19 days in the 2017-18 Estimated Actual to 12 days in the 2018-19 Budget Target due to streamlining of approval procedures following Machinery of Government changes.

10. Land Management

Involves the provision of secretariat and policy support to the Aboriginal Lands Trust, Aboriginal people, the Minister for Aboriginal Affairs, Government and key stakeholders in relation to management of the Aboriginal Lands Trust estate; processing of land access approvals; assisting with operational management and development of land; management of strategic initiatives in accordance with the Aboriginal Land Trust strategic plan; and facilitation of the transfer of land to the Aboriginal people.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	6,536	8,109	7,815	6,673	1
Less Income	48	40	40	40	
Net Cost of Service	6,488	8,069	7,775	6,633	
Employees (Full Time Equivalents)	29	33	39	30	
Efficiency Indicators					
Average Processing Time per Land Transaction	3 days	3 days	3 days	3 days	

Explanation of Significant Movements

(Notes)

1. The reduction in expenditure between the 2017-18 Budget and the 2018-19 Budget Target is mainly due to savings resulting from the Voluntary Targeted Separation Scheme and the inclusion of a one-off grant to the Aboriginal Affairs Planning Authority in the 2017-18 Budget.

Asset Investment Program

The Department's Asset Investment Program for 2018-19 is $6.4 million, comprised of accommodation, asset replacement, minor works and information and communications technology (ICT) asset replacement.

The Department has approved funding for the following process improvements:

- Digitisation Project - This project will continue to digitise State land record in 2018-19 with a budget of $0.4 million. The digitisation of the open and active operational files will reduce process timeframes on determinations and land actions, streamline business processes, ensure business continuity, enable integration with the Workflow Management System (LandsWA) and address risks associated with the reliance on paper-based files.
- LandsWA - Implementation of a Workflow Management System will continue in 2018-19 with a budget of $1.7 million. This project will promote a cloud-based environment and allow the Department to digitally connect with customers, transform the way Crown land is managed, provide management with the tool to manage workflow, and deliver consistent and timely services to customers.
- The Department will continue to develop back office corporate systems that support the WAPC in its determination of land use applications and to reduce application processing delay.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Accommodation Refurbishment and Sustainability Initiatives	7,083	4,216	246	258	271	352	370
Asset Replacement - ICT	23,786	15,586	1,125	1,062	1,087	1,778	1,277
ICT Projects							
Digitisation of State Land Records	2,515	2,150	1,250	365	-	-	-
ICT Infrastructure	38,668	21,072	1,945	3,027	1,814	1,905	2,000
Workflow Management System	3,458	1,783	1,483	1,675	-	-	-
Total Cost of Asset Investment Program	75,510	44,807	6,049	6,387	3,172	4,035	3,647
FUNDED BY							
Capital Appropriation			2,391	2,485	2,610	3,473	3,647
Drawdowns from the Holding Account			625	562	562	562	-
Internal Funds and Balances			3,033	3,340	-	-	-
Total Funding			6,049	6,387	3,172	4,035	3,647

Financial Statements

Income Statement

Expenses

The Total Cost of Services decreased by $11.9 million between the 2017-18 Budget and 2017-18 Estimated Actual. This decrease is due to the deferral of the following projects: finalising the closure of the Wittenoom Townsite ($3.4 million); Phase 2 of the Northampton Lead Tailings project ($1.6 million); Southwest Native Title Settlement ($1.9 million); Kariyarra ILUA ($1.3 million) and Strategic Planning projects ($1.5 million). In addition to deferrals, expenditure is reduced due to the transfer of functions to other agencies as part of the Machinery of Government changes and savings including the Voluntary Targeted Separation Scheme and Senior Executive Service reduction.

The Total Cost of Services will decrease by $11.8 million from the 2017-18 Estimated Actual to the 2018-19 Budget Estimate. This decrease is due to the finalisation of fixed term Royalties for Regions projects in addition to savings including the Voluntary Targeted Separation Scheme, Agency Expenditure Review, Senior Executive Service reduction, revised wages policy and the transfer of functions to other agencies as part of the Machinery of Government changes.

The Total Cost of Services decrease of $10.8 million from the 2018-19 Budget Estimate to the 2019-20 Forward Estimate is due to the finalisation of key initiatives including Phase 2 of the Northampton Lead Tailings project ($3.8 million), Strategic Planning Projects ($2.6 million), Southwest Native Title Settlement ($1.4 million), Kariyarra ILUA ($1.3 million), Salaries and Wages ($1 million), and Finalising the Closure of the Wittenoom Townsite ($0.8 million).

Income

The decrease in total income of $1.8 million from the 2017-18 Budget to the 2017-18 Estimated Actual is due to the deferral of a number of strategic projects to the 2018-19 Budget Estimate.

Statement of Financial Position

Cash assets reduced by $22.8 million from the 2016-17 Actual to the 2017-18 Budget due to the deferral of expenditure to 2017-18. An increase of $17 million from the 2017-18 Budget to the 2017-18 Estimated Actual and subsequent reduction of $15.1 million to the 2018-19 Budget Estimate is due to further deferrals of expenditure. These deferrals were required because of delays resulting from Machinery of Government changes.

An increase in intangible assets from the 2016-17 Actual to 2017-18 ($4.1 million) and a decrease from the 2017-18 Budget to the 2017-18 Estimated Actual ($4.1 million) is due to the deferral of capital projects from 2017-18 to 2018-19.

The reduction in cash assets in 2017-18 relates to the return of surplus cash of $2.2 million to the Consolidated Account.

Statement of Cashflows

A $9 million decrease in net cash from operating activities from the 2017-18 Budget to the 2017-18 Estimated Actual is due to the deferral of budgeted payments to the 2018-19 Budget Estimate and the forward estimates period.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	95,645	100,729	98,932	87,708	86,358	85,594	85,538
Grants and subsidies [c]	6,355	12,909	14,854	13,252	10,642	4,875	4,750
Supplies and services	31,468	56,771	43,713	45,725	39,250	36,593	36,593
Accommodation	16,680	14,785	14,897	15,130	15,289	15,860	15,867
Depreciation and amortisation	3,946	4,806	4,806	4,889	4,684	4,299	4,299
Other expenses	21,757	11,529	12,388	11,900	11,518	11,387	11,392
TOTAL COST OF SERVICES	175,851	201,529	189,590	178,604	167,741	158,608	158,439
Income							
Sale of goods and services	4,484	4,794	4,869	5,483	5,483	5,483	5,483
Regulatory fees and fines	1,507	1,092	1,092	1,056	1,080	1,080	1,080
Grants and subsidies	974	677	1,087	126	126	126	126
Other revenue	47,519	51,483	49,123	51,516	49,743	50,076	50,076
Total Income	54,484	58,046	56,171	58,181	56,432	56,765	56,765
NET COST OF SERVICES	121,367	143,483	133,419	120,423	111,309	101,843	101,674
INCOME FROM STATE GOVERNMENT							
Service appropriations	125,210	115,311	113,516	93,015	89,995	89,498	89,568
Resources received free of charge	9,118	9,245	9,245	9,245	9,245	9,245	9,245
Royalties for Regions Fund:							
Regional Community Services Fund	2,346	6,807	4,744	5,294	6,061	294	100
Regional Infrastructure and Headworks Fund	454	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	137,128	131,363	127,505	107,554	105,301	99,037	98,913
SURPLUS/(DEFICIENCY) FOR THE PERIOD	15,761	(12,120)	(5,914)	(12,869)	(6,008)	(2,806)	(2,761)

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 814, 847 and 747 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Aboriginal Heritage Grants	219	250	250	250	250	250	250
Aboriginal Lands Trust Estate	-	1,700	1,700	-	-	-	-
Anketell Port and Strategic Industrial Area Compensation for Lands Acquisition	-	1,818	1,818	1,818	1,818	1,818	1,818
Area Assistance Grant	50	-	-	-	-	-	-
Bushfire Risk Management Planning	739	-	3,493	5,000	5,767	-	-
Claremont North East Precinct Redevelopment	-	-	1,500	-	-	-	-
Coastal Zone Management	2,545	907	907	952	952	952	952
Cossack Townsite	120	120	120	120	120	120	120
Decentralised Use of Recycle Water	120	-	-	-	-	-	-
Finalising Closure of Wittenoom Townsite	-	1,974	-	2,303	-	-	-
Fire Risk Management Contribution	450	450	450	450	450	450	450
Kariyarra ILUA	-	3,918	2,844	1,174	100	100	100
Local Government and Tourism	-	60	60	60	60	60	60
Local Projects Local Jobs	-	100	100	-	-	-	-
Management of Araluen Botanic Park	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Northern Towns Development Fund	44	-	-	-	-	-	-
Other	998	612	612	125	125	125	-
The Planning and Transport Research Centre	70	-	-	-	-	-	-
TOTAL	6,355	12,909	14,854	13,252	10,642	4,875	4,750

STATEMENT OF FINANCIAL POSITION [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	70,654	47,886	64,860	49,787	45,277	44,020	42,653
Restricted cash	4,328	4,701	1,964	1,964	1,964	1,964	1,964
Holding account receivables	591	562	528	528	648	648	-
Receivables	8,559	6,889	8,596	8,603	8,610	8,617	8,605
Other	3,957	3,344	4,057	4,057	4,057	4,057	4,057
Total current assets	88,089	63,382	80,005	64,939	60,556	59,306	57,279
NON-CURRENT ASSETS							
Holding account receivables	25,376	28,871	27,438	31,065	34,367	37,404	41,651
Property, plant and equipment	136,609	139,583	136,277	136,741	137,195	137,268	139,953
Intangibles	8,522	12,612	8,509	9,814	8,445	8,396	5,059
Restricted cash	323	606	624	917	1,213	1,458	1,858
Other	-	584	234	234	234	234	234
Total non-current assets	170,830	182,256	173,082	178,771	181,454	184,760	188,755
TOTAL ASSETS	258,919	245,638	253,087	243,710	242,010	244,066	246,034
CURRENT LIABILITIES							
Employee provisions	17,423	17,640	16,103	16,103	16,103	16,103	16,103
Payables	1,487	2,186	1,443	1,443	1,443	1,443	1,443
Other	14,245	15,299	12,085	12,318	12,916	13,522	14,604
Total current liabilities	33,155	35,125	29,631	29,864	30,462	31,068	32,150
NON-CURRENT LIABILITIES							
Employee provisions	4,216	5,228	4,669	5,164	5,659	6,154	6,154
Other	19	19	19	19	19	19	19
Total non-current liabilities	4,235	5,247	4,688	5,183	5,678	6,173	6,173
TOTAL LIABILITIES	37,390	40,372	34,319	35,047	36,140	37,241	38,323
EQUITY							
Contributed equity	288,176	573,045	580,341	583,105	585,320	590,081	593,728
Accumulated surplus/(deficit) [b]	289,012	(12,120)	(5,914)	(18,783)	(24,791)	(27,597)	(30,358)
Reserves	252	252	252	252	252	252	252
Other	(355,911)	(355,911)	(355,911)	(355,911)	(355,911)	(355,911)	(355,911)
Total equity	221,529	205,266	218,768	208,663	205,870	206,825	207,711
TOTAL LIABILITIES AND EQUITY	258,919	245,638	253,087	243,710	242,010	244,066	246,034

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) The 2016-17 Actual Accumulated surplus of $289 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	119,480	111,220	109,425	88,826	86,011	85,899	85,969
Capital appropriation	5,283	2,391	2,391	2,485	2,610	3,473	3,647
Holding account drawdowns	591	625	2,092	562	562	562	-
Royalties for Regions Fund:							
Regional Community Services Fund	2,346	6,807	4,744	5,294	6,061	294	100
Regional Infrastructure and Headworks Fund	454	-	-	-	-	-	-
Net cash provided by State Government	128,154	121,043	118,652	97,167	95,244	90,228	89,716
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(94,777)	(100,082)	(99,999)	(87,045)	(85,330)	(84,566)	(84,510)
Grants and subsidies	(6,772)	(12,909)	(14,854)	(13,252)	(10,642)	(4,875)	(4,750)
Supplies and services	(26,047)	(48,182)	(35,124)	(37,053)	(30,463)	(27,801)	(27,801)
Accommodation	(16,204)	(14,280)	(14,392)	(14,635)	(14,804)	(15,375)	(15,382)
Other payments	(24,942)	(18,172)	(18,306)	(17,997)	(17,720)	(17,594)	(17,599)
Receipts [b]							
Regulatory fees and fines	1,507	1,092	1,092	1,056	1,080	1,080	1,080
Grants and subsidies	1,088	677	1,087	126	126	126	126
Sale of goods and services	4,506	5,626	5,701	6,336	6,336	6,336	6,336
GST receipts	5,141	6,761	6,761	6,233	6,233	6,233	6,233
Other receipts	41,696	50,659	48,299	50,671	48,898	49,231	49,231
Net cash from operating activities	(114,804)	(128,810)	(119,735)	(105,560)	(96,286)	(87,205)	(87,036)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(4,050)	(9,389)	(6,049)	(6,387)	(3,172)	(4,035)	(3,647)
Net cash from investing activities	(4,050)	(9,389)	(6,049)	(6,387)	(3,172)	(4,035)	(3,647)
NET INCREASE/(DECREASE) IN CASH HELD	9,300	(17,156)	(7,132)	(14,780)	(4,214)	(1,012)	(967)
Cash assets at the beginning of the reporting period	64,805	-	-	67,448	52,668	48,454	47,442
Net cash transferred to/from other agencies	1,200	70,349	74,580	-	-	-	-
Cash assets at the end of the reporting period	75,305	53,193	67,448	52,668	48,454	47,442	46,475

(a) Full audited financial statements are published in the agencies' Annual Reports.
(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION [(a)]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Regulatory Fees and Fines							
Regulatory Fees and Fines	1,507	1,092	1,092	1,056	1,080	1,080	1,080
Grants and Subsidies							
Grants and Subsidies	1,088	677	1,087	126	126	126	126
Sale of Goods and Services							
Development Application Panel Fees	869	1,219	1,219	1,361	1,361	1,361	1,361
Sale of Goods and Services	3,637	4,407	4,482	4,975	4,975	4,975	4,975
GST Receipts							
GST Receipts	5,141	6,761	6,761	6,233	6,233	6,233	6,233
Other Receipts							
Other Receipts	435	1,784	1,312	333	333	333	333
Pastoral Leases	3,176	2,756	3,194	3,205	3,205	3,205	3,205
Proceeds from Rental Properties	-	100	100	100	100	100	100
Receipts from Service Delivery Agreement	38,085	46,019	43,693	47,033	45,260	45,593	45,593
TOTAL	53,938	64,815	62,940	64,422	62,673	63,006	63,006

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
INCOME							
Other							
Sale of Land	35,796	39,797	19,347	26,526	34,512	42,375	46,563
Interest Revenue	115	-	-	-	-	-	-
Other Revenue	26,822	1,569	1,569	1,569	1,569	1,569	1,569
Rent Revenue	21,990	17,296	17,296	17,734	18,172	18,609	18,609
Administered Grants and Transfer Payments	89,714	-	-	-	-	-	-
METRONET Sale of Land	-	-	-	-	-	27,400	77,400
TOTAL ADMINISTERED INCOME	174,437	58,662	38,212	45,829	54,253	89,953	144,141
EXPENSES							
Other							
Payments to Consolidated Account	62,447	68,588	48,138	42,359	50,783	86,512	140,700
Employee Expenses	761	937	937	951	965	965	965
Other Expenses	89,472	9,340	6,760	7,199	6,411	4,356	4,356
Interest Expense	223	-	-	-	-	-	-
Impairment Losses	255,566	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES	408,469	78,865	55,835	50,509	58,159	91,833	146,021

Agency Special Purpose Account Details

DAMPIER TO BUNBURY NATURAL GAS PIPELINE CORRIDOR SPECIAL PURPOSE ACCOUNT

Account Purpose: The Dampier to Bunbury Natural Gas Pipeline Corridor Special Purpose Account provides funds for the widening of the original corridor through the purchase of land and easement over land.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	25,947	25,793	25,793	25,306
Receipts:				
Other	1,705	1,556	1,645	1,556
	27,652	27,349	27,438	26,862
Payments	1,859	5,925	2,132	6,583
CLOSING BALANCE	25,793	21,424	25,306	20,279

PERRY LAKES SPECIAL PURPOSE ACCOUNT

Account Purpose: The Perry Lakes Special Purpose Account was established under section 41 of the *Perry Lakes Redevelopment Act 2005* (the Act) and constituted under section 16 of the *Financial Management Act 2006*. The purpose of this account is to manage the financial provisions of the Act for the redevelopment of Perry Lakes for housing and the development of sporting facilities for athletics, basketball and rugby on the AK Reserve land. The sporting facilities were completed and transferred to VenuesWest, and remaining lands were transferred to the Town of Cambridge in July 2015. 'Completion Day' was proclaimed as 25 November 2016. Upon this declaration the final compensation payment to the Town of Cambridge was paid and borrowings repaid to the Treasurer.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	1,014	-	-	-
Receipts:				
Appropriations	88,214	-	-	-
Other	120	-	-	-
	89,348	-	-	-
Payments	89,348	-	-	-
CLOSING BALANCE	-	-	-	-

Division 42 Western Australian Planning Commission

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 82 Net amount appropriated to deliver services	6,038	5,936	5,936	**5,848**	5,849	5,850	5,850
Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959	95,959	94,572	93,050	**84,649**	91,109	93,452	95,789
Total appropriations provided to deliver services	101,997	100,508	98,986	**90,497**	96,958	99,302	101,639
CAPITAL							
Item 127 Capital Appropriation	6,000	5,504	5,504	**5,400**	5,400	5,400	5,400
TOTAL APPROPRIATIONS	107,997	106,012	104,490	**95,897**	102,358	104,702	107,039
EXPENSES							
Total Cost of Services	120,465	50,514	48,154	**52,005**	49,997	50,392	50,392
Net Cost of Services [(a)]	76,440	19,995	17,635	**17,573**	18,043	17,531	16,531
CASH ASSETS [(b)]	362,656	425,532	419,006	**476,150**	498,818	545,338	595,195

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
2018-19 Tariffs, Fees and Charges	-	1,672	1,407	1,136	1,136

Significant Issues Impacting the Agency

Forrestfield Airport Link (FAL)

- The Department of Planning, Lands and Heritage (the Department) will continue to work with the METRONET team on the station precinct planning for the FAL, on behalf of the Commission. FAL is one of the first key projects to be delivered as part of METRONET Stage 1 and includes new stations at Forrestfield, Airport Central and Redcliffe. This work will help to facilitate the development of contemporary urban centres that are highly accessible and provide a range of housing, jobs and services around new stations.

Design WA

- Design WA will ensure good design is at the centre of all development in Western Australia. Produced in collaboration with the Office of the Government Architect, and with comprehensive industry consultation, Design WA will be an integrated policy suite for planning and design of the built environment. The development of neighbourhood and precinct design policies is a priority and will become important tools for Western Australian towns and cities, especially for land use considerations around METRONET stations.

Land Acquisition

- The Commission will continue its strategic land acquisition program, including the prioritisation of outstanding Bush Forever sites still in private ownership and the land assembly of sites for METRONET.

Bunbury Development Committee

- The Department, on behalf of the Commission, will continue to support the operation of the Bunbury Development Committee to help guide the development of the Greater Bunbury region, including the Bunbury Waterfront, Withers, Glen Iris and community infrastructure.

METRONET Yanchep Rail Extension

- The Commission will undertake a range of land sales which will fund improvements to the Commission's lands in support of the METRONET Yanchep Rail Extension.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	An efficient and effective planning system that promotes sustainable use and development of land in Western Australia.	1. Statutory Planning 2. Strategic Planning 3. Asset Management

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Statutory Planning	13,485	14,202	14,202	16,123	15,501	15,623	15,623
2. Strategic Planning	4,442	10,691	8,331	9,765	9,388	9,462	9,462
3. Asset Management [(a)]	102,538	25,621	25,621	26,117	25,108	25,307	25,307
Total Cost of Services	120,465	50,514	48,154	52,005	49,997	50,392	50,392

(a) The 2016-17 Actual of $102.5 million includes revaluation decrement for land of $49.5 million and impairment loss for land of $26.3 million. These expenditures are not budgeted in the 2017-18 Budget and across the forward estimates period.

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: An efficient and effective planning system that promotes sustainable use and development of land in Western Australia:					
The proportion of residential land in the metropolitan area that is capable of multiple dwellings within 400 metres and 800 metres of the capital city, a strategic metropolitan centre or a train station:					
400 metres	35.8%	36%	36%	36%	
800 metres	29%	30%	30%	30%	
The proportion of residential land that is zoned R40 and above that is within 400 metres of a major regional centre	63.3%	64%	64%	64%	
The percentage of subdivision applications determined within the statutory timeframe	72.8%	80%	82%	80%	1
The percentage of development applications determined within the statutory timeframe	64.9%	70%	73%	70%	1
The percentage of finalised appeals (excluding Development Assessment Panels) that are not upheld on review by the State Administrative Tribunal	96.2%	95%	97.6%	95%	
Vacancy rate of residential properties available for rent	7.1%	8%	6.6%	8%	
Vacancy rate of commercial properties available for rent	6.9%	8%	7.5%	8%	

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

Explanation of Significant Movements

(Notes)

1. The low percentage in the 2016-17 Actual was due to the number of subdivision and development applications that required additional information from the applicant for which agreements for extensions of time were not sought with the applicant. This issue has been rectified resulting in a higher percentage in the 2017-18 Estimated Actual.

Services and Key Efficiency Indicators

The staff undertaking the Commission's activities under a Service Delivery Agreement are employed by the Department and appear as Full Time Equivalents in the Department's Budget.

1. Statutory Planning

Utilisation of statutory, consultative, legislative, regulatory reform and coordination processes that facilitate the implementation of creative and innovative strategic regional and local plans and policies.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	13,485	14,202	14,202	16,123	
Less Income	13,199	11,941	11,941	14,173	1
Net Cost of Service	286	2,261	2,261	1,950	
Efficiency Indicators					
Average Cost per Statutory Application	$2,404	$2,896	$2,508	$2,712	2

Explanation of Significant Movements

(Notes)

1. The increase in income between the 2017-18 Budget of $11.9 million and the 2018-19 Budget Target of $14.2 million is due to an anticipated increase in the number of planning applications received and increase in the statutory planning fees.

2. The lower Average Cost per Statutory Application of $2,508 in 2017-18 Estimated Actual as compared to 2017-18 Budget of $2,896 is due to an increase in the number of planning applications received.

2. Strategic Planning

The development and advancement of planning strategies, policies and information systems that guide the State's long-term urban settlement, industrial and economic development, and the management of the environment, in ways that reflect the aspirations of the Western Australian community for a high quality of life.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	4,442	10,691	8,331	9,765	1
Less Income	3,076	3,238	3,238	3,574	
Net Cost of Service	1,366	7,453	5,093	6,191	
Efficiency Indicators					
Average Cost per Hour for Strategic Planning	$144.74	$156.59	$153.95	$144.95	

Explanation of Significant Movements

(Notes)

1. Deferral of a number of strategic projects from 2017-18 to 2018-19 resulted in a lower Total Cost of Service in the 2017-18 Estimated Actual of $8.3 million and a higher cost in the 2018-19 Budget Target of $9.8 million.

3. Asset Management

The acquisition, management and disposal of properties reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes for primary and other regional roads, parks and recreation and regional open space areas, special uses including planning control areas and improvement plans and major land development projects.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	102,538	25,621	25,621	26,117	1
Less Income	27,750	15,340	15,340	16,685	
Net Cost of Service	74,788	10,281	10,281	9,432	
Efficiency Indicators					
Average Cost of Service for the Management of Whiteman Park per Visitor [(a)]	$6.61	$6.60	$6.77	$6.53	
Average Cost of Service for the Management of Residential and Commercial Properties per Property	$18,438	$18,779	$18,406	$18,210	
Average Cost of Service for the Management of Reserved Land (Excluding Whiteman Park and Residential and Commercial Properties) per Hectare Managed	$551.68	$461.16	$461.16	$504.58	

(a) This key efficiency indicator is currently under review.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Actual of $102.5 million includes revaluation decrement for land of $49.5 million and impairment loss for land of $26.3 million. These expenditures are not budgeted in the 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target. These expenditures are calculated annually after receiving the valuation report at the end of the financial year and are dependent on the property market conditions at the time and the restricted use of the land.

Asset Investment Program

The Commission's 2018-19 Asset Investment Program of $37.4 million includes the acquisition of land reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes and development of facilities on reserved land. The total cost of asset investment over the budget and forward estimates period is $277.9 million, which includes $100 million of expenditure on the Commission's properties to support the METRONET project.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Buildings/Infrastructure	22,675	10,183	1,250	2,000	1,300	1,300	1,300
Other Minor Equipment	3,963	2,549	140	143	147	151	151
COMPLETED WORKS							
Acquisition of Land - 2017-18 Program	33,536	33,536	33,536	-	-	-	-
Regional Land Acquisitions - 2017-18 Program	9,175	9,175	9,175	-	-	-	-
NEW WORKS							
Acquisition of Land							
2018-19 Program	29,402	-	-	29,402	-	-	-
2019-20 Program	40,000	-	-	-	40,000	-	-
2020-21 Program	40,000	-	-	-	-	40,000	-
2021-22 Program	40,000	-	-	-	-	-	40,000
Regional Land Acquisitions							
2018-19 Program	5,831	-	-	5,831	-	-	-
2019-20 Program	5,400	-	-	-	5,400	-	-
2020-21 Program	5,400	-	-	-	-	5,400	-
2021-22 Program	5,400	-	-	-	-	-	5,400
METRONET Yanchep Rail Extension	100,000	-	-	-	30,000	-	70,000
Total Cost of Asset Investment Program	340,782	55,443	44,101	37,376	76,847	46,851	116,851
FUNDED BY							
Capital Appropriation			5,504	5,400	5,400	5,400	5,400
Asset Sales [(a)]			15,000	18,500	35,000	5,000	75,000
Internal Funds and Balances			23,597	13,476	36,447	36,451	36,451
Total Funding			44,101	37,376	76,847	46,851	116,851

(a) Land sales of $30 million and $70 million to various government agencies in 2019-20 and 2021-22 respectively in relation to the METRONET project.

Financial Statements

Income Statement

Expenses

Deferral of a number of strategic projects from 2017-18 to 2018-19 resulted in a lower Total Cost of Services of $48.2 million in the 2017-18 Estimated Actual and a higher Total Cost of Services of $52 million in the 2018-19 Budget Estimate as compared to the 2017-18 Budget of $50.5 million.

Income

The increase in income of $3.9 million between the 2017-18 Budget of $30.5 million and the 2018-19 Budget Estimate of $34.4 million is due to higher than anticipated interest revenue, profit on disposal of land and statutory fees and charges revenue.

The decrease in service appropriations in the 2018-19 Budget Estimate of $90.5 million as compared to the 2017-18 Estimated Actual of $99 million is attributable to lower Metropolitan Region Improvement Tax collection.

Statement of Financial Position

Total assets are expected to increase by $78.8 million between the 2017-18 Estimated Actual of $1,019.9 million and the 2018-19 Budget Estimate of $1,098.7 million. This reflects the increase in property, plant and equipment of $21.3 million and the increase in cash balances of $57.1 million.

Statement of Cashflows

The continuous increase in cash assets over the 2017-18 Estimated Actual and across the forward estimates period from $419 million in the 2017-18 Estimated Actual to $595.2 million in the 2021-22 Forward Estimate is due to the forecast surpluses generated from the Metropolitan Region Improvement Account in each year.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Grants and subsidies [b]	300	300	300	300	300	300	300
Supplies and services	710	450	450	553	506	563	563
Accommodation	73	-	-	-	-	-	-
Depreciation and amortisation	29,687	3,500	3,500	3,600	3,600	3,600	3,600
Other expenses	89,695	46,264	43,904	47,552	45,591	45,929	45,929
TOTAL COST OF SERVICES	120,465	50,514	48,154	52,005	49,997	50,392	50,392
Income							
Sale of goods and services	11,670	10,379	10,379	12,280	12,280	12,275	12,275
Other revenue	32,355	20,140	20,140	22,152	19,674	20,586	21,586
Total Income	44,025	30,519	30,519	34,432	31,954	32,861	33,861
NET COST OF SERVICES	76,440	19,995	17,635	17,573	18,043	17,531	16,531
INCOME FROM STATE GOVERNMENT							
Service appropriations	101,997	100,508	98,986	90,497	96,958	99,302	101,639
Resources received free of charge	630	450	450	450	450	450	450
TOTAL INCOME FROM STATE GOVERNMENT	102,627	100,958	99,436	90,947	97,408	99,752	102,089
SURPLUS/(DEFICIENCY) FOR THE PERIOD	26,187	80,963	81,801	73,374	79,365	82,221	85,558

(a) Full audited financial statements are published in the agency's Annual Report.
(b) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Strategic Transport Evaluation Model (STEM) [a]	300	300	300	300	300	300	300
TOTAL	300	300	300	300	300	300	300

(a) The Commission's contribution for the development of STEM, a land use and transport network interaction model managed by the Department of Transport.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	356,033	424,698	416,158	473,302	495,970	542,490	592,347
Restricted cash	6,623	834	2,848	2,848	2,848	2,848	2,848
Receivables	2,066	5,426	2,066	2,066	2,066	2,036	2,006
Other	12,846	49,785	12,846	12,846	12,846	12,846	12,846
Assets held for sale	3,475	7,105	3,475	3,475	3,475	3,475	3,475
Total current assets	381,043	487,848	437,393	494,537	517,205	563,695	613,522
NON-CURRENT ASSETS							
Holding account receivables	5,119	5,499	5,499	5,879	6,259	6,639	7,019
Property, plant and equipment	522,661	568,038	553,236	574,486	615,203	655,954	696,705
Intangibles	23,815	23,821	23,815	23,815	23,815	23,815	23,815
Total non-current assets	551,595	597,358	582,550	604,180	645,277	686,408	727,539
TOTAL ASSETS	932,638	1,085,206	1,019,943	1,098,717	1,162,482	1,250,103	1,341,061
CURRENT LIABILITIES							
Payables	111	2,470	111	111	111	111	111
Other	21,497	23,125	21,497	21,497	21,497	21,497	21,497
Total current liabilities	21,608	25,595	21,608	21,608	21,608	21,608	21,608
TOTAL LIABILITIES	21,608	25,595	21,608	21,608	21,608	21,608	21,608
EQUITY							
Contributed equity	12,261	15,747	17,765	23,165	7,565	12,965	18,365
Accumulated surplus/(deficit)	908,380	1,054,246	990,181	1,063,555	1,142,920	1,225,141	1,310,699
Reserves	39,077	38,306	39,077	39,077	39,077	39,077	39,077
Other	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)
Total equity	911,030	1,059,611	998,335	1,077,109	1,140,874	1,228,495	1,319,453
TOTAL LIABILITIES AND EQUITY	932,638	1,085,206	1,019,943	1,098,717	1,162,482	1,250,103	1,341,061

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

STATEMENT OF CASHFLOWS [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	101,617	100,128	98,606	90,117	96,578	98,922	101,259
Capital appropriation	6,000	5,504	5,504	5,400	5,400	5,400	5,400
Net cash provided by State Government	107,617	105,632	104,110	95,517	101,978	104,322	106,659
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Grants and subsidies	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Supplies and services	(150)	-	-	(103)	(56)	(113)	(113)
Accommodation	(63)	-	-	-	-	-	-
Other payments	(41,257)	(49,568)	(47,208)	(50,856)	(48,891)	(49,229)	(49,229)
Receipts							
Sale of goods and services	11,634	10,379	10,379	12,280	12,280	12,275	12,275
GST receipts	3,347	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts	15,371	15,140	15,140	16,152	17,174	18,086	19,086
Net cash from operating activities	(11,418)	(21,019)	(18,659)	(19,497)	(16,463)	(15,951)	(14,951)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(43,310)	(44,801)	(44,101)	(37,376)	(76,847)	(46,851)	(116,851)
Other payments	-	-	-	-	(21,000)	-	-
Proceeds from sale of non-current assets	8,435	15,000	15,000	18,500	35,000	5,000	75,000
Net cash from investing activities	(34,875)	(29,801)	(29,101)	(18,876)	(62,847)	(41,851)	(41,851)
NET INCREASE/(DECREASE) IN CASH HELD	61,324	54,812	56,350	57,144	22,668	46,520	49,857
Cash assets at the beginning of the reporting period	301,332	370,720	362,656	419,006	476,150	498,818	545,338
Cash assets at the end of the reporting period	362,656	425,532	419,006	476,150	498,818	545,338	595,195

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

Agency Special Purpose Account Details

METROPOLITAN REGION IMPROVEMENT ACCOUNT

Account Purpose: This account was established in December 1959 under the *Metropolitan Region Improvement Tax Act 1959* to provide funds for the Commission to manage the Metropolitan Region Scheme.

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000
Opening Balance	293,052	348,340	348,340	408,542
Receipts:				
Appropriations	95,959	94,572	93,050	84,649
Other	27,557	30,306	30,378	34,880
	416,568	473,218	471,768	528,071
Payments	68,228	63,585	63,226	62,867
CLOSING BALANCE	348,340	409,633	408,542	465,204

Western Australian Land Authority

Part 11 Planning and Land Use

Asset Investment Program

The Western Australian Land Authority (LandCorp) is the State Government's land and property development agency.

A key objective for LandCorp is to realise the potential of land and infrastructure development for all Western Australians. This is achieved through the continued provision of new housing choices for homebuyers, together with commercial and retail amenity to build thriving communities. The inner suburbs of Perth also contribute a diverse range of alternative housing opportunities in thoughtfully-designed urban villages, making the most of existing infrastructure in sought-after locations.

Areas of responsibility include the identification, design and delivery of a range of strategic and complex precinct-scale development and priority State Government projects. A key objective for LandCorp's delivery program is to continue to secure and create opportunities for private sector involvement. To date, more than 80% of project activity has been delivered in partnership with private developers to share skill sets, stimulate the economy and generate employment opportunities. Key areas to Perth's north and south will also become innovation centres driving economic growth and creating new hubs for jobs, health, education and living.

The planned $287.6 million Asset Investment Program in 2018-19 is targeted towards actual land releases, securing key approvals to enable future land releases and meeting the needs of Western Australian communities. This spend includes:

- $28.9 million to be invested through the newly created Industrial Lands Authority, to provide land and infrastructure for strategic, special and general industries throughout the State and facilitate economic growth, business investment, sector diversification and employment. There are a number of significant projects within this program including: Western Trade Coast (comprising the Kwinana Industrial Area, the Australian Marine Complex, Latitude 32 Industry Zone and Rockingham Industry Zone), Meridian Park (Neerabup), Crossroad Industrial Estate (Forrestdale) and Anketell (Karratha);

- $109 million to be invested in the Metropolitan program to support the roll-out of METRONET and provide land for commercial investment in activity centres, urban renewal and infill projects throughout Perth. Significant projects in this program include the Ocean Reef Marina election commitment, Cockburn Central West, Cockburn Coast Redevelopment, Alkimos City Centre, Claremont North East Redevelopment, Jolimont Redevelopment, Murdoch Health and Knowledge Precinct and the redevelopment at the former Shenton Park Health Campus; and

- $149.7 million to be invested through the Regional program to renew and revitalise cities and towns with coordinated releases of industrial and residential land, and significant developments which will transform some of Western Australia's best-known destinations. Significant projects include Peel Business Park, Nambeelup and Transforming Bunbury's Waterfront election commitments, Albany Middleton Beach, Broome North and the remediation of the former hospital site at Port Hedland.

There is also targeted investment in a number of communities through the Regional Development Assistance Program to meet the residential and industrial land needs of local economies, encouraging growth and attracting private investment.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Development of Land							
Industrial Lands Authority - Acquisition and Development	1,173,701	1,044,070	40,957	28,873	32,608	55,172	12,978
Metropolitan Program							
Election Commitment - Ocean Reef Marina	95,737	392	392	4,555	7,275	22,454	61,061
Perth and Peel Land Acquisition and Development	1,461,271	1,158,766	75,630	104,433	92,497	34,345	71,230
Regional Program							
Election Commitments							
Peel Business Park, Nambeelup	45,211	8,404	8,186	25,100	6,500	3,200	2,007
Port Hedland Spoilbank Marina	112,000	500	500	40,800	20,000	50,700	-
Transforming Bunbury's Waterfront - Stage 3	4,250	1,750	1,750	2,500	-	-	-
Regional Land Acquisition and Development	1,730,303	1,603,516	66,011	81,305	13,458	13,766	18,258
Total Cost of Asset Investment Program	4,622,473	3,817,398	193,426	287,566	172,338	179,637	165,534
FUNDED BY							
Funding Included in Department of Treasury Administered Item			192	44,355	6,975	22,154	61,047
Asset Sales			3	-	-	-	-
Borrowings			68,507	63,591	44,879	-	-
Internal Funds and Balances			100,342	126,798	92,684	103,583	102,480
Drawdowns from Royalties for Regions Fund			24,382	52,822	27,800	53,900	2,007
Total Funding			193,426	287,566	172,338	179,637	165,534

Division 43 Western Australian Land Information Authority

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets [(a)]

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 83 Net amount appropriated to deliver services	31,029	31,436	31,303	**34,452**	32,868	32,361	33,860
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	337	337	337	**337**	337	337	338
- Transfer of Land Act 1893	225	-	-	**-**	-	-	-
Total appropriations provided to deliver services	31,591	31,773	31,640	**34,789**	33,205	32,698	34,198
TOTAL APPROPRIATIONS	31,591	31,773	31,640	**34,789**	33,205	32,698	34,198
EXPENSES							
Total Cost of Services	137,880	144,717	137,410	**130,892**	122,451	120,915	122,040
Net Cost of Services [(b)]	6,613	18,483	27,683	**8,165**	(24,501)	(28,964)	(43,737)
CASH ASSETS [(c)]	10,573	11,259	5,551	**4,900**	6,122	8,035	11,723

(a) The above information reflects Western Australian Land Information Authority (Landgate) as a single entity and does not include Cost of Services or Cash Assets of its subsidiary, Advara Limited, so as not to disclose commercial in confidence information. Full transparency over Landgate's consolidated business has been made available to the Government via the Strategic Development Plan 2018-19 to 2022-23.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Election Commitment					
Senior Executive Service Reduction	(250)	(500)	(500)	(500)	(500)
Other					
New Public Sector Wages Policy	(360)	(748)	(1,147)	(1,557)	-
State Fleet Policy and Procurement Initiatives	(41)	(71)	(83)	(92)	(94)
Strategic Development Plan 2018-19 to 2021-22 [(a)]	(6,684)	(1,273)	(8,186)	(10,024)	(13,191)

(a) The reduction in expenditure excludes National Tax Equivalent Regime and dividends.

Significant Issues Impacting the Agency

- In December 2017 the Government announced a scoping study into the viability of commercialising some or all of the operations of Landgate. The study includes an analysis on the value of the agency, including assets and investments. The study is being undertaken jointly by the Department of Treasury and Landgate with the commercial advisor, Investec.
- Landgate is responsible for delivering strata reforms which are expected to be introduced to Parliament in 2018. These reforms will modernise the current *Strata Titles Act 1985* and aim to unlock the potential for more housing and mixed use options to create vibrant communities in the new Community Titles Bill 2018. Development of subsidiary legislation is also underway which will support the reforms to become operational. Steps are also being taken to ensure the impacts of the changed legislation are reflected in terms of updated processes and business systems. An education campaign continues to keep both industry and the general public informed.
- The Service Priority Review report highlighted the need to support sharing and using information. Through SPUR (location and innovative hub), Landgate leads the implementation of the whole-of-government Open Data Policy and is working to actively support data sharing. The open data service 'data.wa.gov.au' has been upgraded to make it easier to use by a range of interested parties - from data creators and publishers, to developers, executives and the general public. Broader use of the service has raised new challenges regarding how data publishers work with those using the data for new and innovative services, including managing updates to data and simplifying licensing. These challenges are being addressed through collaboration between agencies and users of the data via SPUR, enabling participating agencies to improve services in partnership with the local community.
- Landgate continues to manage its expenditure and consolidate efficiency and effectiveness measures through the implementation of system, process and structural reforms across Landgate's various programs. Landgate will also seek further growth and diversity within its revenue streams, commercial activities and the pursuit of investment opportunities.

Outcomes, Services and Key Performance Information

The following Outcomes, Services and Key Performance Information reflects Landgate as a single entity and does not include future financial forecasts of its subsidiary, Advara Limited, so as not to disclose commercial in confidence information. Full transparency over Landgate's consolidated business has been made available to the Government via the Strategic Development Plan 2018-19 to 2022-23.

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Sustainable Finances: Responsible financial management and better service delivery.	The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.	1. Land Administration
	Independent valuations support Governments' collection of rates and taxes, and management of property assets.	2. Valuations
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Coordinated capture and access to the State's location information.	3. Access to Government Location Information

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Land Administration	97,204	99,276	94,185	89,714	83,929	82,878	83,650
2. Valuations	32,830	36,745	34,622	32,982	30,854	30,465	30,748
3. Access to Government Location Information	7,846	8,696	8,603	8,196	7,668	7,572	7,642
Total Cost of Services	137,880	144,717	137,410	130,892	122,451	120,915	122,040

Outcomes and Key Effectiveness Indicators [a]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land:					
The Land Titles register is updated and maintained in a timely and accurate manner:					
Simple and correct documents are registered within two working days of lodgement [b]	n/a	n/a	n/a	80%	
The number of adjusted Certificates of Title arising from identified errors as a percentage of the total Certificates of Title on the land titles register [b]	n/a	n/a	n/a	≤1%	
The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community:					
Completion rate of the annual topographic maintenance plan [b]	n/a	n/a	n/a	100%	
Completion rate of names and addressing jobs delivered within 10 business days [b]	n/a	n/a	n/a	80%	
Completion rate of property boundary related jobs within the agreed benchmarks [b]	n/a	n/a	n/a	98.2%	
Outcome: Independent valuations support Governments' collection of rates and taxes, and management of property assets:					
International standards for accuracy and uniformity of rating and taxing values are met:					
Median ratio test:					
Gross rental value	92%	>92.5%	>92.5%	>92.5%	
Unimproved value	91.95%	>92.5%	>92.5%	>92.5%	
Coefficient of dispersion:					
Gross rental value	3.98%	<7%	<7%	<7%	
Unimproved value	6.32%	<15%	<15%	<15%	
Adjustments of rating and taxing values as a result of objections and appeals as a percentage of total values in force	0.02%	<0.2%	<0.2%	<0.2%	
Outcome: Coordinated capture and access to the State's location information:					
Overall satisfaction with the capture of, access to and useability of Government location information	72%	80%	70%	80%	

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

(b) As a result of reforms and changes to its operating model, the way Landgate delivers services has changed, which has led to the implementation of a revised Outcome Based Management framework. As a consequence, there is no comparative information available for the 2016-17 Actual, the 2017-18 Budget or the 2017-18 Estimated Actual for these key effectiveness indicators.

Services and Key Efficiency Indicators

1. Land Administration

A land administration service that provides a land information base, certainty of ownership and other interests in land.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	97,204	99,276	94,185	89,714	
Less Income	109,122	110,434	96,927	104,227	1
Net Cost of Service	(11,918)	(11,158)	(2,742)	(14,513)	
Employees (Full Time Equivalents)	318	361	315	298	2
Efficiency Indicators					
Average Cost of Maintaining a Land Information Base, Certainty of Ownership and Other Interests in Land, per Certificate of Title [(a)]	$67.84	n/a	$65.00	$61.18	

(a) With the implementation of a revised Outcome Based Management framework the 2016-17 Actual results have been recast for comparative purposes, however, there is no comparative information available for the 2017-18 Budget.

Explanation of Significant Movements

(Notes)

1. The decrease in income from the 2016-17 Actual to the 2017-18 Estimated Actual has resulted from the continuation of the subdued Western Australian property market. It is expected that the 2017-18 Estimated Actual will achieve activity levels similar to the early 1990s, well below those anticipated in the 2017-18 Budget. Whilst the 2018-19 Budget Target is expected to increase, this has resulted from the expected gain on the Property Exchange Australia Limited (PEXA Limited) investment and a small increase in Land Titles management fees. Land Titles management activity levels in 2018-19 are forecast to be similar to 2017-18 levels, with an increase in activity forecast from 2019-20.

2. As a result of reforms and changes to its operating model, the way Landgate delivers services has changed, which has led to efficiencies in processes allowing Landgate to reduce its Full Time Equivalent numbers in comparison to the 2016-17 Actual. Landgate is expecting to maintain its program of continuous improvement and it is anticipated that this will result in the further rationalisation of resource requirements across the forward estimates period.

2. Valuations

An impartial valuations service.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	32,830	36,745	34,622	32,982	
Less Income	21,936	15,800	12,800	18,500	1
Net Cost of Service	10,894	20,945	21,822	14,482	
Employees (Full Time Equivalents)	204	179	189	179	2
Efficiency Indicators					
Average Cost per Valuation	$16.73	$25.55	$24.80	$22.90	1

Explanation of Significant Movements

(Notes)

1. The nature of the Gross Rental Value Metropolitan Triennial Program (Metropolitan Revaluation Program) causes fluctuations in income and the Average Cost per Valuation. As the 2018-19 Budget Target is the second year of the triennial program it attracts higher income than the 2017-18 Estimated Actual.

2. The realisation of efficiencies in the valuation process have allowed Landgate to reduce its Full Time Equivalent employee numbers from the 2016-17 Actual.

3. Access to Government Location Information

Effective access to land and location information can be demonstrated by improved data capture, access and useability of location information.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	7,846	8,696	8,603	8,196	1
Less Income	209	-	-	-	
Net Cost of Service	7,637	8,696	8,603	8,196	
Employees (Full Time Equivalents)	16	16	16	16	
Efficiency Indicators					
Average Cost of Maintaining and Providing Access to Land and Location Datasets, per Shared Location Information Platform (SLIP) Dataset [(a)]	$2,148	n/a	$2,141	$1,854	1

(a) With the implementation of a revised Outcome Based Management framework the 2016-17 Actual results have been recast for comparative purposes, however, there is no comparative information available for the 2017-18 Budget.

Explanation of Significant Movements

(Notes)

1. The 2018-19 Average Cost of Maintaining and Providing Access to Land and Location Datasets, per SLIP Dataset is lower than the 2017-18 Estimated Actual as a result of an expected increase in the number of SLIP datasets and a decrease in the Total Cost of Service, as a consequence of savings being realised following the implementation of the new business operating model as part of Landgate's internal reform program.

Asset Investment Program [(a)]

In 2018-19 the Asset Investment Program (AIP) totals $11.6 million. The focus for the 2018-19 AIP will be to ensure that Landgate has the capacity to continue to effectively deliver core functions and data, as demand for integrated services and technological change increases. Services will be increasingly delivered in an online environment, where sharing and integration of information across agencies, industry and academia will continue to be developed.

This investment will support improvements to the *Strata Titles Act 1985*, the redevelopment of valuations and core corporate support systems and the investment in the agency's business reform initiatives, whilst continuing to leverage enhanced capabilities offered by newer technologies.

The increased efficiency in delivering products and services in the future will also generate new revenue opportunities and continue to optimise the Government's land information asset.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Asset Replacement - 2017-18 Program	1,080	1,080	1,080	-	-	-	-
Business Reform Initiatives - 2017-18 Program	11,475	11,475	11,475	-	-	-	-
Location Infrastructure - 2017-18 Program	1,671	1,671	1,671	-	-	-	-
Products and Services - 2017-18 Program	1,521	1,521	1,521	-	-	-	-
NEW WORKS							
Asset Replacement							
2018-19 Program	1,736	-	-	1,736	-	-	-
2019-20 Program	2,669	-	-	-	2,669	-	-
2020-21 Program	1,874	-	-	-	-	1,874	-
2021-22 Program	2,358	-	-	-	-	-	2,358
Business Reform Initiatives							
2018-19 Program	6,388	-	-	6,388	-	-	-
2019-20 Program	9,300	-	-	-	9,300	-	-
2020-21 Program	10,200	-	-	-	-	10,200	-
2021-22 Program	6,489	-	-	-	-	-	6,489
Location Infrastructure							
2018-19 Program	3,238	-	-	3,238	-	-	-
2019-20 Program	1,100	-	-	-	1,100	-	-
2020-21 Program	600	-	-	-	-	600	-
2021-22 Program	1,800	-	-	-	-	-	1,800
Products and Services							
2018-19 Program	200	-	-	200	-	-	-
2019-20 Program	200	-	-	-	200	-	-
2020-21 Program	200	-	-	-	-	200	-
2021-22 Program	200	-	-	-	-	-	200
Total Cost of Asset Investment Program	64,299	15,747	15,747	11,562	13,269	12,874	10,847
FUNDED BY							
Drawdowns from the Holding Account			4,666	830	3,800	4,634	5,847
Internal Funds and Balances			11,081	10,732	9,469	8,240	5,000
Total Funding			15,747	11,562	13,269	12,874	10,847

(a) The above information reflects Landgate as a single entity and does not include the Asset Investment Program of its subsidiary, Advara Limited, so as not to disclose commercial in confidence information. Full transparency over Landgate's consolidated business has been made available to the Government via the Strategic Development Plan 2018-19 to 2022-23.

Financial Statements

The following financial statements reflect Landgate as a single entity and does not include future financial forecasts of its subsidiary, Advara Limited, so as not to disclose commercial in confidence information. Full transparency over Landgate's consolidated business has been made available to the Government via the Strategic Development Plan 2018-19 to 2022-23.

Income Statement

Expenses

The 2018-19 Budget Estimate Total Cost of Services of $130.9 million is $6.5 million (4.7%) lower than the 2017-18 Estimated Actual due to the realisation of savings following the rationalisation of resource requirements as part of Landgate's internal reform program. This program is expected to continue to deliver ongoing future savings and service benefits across the forward estimates period. Landgate is expecting to realise a loss in its investment in PEXA Limited in the 2017-18 Estimated Actual compared to a gain in the 2018-19 Budget Estimate, resulting in a further reduction in expenses.

Income

The 2018-19 Budget Estimate total income of $122.7 million is $13 million (11.8%) higher than the 2017-18 Estimated Actual due mainly to the cyclical nature of the triennial Metropolitan Revaluation Program, which causes fluctuations in income across the forward estimates period. As the 2018-19 Budget Estimate is the second year of the valuation program, it attracts a higher level of income than 2017-18, the first year of the program. A gain on Landgate's investment in PEXA Limited is expected in the 2018-19 Budget Estimate, compared to a loss in the 2017-18 Estimated Actual, which has resulted in higher revenue.

Statement of Financial Position

Equity for the 2018-19 Budget Estimate is expected to increase by $19 million when compared to the 2017-18 Estimated Actual, as a result of an increase in total assets of $14.6 million and a reduction in total liabilities of $4.4 million.

The increase in assets is mainly due to the higher level of accrued revenue and debtors related to the cyclical nature of the triennial Metropolitan Revaluation Program and also the increasing value of Landgate's investment in PEXA Limited as a consequence of a gain on the investment expected in the 2018-19 Budget Estimate.

The decrease in liabilities is due to the ongoing repayment of the Midland building finance lease liability.

Statement of Cashflows

The 2018-19 Budget Estimate closing cash assets balance of $4.9 million is $0.7 million lower than the 2017-18 Estimated Actual. This is mainly due to the lower cash revenue from the sale of goods and services as a consequence of the cyclical nature of the triennial Metropolitan Revaluation Program.

The cash assets reported in the Statement of Cashflows represents the cash balance held by Landgate and does not include other financial investments in held to maturity financial assets.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [b]	69,419	70,174	66,119	61,136	58,880	56,796	54,925
Grants and subsidies [c]	208	109	109	117	117	118	119
Supplies and services	31,689	38,308	36,111	38,476	35,199	35,878	38,688
Accommodation	4,137	5,175	5,175	4,703	2,966	2,854	2,411
Depreciation and amortisation	12,641	14,578	14,578	14,875	14,307	14,630	15,378
Other expenses	19,786	16,373	15,318	11,585	10,982	10,639	10,519
TOTAL COST OF SERVICES	137,880	144,717	137,410	130,892	122,451	120,915	122,040
Income							
Sale of goods and services	119,038	120,762	104,124	113,728	126,521	129,432	142,242
Grants and subsidies	1,905	766	897	150	150	150	150
Other revenue	10,324	4,706	4,706	8,849	20,281	20,297	23,385
Total Income	131,267	126,234	109,727	122,727	146,952	149,879	165,777
NET COST OF SERVICES	6,613	18,483	27,683	8,165	(24,501)	(28,964)	(43,737)
INCOME FROM STATE GOVERNMENT							
Service appropriations	31,591	31,773	31,640	34,789	33,205	32,698	34,198
Resources received free of charge	202	420	420	440	460	480	500
TOTAL INCOME FROM STATE GOVERNMENT	31,793	32,193	32,060	35,229	33,665	33,178	34,698
SURPLUS/(DEFICIENCY) FOR THE PERIOD	25,180	13,710	4,377	27,064	58,166	62,142	78,435
Income tax benefit/(expense)	(7,864)	(4,113)	(1,332)	(8,116)	(17,444)	(18,634)	(23,522)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER INCOME TAX EQUIVALENTS	17,316	9,597	3,045	18,948	40,722	43,508	54,913

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 538, 520 and 493 respectively.
(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Land Surveyors Licensing Board [a]	24	29	29	29	29	30	31
Other Grants and Subsidies	184	80	80	88	88	88	88
TOTAL	208	109	109	117	117	118	119

(a) This amount represents a grant paid by Landgate to the Land Surveyors' Licensing Board (the Board). The Board is an affiliated body but is not subject to the operational control of Landgate and reports to Parliament separately.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	10,323	10,760	5,071	4,207	5,224	6,940	10,438
Restricted cash	7	7	7	7	7	7	7
Holding account receivables	4,666	3,804	830	3,800	4,634	5,847	13,210
Receivables	21,371	10,141	9,590	13,578	21,182	10,471	14,742
Other	31,405	18,118	13,150	20,862	13,200	13,251	24,036
Total current assets	67,772	42,830	28,648	42,454	44,247	36,516	62,433
NON-CURRENT ASSETS							
Holding account receivables	23,737	25,320	28,294	29,973	30,642	29,803	21,323
Property, plant and equipment	54,057	44,890	51,051	50,491	50,970	50,852	51,517
Intangibles	44,550	47,490	47,925	46,466	46,297	46,392	43,420
Restricted cash	243	492	473	686	891	1,088	1,278
Other	68,618	98,933	91,590	92,497	118,375	150,098	170,558
Total non-current assets	191,205	217,125	219,333	220,113	247,175	278,233	288,096
TOTAL ASSETS	258,977	259,955	247,981	262,567	291,422	314,749	350,529
CURRENT LIABILITIES							
Employee provisions	11,477	11,156	9,729	9,154	8,579	8,027	7,521
Payables	3,311	1,343	3,415	3,770	4,315	4,509	4,932
Other	11,263	13,571	9,848	10,207	9,582	6,407	6,640
Total current liabilities	26,051	26,070	22,992	23,131	22,476	18,943	19,093
NON-CURRENT LIABILITIES							
Employee provisions	2,886	3,421	2,886	2,886	2,886	2,886	2,886
Finance lease	12,051	8,535	7,908	3,408	-	-	-
Other	165	186	186	186	186	4,191	9,498
Total non-current liabilities	15,102	12,142	10,980	6,480	3,072	7,077	12,384
TOTAL LIABILITIES	41,153	38,212	33,972	29,611	25,548	26,020	31,477
EQUITY							
Contributed equity	74,398	67,773	68,338	67,043	57,891	35,505	8,691
Accumulated surplus/(deficit)	124,508	135,714	127,553	146,501	187,223	230,731	285,644
Reserves	18,918	18,256	18,118	19,412	20,760	22,493	24,717
Total equity	217,824	221,743	214,009	232,956	265,874	288,729	319,052
TOTAL LIABILITIES AND EQUITY	258,977	259,955	247,981	262,567	291,422	314,749	350,529

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

STATEMENT OF CASHFLOWS [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	25,653	26,386	26,253	29,310	27,902	27,690	29,468
Holding account drawdowns	5,774	4,666	4,666	830	3,800	4,634	5,847
Royalties for Regions Fund:							
Regional Community Services Fund	5	-	-	-	-	-	-
Tax equivalent regime	(5,365)	(5,930)	(4,788)	(6,405)	(12,277)	(14,027)	(17,875)
Dividend to Government	(1,309)	(6,624)	(6,060)	(1,295)	(9,152)	(22,386)	(26,814)
Net cash provided by State Government	24,758	18,498	20,071	22,440	10,273	(4,089)	(9,374)
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(70,426)	(71,163)	(67,677)	(61,709)	(58,988)	(57,115)	(55,198)
Grants and subsidies	(208)	(109)	(109)	(117)	(117)	(118)	(119)
Supplies and services	(30,365)	(38,288)	(36,096)	(38,461)	(35,184)	(35,848)	(38,657)
Accommodation	(4,137)	(5,175)	(5,175)	(4,703)	(2,966)	(2,854)	(2,411)
Other payments	(18,092)	(17,770)	(16,404)	(17,460)	(16,459)	(16,092)	(15,984)
Receipts							
Grants and subsidies	1,750	-	-	-	-	-	-
Sale of goods and services	112,552	131,497	117,509	103,553	127,754	137,062	130,619
GST receipts	6,075	7,175	6,864	6,315	5,937	5,933	5,965
Other receipts	2,673	4,706	4,706	4,196	4,741	5,316	5,694
Net cash from operating activities	(178)	10,873	3,618	(8,386)	24,718	36,284	29,909
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(17,467)	(15,644)	(15,747)	(11,562)	(13,269)	(12,874)	(10,847)
Other payments	(28,708)	(10,992)	(9,151)	-	(16,000)	(14,000)	(6,000)
Proceeds from sale of non-current assets	30	-	-	-	-	-	-
Other receipts	26,708	-	-	1,000	-	-	-
Net cash from investing activities	(19,437)	(26,636)	(24,898)	(10,562)	(29,269)	(26,874)	(16,847)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments	(3,424)	(3,509)	(3,813)	(4,143)	(4,500)	(3,408)	-
Other proceeds	-	-	-	-	-	-	-
Net cash from financing activities	(3,424)	(3,509)	(3,813)	(4,143)	(4,500)	(3,408)	-
NET INCREASE/(DECREASE) IN CASH HELD	1,719	(774)	(5,022)	(651)	1,222	1,913	3,688
Cash assets at the beginning of the reporting period	8,854	12,033	10,573	5,551	4,900	6,122	8,035
Cash assets at the end of the reporting period	10,573	11,259	5,551	4,900	6,122	8,035	11,723

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

Metropolitan Redevelopment Authority

Part 11 Planning and Land Use

Asset Investment Program

The Authority will continue to transform and redefine key areas, including the delivery of major redevelopment projects, across the Perth metropolitan region.

In 2018-19, the Authority will invest:

- $23.1 million to continue delivery of the Perth City Link project, including finalising subdivision works to support land sales;
- $20.9 million primarily to continue infrastructure and public domain works for the Waterbank precinct in East Perth; and
- $13.7 million to support planning, development and private investment in Armadale, Kelmscott and Wungong, through administration of developer contribution plans.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Armadale Redevelopment Area							
Armadale and Kelmscott Redevelopment Works	75,881	25,827	5,873	721	6,493	3,023	389
Wungong Urban Project	237,902	18,173	5,115	12,986	10,335	10,740	10,317
Central Perth Redevelopment Area							
Elizabeth Quay Redevelopment Works	418,992	415,210	5,708	904	1,039	1,839	-
Perth City Link Redevelopment Works	223,488	162,516	53,384	23,106	3,275	6,831	5,751
Riverside Redevelopment Works	141,969	106,864	12,692	20,911	9,012	2,941	2,083
Midland Redevelopment Area - Redevelopment Works	45,955	44,223	1,882	1,377	-	355	-
Minor Asset Purchases	17,533	12,084	638	297	954	501	353
COMPLETED WORKS							
Subiaco Redevelopment Area - Redevelopment Works	64,766	64,766	46	-	-	-	-
Total Cost of Asset Investment Program	1,226,486	849,663	85,338	60,302	31,108	26,230	18,893
FUNDED BY							
Funding Included in Department of Treasury Administered Item			-	-	2,420	-	-
Borrowings			86,048	19,236	18,289	10,245	14,536
Internal Funds and Balances			(11,239)	27,427	(5,932)	2,284	(6,285)
Other			10,529	13,639	16,331	13,701	10,642
Total Funding			85,338	60,302	31,108	26,230	18,893

Division 44 Heritage Council of Western Australia

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 84 Net amount appropriated to deliver services	1,452	1,421	1,421	**1,390**	1,376	1,377	1,377
Total appropriations provided to deliver services	1,452	1,421	1,421	**1,390**	1,376	1,377	1,377
TOTAL APPROPRIATIONS	1,452	1,421	1,421	**1,390**	1,376	1,377	1,377
EXPENSES							
Total Cost of Services	1,440	1,421	1,421	**3,840**	2,956	1,377	1,377
Net Cost of Services [(a)]	(1,412)	(479)	(479)	**2,860**	(1,124)	1,377	1,377
CASH ASSETS [(b)]	4,583	8,616	7,783	**6,313**	8,813	8,813	8,813

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
2018-19 Streamlined Budget Process Incentive Funding	-	14	-	-	-
Heritage Revolving Fund	-	2,450	1,580	-	-

Significant Issues Impacting the Agency

- The *Heritage of Western Australia Act 1990* has remained substantially unchanged since being proclaimed and the Council continues to work with the Government on heritage legislation. The legislation will adopt national standards for assessing heritage places of State significance, protect heritage places and promote sustainable development and adaptive re-use contributing to the economic development of the State, improve efficiency in processes and provide enhanced transparency and certainty of decision-making for custodians of heritage places.
- The Government is committed to the protection and enhancement of our historic heritage and supports the sustainability of heritage places in a number of ways, including the allocation of over $1 million for the Heritage Grants Program. The program strategically invests in our suburbs and regional areas to promote informed conservation and create jobs through the use of skilled trades and heritage professions State-wide in recognition of the economic, social and environmental value of these heritage assets.

- The Government has an ownership interest in more than a third of places listed in the State Register of Heritage Places. Many of these are well used, actively maintained and conserved, however others sit idle. The responsible financial management and governance of the Heritage Revolving Fund (the Fund), known as Heritage Works, remains an important priority as new projects to revitalise vacant Government owned assets are planned and executed, creating jobs and strengthening the State economy.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Conservation of cultural heritage places in Western Australia for the benefit of present and future generations.	1. Cultural Heritage Conservation Services

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Cultural Heritage Conservation Services	1,440	1,421	1,421	3,840	2,956	1,377	1,377
Total Cost of Services	1,440	1,421	1,421	3,840	2,956	1,377	1,377

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Conservation of cultural heritage places in Western Australia for the benefit of present and future generations:					
Extent to which heritage places identified as having potential State significance have been assessed	77%	76%	76%	76%	
Extent to which development approvals issued for registered places are consistent with the Council's advice to decision-making authorities.....	100%	100%	100%	100%	
Extent to which grant aid leverages additional investment in conservation projects	2.3:1	2:1	2:1	2:1	

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

Services and Key Efficiency Indicators

1. Cultural Heritage Conservation Services

Establish and maintain a comprehensive Heritage Register; provide conservation advice on development referrals and other relevant matters; develop the role of public authorities in conserving and managing heritage places; provide financial assistance and other conservation incentives; and provide publications, seminars and other promotional activities.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	1,440	1,421	1,421	3,840	1
Less Income	2,852	1,900	1,900	980	2
Net Cost of Service	(1,412)	(479)	(479)	2,860	
Efficiency Indicators					
Incidence of Preliminary Reviews Proceeding to Full Assessment but Resulting in Decisions Not to Recommend Interim Registration	6.7%	6.5%	6.5%	6.5%	

Explanation of Significant Movements

(Notes)

1. Total Cost of Service increases by $2.4 million from the 2017-18 Estimated Actual to the 2018-19 Budget Target due to an increase in expenditure from the Fund.

2. Income decreases from the 2017-18 Estimated Actual to the 2018-19 Budget Target by $0.9 million due to the completion and subsequent sale of the Fremantle Warders' Cottages in 2017-18, which were funded through the Fund.

Financial Statements

Income Statement

Expenses

There is a $2.4 million increase in supplies and services from the 2017-18 Estimated Actual to the 2018-19 Budget Estimate due to the establishment of the Fund expenditure limit for 2018-19. A decrease of $0.9 million from the 2018-19 Budget Estimate to the 2019-20 Forward Estimate is due to a reduction in anticipated Fund project expenditure.

Income

Total income projected for the 2018-19 Budget Estimate is dependent on the timing of the sale proceeds from the Heritage Works assets. A proportion of the sale proceeds are returned to the Fund.

Statement of Financial Position

The restricted cash balance is expected to increase from the 2016-17 Actual to the 2017-18 Estimated Actual due to the sale of the Fremantle Warders' Cottages. In the 2018-19 Budget Estimate the restricted cash balance decreases by $1.5 million as the Fund expends more than it collects in income; however, this reverses in the 2019-20 Forward Estimate with a $2.5 million increase due to receipts from the sale of Heritage Works assets.

Statement of Cashflows

There is a $2.4 million increase in supplies and services payments from the 2017-18 Estimated Actual to the 2018-19 Budget Estimate due to the establishment of the Fund expenditure limit for 2018-19 and 2019-20.

There has been a change in the accounting treatment of contributions received from the sale of Heritage Works assets in the Fund. In the 2017-18 Budget and the 2017-18 Estimated Actual the receipts were shown as investing activities, whereas in the 2018-19 Budget Estimate and the 2019-20 Forward Estimate these receipts have been disclosed as grants and subsidies.

The total receipts received from the sale of Heritage Works assets fluctuates from the 2016-17 Actual through to the forward estimates period, due to the timing of the completion of Heritage Works projects and receipt of sales proceeds back to the Fund.

The increase in net cash corresponds to the movements in the restricted cash balance in the Statement of Financial Position.

INCOME STATEMENT [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits	25	22	22	38	33	33	33
Grants and subsidies [b]	1,271	1,222	1,222	1,222	1,221	1,221	1,221
Supplies and services	125	160	160	2,562	1,684	101	101
Other expenses	19	17	17	18	18	22	22
TOTAL COST OF SERVICES	1,440	1,421	1,421	3,840	2,956	1,377	1,377
Income							
Sale of goods and services	2,847	-	-	-	-	-	-
Grants and subsidies	-	-	-	980	4,080	-	-
Other revenue	5	1,900	1,900	-	-	-	-
Total Income	2,852	1,900	1,900	980	4,080	-	-
NET COST OF SERVICES	(1,412)	(479)	(479)	2,860	(1,124)	1,377	1,377
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,452	1,421	1,421	1,390	1,376	1,377	1,377
TOTAL INCOME FROM STATE GOVERNMENT	1,452	1,421	1,421	1,390	1,376	1,377	1,377
SURPLUS/(DEFICIENCY) FOR THE PERIOD	2,864	1,900	1,900	(1,470)	2,500	-	-

(a) Full audited financial statements are published in the agency's Annual Report.
(b) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
Heritage Grants Program	1,271	1,222	1,222	1,222	1,221	1,221	1,221
TOTAL	1,271	1,222	1,222	1,222	1,221	1,221	1,221

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	422	233	422	422	422	422	422
Restricted cash	4,161	8,383	7,361	5,891	8,391	8,391	8,391
Receivables	21	99	21	21	21	21	21
Other	1,370	1	70	70	70	70	70
Total current assets	5,974	8,716	7,874	6,404	8,904	8,904	8,904
TOTAL ASSETS	5,974	8,716	7,874	6,404	8,904	8,904	8,904
CURRENT LIABILITIES							
Payables	1,476	2,315	1,476	1,476	1,476	1,476	1,476
Other	-	2	-	-	-	-	-
Total current liabilities	1,476	2,317	1,476	1,476	1,476	1,476	1,476
TOTAL LIABILITIES	1,476	2,317	1,476	1,476	1,476	1,476	1,476
EQUITY							
Contributed equity	-	(5,284)	-	-	-	-	-
Accumulated surplus/(deficit)	4,498	11,683	6,398	4,928	7,428	7,428	7,428
Total equity	4,498	6,399	6,398	4,928	7,428	7,428	7,428
TOTAL LIABILITIES AND EQUITY	5,974	8,716	7,874	6,404	8,904	8,904	8,904

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

STATEMENT OF CASHFLOWS [a]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,452	1,421	1,421	1,390	1,376	1,377	1,377
Receipts paid into Consolidated Account [b]	(2,000)	-	-	-	-	-	-
Net cash provided by State Government	(548)	1,421	1,421	1,390	1,376	1,377	1,377
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(25)	(22)	(22)	(38)	(33)	(33)	(33)
Grants and subsidies	(2,069)	(1,222)	(1,222)	(1,222)	(1,221)	(1,221)	(1,221)
Supplies and services	(159)	(160)	(160)	(2,562)	(1,684)	(101)	(101)
Other payments	(203)	(17)	(17)	(18)	(18)	(22)	(22)
Receipts							
Grants and subsidies	-	-	-	980	4,080	-	-
Sale of goods and services	4,200	-	-	-	-	-	-
GST receipts	261	-	-	-	-	-	-
Other receipts	5	-	-	-	-	-	-
Net cash from operating activities	2,010	(1,421)	(1,421)	(2,860)	1,124	(1,377)	(1,377)
CASHFLOWS FROM INVESTING ACTIVITIES							
Proceeds from sale of non-current assets	-	3,200	3,200	-	-	-	-
Net cash from investing activities	-	3,200	3,200	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,462	3,200	3,200	(1,470)	2,500	-	-
Cash assets at the beginning of the reporting period	3,121	5,416	4,583	7,783	6,313	8,813	8,813
Cash assets at the end of the reporting period	4,583	8,616	7,783	6,313	8,813	8,813	8,813

(a) Full audited financial statements are published in the agency's Annual Report.
(b) A total of $2 million was previously provided to the Council to establish the Fund. In 2016-17, this was repaid to the Consolidated Account from the sale of completed projects.

Division 45 National Trust of Australia (WA)

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
DELIVERY OF SERVICES							
Item 85 Net amount appropriated to deliver services	3,271	3,212	3,368	**3,146**	3,115	3,128	3,153
Total appropriations provided to deliver services	3,271	3,212	3,368	**3,146**	3,115	3,128	3,153
CAPITAL							
Item 128 Capital Appropriation	435	435	435	**435**	435	435	435
TOTAL APPROPRIATIONS	3,706	3,647	3,803	**3,581**	3,550	3,563	3,588
EXPENSES							
Total Cost of Services	9,189	7,903	8,380	**7,740**	7,700	7,671	7,755
Net Cost of Services [(a)]	2,965	3,245	3,364	**3,179**	3,148	3,128	3,153
CASH ASSETS [(b)]	5,699	6,219	5,460	**5,221**	4,982	4,982	4,782

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

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
2018-19 Streamlined Budget Process Incentive Funding	-	25	-	-	-
2018-19 Tariffs, Fees and Charges	-	21	21	21	21
Aboriginal Foundations	395	-	-	-	-
New Public Sector Wages Policy	(11)	(21)	(31)	(41)	-
Voluntary Targeted Separation Scheme [(a)]	93	(162)	(164)	(166)	(169)

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- The Trust will maintain its focus on the conservation, interpretation and adaptive re-use of heritage places.
- The Trust will continue to work on enhancing the value and awareness of heritage and community engagement through its formal and non-formal schools, public education programs and events. The Trust has placed an increased focus on community engagement for the 2018-19 financial year. As a result, the Trust will be placing a greater emphasis on providing additional events and other community engagement activities.
- The Trust will continue to promote public investment in heritage through its community-based public tax deductible appeals, the work of its Aboriginal Foundations and its Natural Heritage Conservation and Stewardship programs. The Trust is in the process of reviewing its appeals program with a view to providing an enhanced appeal process to the community.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Engage community support for the conservation of our natural, Aboriginal and historic heritage for the present and the future.	1. Conservation and Management of Built Heritage 2. Heritage Services to the Community

Service Summary

Expense	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
1. Conservation and Management of Built Heritage	4,085	4,578	4,289	3,887	3,787	3,773	3,814
2. Heritage Services to the Community	5,104	3,325	4,091	3,853	3,913	3,898	3,941
Total Cost of Services	9,189	7,903	8,380	7,740	7,700	7,671	7,755

Outcomes and Key Effectiveness Indicators [(a)]

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Outcome: Engage community support for the conservation of our natural, Aboriginal and historic heritage for the present and the future:					
Percentage of planned conservation performed to enable community access to Trust places	1.1%	1%	1.5%	1.8%	1
Number of people accessing, engaging, attending Trust places and receiving heritage services	n/a	98,620	29,250	28,990	2

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

Explanation of Significant Movements

(Notes)

1. The increase in the 2017-18 Estimated Actual compared to the 2017-18 Budget reflects a greater amount of conservation work being carried out than forecast in 2017-18. The amount of conservation work carried out is dependent on the amount of funding the Trust can source during each year.

2. This is a new effectiveness indicator that came into effect from the start of the 2017-18 reporting period. The information required to measure this indicator was not collected in previous years. As a result, comparative information is not available for the 2016-17 Actual. During the 2017-18 reporting period, the methodology used to calculate this effectiveness indicator was refined. As a result, the 2017-18 Budget figure is not reflective of the 2017-18 Estimated Actual or 2018-19 Budget Target.

Services and Key Efficiency Indicators

1. Conservation and Management of Built Heritage

As a key service, the Trust has the role of providing conservation to government heritage properties and places including the operation of a major public appeals program with a key focus on conservation works.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	4,085	4,578	4,289	3,887	
Less Income	3,009	3,155	3,058	2,807	
Net Cost of Service	1,076	1,423	1,231	1,080	
Employees (Full Time Equivalents)	15	14	14	14	
Efficiency Indicators					
Average Operating Cost per Place Managed	$28,296	$32,234	$33,536	$35,336	

2. Heritage Services to the Community

The interpretation-heritage awareness and education service includes programs targeted at the general public, schools, professional development and training and community service.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	$'000	$'000	$'000	$'000	
Total Cost of Service	5,104	3,325	4,091	3,853	1
Less Income	3,215	1,503	1,958	1,754	2
Net Cost of Service	1,889	1,822	2,133	2,099	
Employees (Full Time Equivalents)	15	16	14	14	
Efficiency Indicators					
Average Operating Cost per Person Accessing, Engaging, Attending Trust Places and Heritage Services Provided	n/a	$34	$140	$133	3

Explanation of Significant Movements

(Notes)

1. The increase in the 2017-18 Estimated Actual Total Cost of Service compared to the 2017-18 Budget primarily relates to an increase in Aboriginal Foundations expenditure, funded by additional own source revenue. The additional expenditure has been utilised for a number of different Heritage Services projects and activities. Supplies and services expenditure is expected to return to historical levels in 2018-19.

2. The increase in the 2017-18 Estimated Actual income compared to the 2017-18 Budget primarily relates to additional own source revenue provided to enable the Trust to undertake additional work on various Heritage Service projects and activities. Other revenue is expected to return to historical levels in 2018-19.

3. This is a new efficiency indicator that came into effect from the start of the 2017-18 reporting period. The information required to measure this indicator was not collected in previous years. As a result, comparative information is not available for the 2016-17 Actual. During the 2017-18 reporting period, the methodology used to calculate this efficiency indicator was refined. As a result, the 2017-18 Budget figure is not reflective of the 2017-18 Estimated Actual or 2018-19 Budget Target.

Asset Investment Program

The Trust's Asset Investment Program includes the continuation of conservation and interpretation works of heritage places for the long-term social, economic and environmental benefit of the Western Australian community. The Trust will continue to maintain its information and communications technology program, including the ongoing development of online facilities to improve system functionality.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Asset Replacement - 2017-18 Program	50	50	50	-	-	-	-
Property Restoration - 2017-18 Program	650	650	650	-	-	-	-
NEW WORKS							
Asset Replacement							
2018-19 Program	50	-	-	50	-	-	-
2019-20 Program	50	-	-	-	50	-	-
2020-21 Program	50	-	-	-	-	50	-
2021-22 Program	50	-	-	-	-	-	50
Property Restoration							
2018-19 Program	650	-	-	650	-	-	-
2019-20 Program	650	-	-	-	650	-	-
2020-21 Program	650	-	-	-	-	650	-
2021-22 Program	650	-	-	-	-	-	650
Total Cost of Asset Investment Program	3,500	700	700	700	700	700	700
FUNDED BY							
Capital Appropriation			435	435	435	435	435
Drawdowns from the Holding Account			265	265	265	265	265
Total Funding			700	700	700	700	700

Financial Statements

Income Statement

Expenses

The decrease in employee benefits from the 2017-18 Estimated Actual to the 2018-19 Budget and across the forward estimates period reflects the impact of the Voluntary Targeted Separation Scheme.

The decrease in supplies and services reflected in the 2017-18 Estimated Actual and 2017-18 Budget compared to the 2016-17 Actual relates to an increase in Aboriginal Foundations expenditure in 2016-17 funded by own source revenue. The additional expenditure was utilised for a number of different Heritage Services projects and activities undertaken by the Trust in the 2016-17 year.

Income

Other revenue is significantly higher in the 2016-17 Actual, 2017-18 Estimated Actual and forward estimates period compared to the 2017-18 Budget due to a reclassification of rent income from sale of goods and services to other revenue and additional own source revenue received in 2016-17 to enable the Trust to undertake additional work on various Aboriginal Foundations project work and activities.

Statement of Financial Position

The increase in equity over the forward estimates period compared to the 2017-18 Budget is a result of an increase in property, plant and equipment following an asset revaluation undertaken by Western Australian Land Information Authority (Valuation Services) in 2016-17 totalling $5.2 million. The impact of this asset revaluation was not known at the time the 2017-18 Budget was set.

The increase in other non-current liabilities over the forward estimates period compared to the 2017-18 Budget reflects the accounting recognition of income received in advance. The fair value of the income received in advance liability was not known at the time the 2017-18 Budget was set.

INCOME STATEMENT [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COST OF SERVICES							
Expenses							
Employee benefits [(b)]	3,090	3,015	3,105	2,828	2,814	2,818	2,902
Supplies and services	3,994	3,271	3,458	3,105	3,079	3,046	3,046
Accommodation	777	383	383	383	383	383	383
Depreciation and amortisation	710	650	650	650	650	650	650
Other expenses	618	584	784	774	774	774	774
TOTAL COST OF SERVICES	9,189	7,903	8,380	7,740	7,700	7,671	7,755
Income							
Sale of goods and services	160	1,273	173	173	173	173	173
Grants and subsidies	1,113	700	700	700	700	700	700
Other revenue	4,951	2,685	4,143	3,688	3,679	3,670	3,729
Total Income	6,224	4,658	5,016	4,561	4,552	4,543	4,602
NET COST OF SERVICES	2,965	3,245	3,364	3,179	3,148	3,128	3,153
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,271	3,212	3,368	3,146	3,115	3,128	3,153
TOTAL INCOME FROM STATE GOVERNMENT	3,271	3,212	3,368	3,146	3,115	3,128	3,153
SURPLUS/(DEFICIENCY) FOR THE PERIOD	306	(33)	4	(33)	(33)	-	-

(a) Full audited financial statements are published in the agency's Annual Report.
(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 30, 28 and 28 respectively.

STATEMENT OF FINANCIAL POSITION [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CURRENT ASSETS							
Cash assets	1,342	1,924	1,273	1,234	1,234	1,234	1,234
Restricted cash	4,357	4,295	4,187	3,987	3,748	3,748	3,548
Holding account receivables	265	265	265	265	265	265	265
Receivables	626	735	626	832	832	832	832
Other	153	113	153	153	153	153	153
Assets held for sale	585	549	585	585	585	585	585
Total current assets	7,328	7,881	7,089	7,056	6,817	6,817	6,617
NON-CURRENT ASSETS							
Holding account receivables	1,923	2,308	2,308	2,693	3,078	3,463	3,848
Property, plant and equipment	101,991	93,376	102,041	102,091	102,141	102,191	102,241
Intangibles	74	122	74	74	74	74	74
Other	1,661	1,661	1,661	1,661	1,661	1,661	1,661
Total non-current assets	105,649	97,467	106,084	106,519	106,954	107,389	107,824
TOTAL ASSETS	112,977	105,348	113,173	113,575	113,771	114,206	114,441
CURRENT LIABILITIES							
Employee provisions	612	709	575	575	575	575	575
Payables	433	133	477	477	471	471	471
Other	1,582	1,771	1,332	1,332	1,132	1,132	932
Total current liabilities	2,627	2,613	2,384	2,384	2,178	2,178	1,978
NON-CURRENT LIABILITIES							
Employee provisions	83	39	83	83	83	83	83
Other	1,302	-	1,302	1,302	1,302	1,302	1,302
Total non-current liabilities	1,385	39	1,385	1,385	1,385	1,385	1,385
TOTAL LIABILITIES	4,012	2,652	3,769	3,769	3,563	3,563	3,363
EQUITY							
Contributed equity	28,289	25,834	28,724	29,159	29,594	30,029	30,464
Accumulated surplus/(deficit)	53,984	55,395	53,988	53,955	53,922	53,922	53,922
Reserves	26,692	21,467	26,692	26,692	26,692	26,692	26,692
Total equity	108,965	102,696	109,404	109,806	110,208	110,643	111,078
TOTAL LIABILITIES AND EQUITY	112,977	105,348	113,173	113,575	113,771	114,206	114,441

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

STATEMENT OF CASHFLOWS [(a)]
(Controlled)

	2016-17 Actual $'000	2017-18 Budget $'000	2017-18 Estimated Actual $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,621	2,562	2,718	2,496	2,465	2,478	2,503
Capital appropriation	435	435	435	435	435	435	435
Holding account drawdowns	265	265	265	265	265	265	265
Net cash provided by State Government	3,321	3,262	3,418	3,196	3,165	3,178	3,203
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(3,134)	(3,016)	(3,135)	(2,821)	(2,807)	(2,811)	(2,895)
Supplies and services	(4,064)	(3,393)	(3,588)	(3,235)	(3,209)	(3,209)	(3,209)
Accommodation	(777)	(366)	(366)	(366)	(366)	(366)	(366)
Other payments	(1,271)	(774)	(974)	(964)	(964)	(964)	(964)
Receipts							
Grants and subsidies	1,123	700	700	700	700	700	700
Sale of goods and services	275	1,273	173	173	173	173	173
GST receipts	685	270	270	270	270	270	270
Other receipts	4,089	2,505	3,963	3,508	3,499	3,729	3,588
Net cash from operating activities	(3,074)	(2,801)	(2,957)	(2,735)	(2,704)	(2,478)	(2,703)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,260)	(700)	(700)	(700)	(700)	(700)	(700)
Proceeds from sale of non-current assets	15	-	-	-	-	-	-
Net cash from investing activities	(1,245)	(700)	(700)	(700)	(700)	(700)	(700)
NET INCREASE/(DECREASE) IN CASH HELD	(998)	(239)	(239)	(239)	(239)	-	(200)
Cash assets at the beginning of the reporting period	6,697	6,458	5,699	5,460	5,221	4,982	4,982
Cash assets at the end of the reporting period	5,699	6,219	5,460	5,221	4,982	4,982	4,782

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

Part 12

Utilities

Summary of Portfolio Appropriations [(a)]

Agency	2017-18 Budget $'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Synergy	-	-	-
Western Power	-	-	-
Horizon Power	-	-	-
Water Corporation	-	-	-
Bunbury Water Corporation	-	-	-
Busselton Water Corporation	-	-	-
GRAND TOTAL			
Total	-	-	-

(a) The Budget Statements for the agencies listed in the Utilities portfolio provide details of Asset Investment Programs. Consolidated Account appropriations for these agencies are administered by the Department of Treasury and outlined in the Treasury division of the Budget Statements.

Synergy

Part 12 Utilities

Asset Investment Program

In 2018-19 and over the forward estimates period, Synergy will spend $162.7 million on its Asset Investment Program, which is largely required to maintain the existing generation asset base.

Generation

Synergy's generation portfolio is comprised of coal, gas, liquid fuel and renewable energy assets. Expenditure to maintain the capacity and reliability of these assets amounts to a total of $132.8 million in 2018-19 and over the forward estimates period.

Major investments include:

- $48.1 million for various projects to support safety, reliability, efficiency and environmental targets at Muja Stages C and D Power Station, which include:
  - $16.6 million towards developing new water supply sources necessary for the coal-fired generators given that mine dewater continues to diminish;
  - $6.3 million towards upgrade and replacement of sootblower piping and boiler drain piping critical to continuing operation of the plant;
  - $6 million on the refurbishment of the Stage C Turbine and replacement of associated components;
  - $4.2 million on an upgrade to electrical switchboards for Stages C and D;
  - $3.2 million on sustaining works for raising the fly ash dam wall; and
  - $11.8 million on various other projects including but not limited to replacement of economiser elements, cylinder diaphragm, and battery and transformer upgrades;
- $32.5 million for various projects at Kwinana Power Station. Major works include:
  - $24.6 million on the continuation of compliance works for rehabilitation and relocation of shared services in order to support other generation infrastructure located at the Kwinana site following the retirement of the Kwinana Power Station;
  - $1.4 million on civil and remediation works to cooling water systems; and
  - $6.4 million on other projects including Kwinana electrochlorination plant replacement and ash dam relining;
- $28.2 million for works to improve gas turbine reliability and security of supply. Major items include:
  - $20.8 million on the Cockburn Gas Turbine, mainly for the purchase and installation of parts required for planned maintenance and upgrade of fire protection systems; and
  - $7.4 million for the Pinjar Gas Turbines, including the procurement and installation of a turbine rotor for Unit 10, upgrade of Pinjar Gas Turbine Stage C and upgrade of the Cockburn Gas Turbine fire protection system;
- $19.4 million for the Collie Power Station, mainly for condenser re-tubing, cooling tower refurbishment, construction of fly ash dam cells, replacement and/or upgrade of gas outlet ducts, sootblower systems, battery banks, pump casing and various other ongoing expenditure associated with maintaining the continued safe and reliable operation of the plant; and
- $4.6 million for various smaller projects to deliver effective operations and management of Synergy's generation portfolio, of which a key project is the $1.5 million renewal of the Perron Quarry bore water supply pipeline.

Retail

A total of $15 million in 2018-19 and over the forward estimates period for capability and systems enhancement works has been allocated to various information and communications technology (ICT) projects to support the development of new products and services and maintain the current customer relationship management system, to appropriately manage and better serve Synergy's more than one million customers.

Corporate

A total of $14.9 million in 2018-19 and over the forward estimates period has been allocated for the replacement and/or upgrade of ICT infrastructure associated with finance and human resources systems, as well as ongoing ICT capital expenditure requirements such as the replacement of end of life devices.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Corporate							
Business Systems Replacement	40,483	26,322	6,995	3,632	1,145	4,364	5,020
Property Plant and Equipment	2,521	1,780	610	221	98	322	100
Generation							
Cockburn Gas Turbine	42,589	21,803	3,113	505	5,900	8,131	6,250
Collie Power Station	40,204	20,771	3,420	6,393	4,708	4,087	4,245
Kwinana Power Station	48,986	16,469	8,450	24,601	3,100	3,816	1,000
Muja C and D Power Station	134,402	86,316	11,500	15,758	10,774	10,854	10,700
Other Generation Infrastructure Projects	58,911	54,355	5,252	875	-	81	3,600
Pinjar Gas Turbine	22,389	14,939	4,600	450	2,000	2,000	3,000
Retail - System Enhancements	41,030	26,075	6,625	1,510	-	7,245	6,200
Total Cost of Asset Investment Program	431,515	268,830	50,565	53,945	27,725	40,900	40,115
FUNDED BY							
Internal Funds and Balances			50,565	53,945	27,725	40,900	40,115
Total Funding			50,565	53,945	27,725	40,900	40,115

Western Power

Part 12 Utilities

Asset Investment Program

Western Power builds, maintains and operates the electricity network in the southwest of Western Australia. Electricity plays an essential role in the economic development of the State and in improving the living standards of the community. Western Power's focus is to provide customers with access to safe, reliable and efficient supply of electricity.

Western Power's Asset Investment Program (AIP) is underpinned by its Asset Management Framework, designed to meet the requirements of Western Power's license obligations, good industry practice and relevant Australian standards. The framework uses a risk-based approach coupled with zone-based delivery to maximise the reduction in network risks for any given level of expenditure. Assets are given risk scores, based on likelihood and consequence of individual asset failure, which are used to prioritise asset replacements. In addition to zone-based delivery, work is also delivered through targeting discrete high risk assets or standalone programs.

New Access Arrangement

Western Power's 2018-2022 fourth access arrangement (AA4) proposal was submitted to the Economic Regulation Authority (ERA) on 2 October 2017. The AA4 proposal reflects Western Power's strategy to maintain overall safety of the network, meet agreed levels of reliability and deliver an efficient and sustainable financial position.

The AA4 submission builds on Western Power's strong performance throughout the third regulatory period. This was enhanced by the commencement of Western Power's Business Transformation Program in 2015, which identified opportunities for improved performance. This included a focus on improving Western Power's asset management strategies, technological capability and operational productivity while maintaining safety and reliability levels.

As part of the AA4 process, the ERA will review whether there is a demonstrable need for the investment proposed by Western Power and whether the investment is efficient. The ERA's determination on the AA4 submission is expected in May 2018 at the earliest. The *Electricity Networks Access Code 2005* (the Access Code) allows extensions to decision dates, shifting the potential further final decision date to March 2019.

Western Power's AIP forecast aligns with its AA4 submission, except for the impact of capitalisation of operating leases. In anticipation of upcoming changes in the relevant accounting standard, the AA4 submission reflects the capitalisation of operating leases, whilst the AIP reflects the treatment of operating leases in accordance with the current standards.

Safety - Our Most Important Priority

The safety of the community and its staff is Western Power's most important priority, as there is an inherent safety risk associated with all electricity networks. In recognition of this, Western Power will commit $232.5 million in 2018-19 to continue important safety programs including:

- pole management which includes $163 million on:
  - replacement and reinforcement of wood poles, recognising the potential public safety and property risks associated with pole failures; and
  - replacement of wood pole cross arms to mitigate consequences of cross arm failure, including the ignition of pole top fires; and
- expenditure on conductor management, connection management and bushfire mitigation projects amounting to $49.1 million, $8.9 million and $11.5 million respectively. Conductors pose high public safety risk, as an incident where a wire is down has the potential to cause a fatality, electric shock and/or fire. This program will undertake priority maintenance, repair and replacement of aged and/or deteriorated overhead conductors and underground cables in order to address risk.

Service

Service projects cover regulatory compliance, reliability, asset replacement, metering, business support, information and communications technology (ICT), and building and site management (termed corporate real estate). Western Power is planning to invest $365.2 million on service-related projects in 2018-19. Key investments include:

- business support and ICT ($122.1 million) - in addition to providing support to the organisation, this investment aims to achieve Western Power's ICT strategy. This will be enabled through automating ICT processes, introducing meter management billing systems, upgrading the distribution and transmission network management systems and the enterprise resource planning system, introducing a customer management system, as well as an asset management and network planning system;
- corporate real estate ($54.4 million) - under the depot modernisation program, depots will be relocated, decommissioned or redesigned and refitted to reduce health and safety risks and operating costs, as well as to provide sufficient accommodation to meet future operational requirements;
- metering ($32.4 million) - Western Power will provide new and replacement metering services, including the installation and replacement of over 301,000 meters during the four year period ending 30 June 2022;
- regulatory compliance ($36.7 million) - Western Power will replace pole top switches and distribution transformers to maintain power quality compliance, address transformer compliance at five sites, improve substation safety security, remove asbestos and replace transmission battery banks; and
- reliability and asset replacement ($119.7 million) – this covers the replacement and reinforcement of existing distribution and transmission network assets to reduce public safety and reliability risks associated with asset failure.

Growth

Under the Access Code, Western Power is required to use all reasonable endeavours to provide access to customers and fund network augmentations where they meet specified investment criteria.

Western Power is committed to connecting customers and investing in infrastructure to support the State, with $230.4 million allocated for customer-driven works in 2018-19.

Western Power is planning to invest $69.5 million in capacity expansion to facilitate customers connecting to the transmission and distribution networks in 2018-19. These plans have been optimised to address both asset and growth drivers to ensure the most efficient solutions are proposed and developed for customers.

Distribution customer-driven works typically reflect a large number of small projects to facilitate customer requests for connection to the network. Western Power is forecasting to spend $137.2 million in 2018-19 for meeting customer requests for new or modified distribution connections, network expansions, subdivisions and distribution line relocations. Transmission customer-driven works of $23.7 million in 2018-19 will comprise line relocations, undergrounding and connections of loads and generators.

Previously, funding for customer-driven works resided in Western Power Provisions, separate to Western Power Networks. The amalgamation of Networks and Provisions is intended to achieve administrative efficiencies. Access to funding for customer-driven works remains in line with the approved capital expenditure funding mechanism or, if required, by submitting business cases to the State Government.

Enhancing the Customer Experience

Under the current round of the State Underground Power Program (round six), Western Power, in partnership with the State Government and participating local governments, will seek to improve customer experiences through investment in our suburbs. A total of 17 areas/suburbs, or 18,000 properties, in Perth will receive underground power in this round, with works expected to be completed by the end of 2021. The projects selected in round six are: Floreat West, Floreat North, Floreat East, Kardinya South, Alfred Cove East, Melville North, South Perth, Collier, Manning, Victoria Park West, Victoria Park East, Carlisle North, Trigg, Menora, Maylands Central, South Lake East and Shelley West.

Future Network

Western Power is developing scenarios of potential network configurations based on different customer needs. Alternative solutions to traditional network approaches (including distributed energy resources and other emerging technologies) will be considered where they are more cost-effective or better aligned to customer requirements.

Analysis of these scenarios will supplement the insights gathered through Western Power's ongoing trials of new and emerging technologies. These trials also see Western Power invest in regional towns and include:

- Kalbarri microgrid contract - construction of this microgrid is expected to begin in November 2018. Set to be one of the most advanced microgrids in Australia, the Kalbarri microgrid includes a 4.5 megawatt hour battery system, combined with renewable energy supplied by the town and by Synergy, and will improve power reliability for the popular tourist town;
- Standalone Power System demonstration project across 60 locations - the project should provide remote and rural customers with efficient, safe and reliable power supply, while creating new jobs and skills for the energy sector and opportunities for Western Australian suppliers; and
- Bremer Bay microgrid project implementation - this innovative microgrid configuration allows for the start-up of power station supplies in the event of power interruption, ensuring more reliable power supply for residents and tourists in Bremer Bay.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Capitalised Borrowing Costs	62,984	59,807	695	765	784	804	824
Government Initiative - State Underground Power Program	218,796	100,322	14,678	53,235	35,411	9,234	20,594
Growth							
Distribution							
Capacity Expansion	368,814	210,571	39,885	43,649	36,092	35,863	42,638
Customer Access	1,468,061	930,731	139,968	137,168	127,194	134,424	138,543
Transmission							
Capacity Expansion	284,536	110,299	17,765	25,875	20,877	71,829	55,655
Customer Driven	237,784	138,437	39,455	23,717	24,039	25,406	26,184
Safety							
Bushfire Mitigation	94,716	64,414	378	11,464	11,620	3,555	3,663
Conductor Management	733,241	477,527	48,279	49,111	58,835	68,746	79,022
Connection Management	195,282	158,631	2,288	8,916	9,037	9,551	9,147
Pole Management	1,922,849	1,296,620	175,268	163,040	156,514	156,661	150,014
Security							
Thermal Management	15,551	3,046	1,455	598	485	773	10,649
Voltage and Fault Level Management	49,048	3,777	-	6,258	27,835	7,286	3,892
Service							
Business Support and ICT	744,160	322,111	88,519	122,071	116,190	97,169	86,619
Corporate Real Estate	249,966	102,483	32,393	54,369	68,602	13,302	11,210
Metering	262,944	108,054	19,288	32,396	38,145	41,338	43,011
Regulatory Compliance	239,309	103,129	16,377	36,684	36,867	30,519	32,110
Reliability Driven Asset Replacement	781,576	347,978	64,257	119,673	97,978	98,820	117,127
COMPLETED WORKS							
Other Asset Investment - Motor Vehicle Fleet and Mobile Plant	116,715	116,715	7,766	-	-	-	-
Total Cost of Asset Investment Program	8,046,332	4,654,652	708,714	888,989	866,505	805,280	830,902
FUNDED BY							
Borrowings			205,090	249,386	291,438	259,996	257,141
Internal Funds and Balances			503,624	639,603	575,067	545,284	573,761
Total Funding			708,714	888,989	866,505	805,280	830,902

Horizon Power

Part 12 Utilities

Asset Investment Program

The investment that the State Government makes to regional Western Australia through Horizon Power contributes towards statutory and regulatory obligations and maintains the adequacy and quality of electricity supply to regional customers. Horizon Power will invest $99.5 million during 2018-19 and a further $160.5 million across the forward estimates period.

Asset Management Plan

Horizon Power is forecast to invest $38.2 million in 2018-19 and a further $120.9 million over the forward estimates to mitigate extreme and high risks associated with energy assets. This investment contributes towards ensuring regulatory compliance, reliability and capacity of all of Horizon Power's systems to support the safety, development and enhancement of communities throughout regional Western Australia.

Onslow Distributed Energy Resource Project

Horizon Power will spend $50.8 million in 2018-19 and across the forward estimates to deliver power infrastructure to meet forecast demand in Onslow. This includes the construction of a gas/diesel fuelled power station and required network extensions. The power station will be modular and expandable along with the network, having the ability to accommodate energy contributions from distributed energy sources such as solar farms with battery storage technologies as well as from customer installed small scale domestic and commercial rooftop photo-voltaic and battery storage systems.

This will be largely supported by a grant from the Department of Jobs, Tourism, Science and Innovation, in turn funded by payments from Chevron Australia, as part of the Ashburton North (Wheatstone Project) State Development Agreement.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Asset Management Plan							
Asset Replacement	130,412	69,848	14,043	14,542	14,851	15,400	15,771
Capacity	23,560	11,400	2,820	2,920	2,982	3,092	3,166
Knowledge and Technology Investment	40,575	18,745	4,821	5,242	5,353	5,551	5,684
Mobile Plant and Operational Fleet	41,275	23,996	3,136	4,149	4,237	4,394	4,499
Property Management	28,994	14,478	3,645	3,486	3,559	3,691	3,780
Regulatory Compliance	31,939	30,560	320	331	338	351	359
Reliability	36,469	29,466	1,624	1,681	1,717	1,781	1,824
Safety	129,809	105,491	5,639	5,839	5,963	6,184	6,332
Customer Funded Works - Other Customer Driven Works	178,851	129,568	11,112	12,420	13,463	11,746	11,654
Major Projects							
Onslow Power Infrastructure Project - Power Station Upgrade	105,293	54,535	37,228	47,952	2,806	-	-
Perth Office Accommodation Project	3,875	3,000	3,000	875	-	-	-
Pilbara Power Project	26,087	26,041	4,315	46	-	-	-
COMPLETED WORKS							
Major Projects							
Advanced Metering Infrastructure	34,135	34,135	198	-	-	-	-
Electricity Infrastructure Upgrade for Onslow Salt	3,924	3,924	3,924	-	-	-	-
Onslow Power Station Network Connection	7,470	7,470	4,292	-	-	-	-
Pilbara Underground Power Project	216,755	216,755	21,527	-	-	-	-
Transmission Connection to Roy Hill's Port Hedland Port Facilities	24,911	24,911	21,579	-	-	-	-
Total Cost of Asset Investment Program	1,064,334	804,323	143,223	99,483	55,269	52,190	53,069
FUNDED BY							
Borrowings			71,540	39,111	39,000	40,950	41,933
Internal Funds and Balances			23,755	10,673	11,105	10,875	11,136
Other			37,928	49,699	5,164	365	-
Drawdowns from Royalties for Regions Fund			10,000	-	-	-	-
Total Funding			143,223	99,483	55,269	52,190	53,069

Water Corporation

Part 12 Utilities

Asset Investment Program

The Corporation will invest $2.8 billion across the forward estimates period, including $738.3 million in 2018-19, to improve its services and continue to ensure its customers have access to reliable and high quality water and wastewater services.

Expenditure in the Regions

Regional Western Australia will continue to benefit from the development and upgrading of water and wastewater infrastructure, with $186 million being committed to a number of projects across regional Western Australia in 2018-19.

In 2018-19, a total of $111.4 million has been committed to water projects, including:

- $6.2 million to connect a distribution main to the Nanson Road Water Tank which, once completed, will assist in securing the water supply to the north of Geraldton and to meet future growth; and
- $4.8 million to upgrade the Cunderdin pump station to improve operational reliability and pumping capacity to meet growth.

A total of $65.8 million will be spent in 2018-19 on wastewater projects, including $12.4 million to upgrade the Margaret River Wastewater Treatment Plant. The upgrade will double the wastewater treatment capacity to 3 million litres per day.

Expenditure in the Metropolitan Area

A total of $408.4 million has been committed in 2018-19 to projects across the metropolitan area that ensure an ongoing supply of drinking water and the development of adequate facilities for the collection and treatment of the community's wastewater.

In 2018-19, $242.4 million has been committed to water network and supply projects, including:

- $131.9 million to continue expanding the Groundwater Replenishment Scheme. This investment will provide greater certainty for Perth's Integrated Water Supply Scheme, as it continues to be impacted by the effects of climate change. Once completed, the expansion will double the capacity of the Groundwater Replenishment Scheme from 14 billion litres each year to 28 billion litres each year; and
- $25.1 million to continue the Pipes for Perth program, which involves essential work to replace Perth's older water reticulation and distribution mains, some of which are over 100 years old.

Other features of the metropolitan program include $158.7 million in 2018-19 on wastewater treatment projects in both the northern and southern corridors, including:

- $26.4 million to upgrade the Woodman Point Wastewater Treatment Plant to service areas south of the Swan River and north of Kwinana. The upgrade will increase the capacity of the plant from 120 million litres per day to 180 million litres per day to cater for growth in these catchments;
- $9.4 million to provide an energy recovery system for the Beenyup Wastewater Treatment Plant. This project uses biogas, a by-product of the treatment process, to generate electricity for use in the plant, reducing both greenhouse gas emissions and energy costs; and
- $1.6 million to commence an upgrade to the Barrambie Way wastewater pump station and pressure main to cater for growth in Ellenbrook.

Additionally, $500,000 will be spent in 2018-19 to commence addressing drainage and land matters at the Roselea Estate in Stirling to meet the Government's 2017 election commitment.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Capitalised Interest and Support Allocated to Capital							
Capital Support Costs	157,443	51,728	25,669	26,095	26,254	26,423	26,943
Capitalised Borrowings Costs	104,408	28,463	15,026	21,830	28,742	12,531	12,842
Irrigation and Drainage							
Country Drainage Capacity	25,118	6,618	4,574	2,377	15,149	207	767
Country Drainage Renewals	38,560	19,526	10,234	6,518	11,536	980	-
Irrigation	77,001	5,510	4,125	7,549	12,303	6,289	45,350
Metropolitan Drainage Capacity	37,215	7,206	4,079	4,393	7,037	8,040	10,539
Metropolitan Drainage Renewals	8,567	3,428	2,806	2,881	1,603	165	490
Service							
Business Support	313,382	131,149	81,558	39,948	26,658	42,414	73,213
Corporate Real Estate	177,011	91,149	64,328	22,925	23,587	15,706	23,644
Operational Information and Control	96,807	23,581	13,521	25,037	24,674	15,146	8,369
Wastewater Program							
Country Wastewater							
Margaret River Wastewater Treatment Plant Upgrade	20,429	2,161	2,161	12,386	5,864	18	-
Network Capacity	75,181	34,460	16,828	21,263	5,835	3,805	9,818
Network Renewals	37,225	16,172	6,958	8,888	7,647	2,194	2,324
Treatment Capacity	221,009	65,699	38,769	21,479	46,667	24,022	63,142
Treatment Renewals	14,852	1,362	759	1,746	2,421	2,963	6,360
Metropolitan Wastewater							
Beenyup Wastewater Treatment Plant Energy Recovery	19,297	8,967	5,298	9,371	959	-	-
Bullsbrook Pump Station Diversion to Ellenbrook	18,055	515	515	839	928	8,146	7,627
Ellenbrook Barrambie Way Pressure Main	48,400	349	349	1,579	12,804	33,071	597
Woodman Point Wastewater Treatment Plant Upgrade	140,971	90,555	62,925	26,400	16,011	8,005	-
Network Capacity	378,917	96,041	48,542	64,198	53,972	89,602	75,104
Network Renewals	136,809	59,439	32,625	26,548	19,609	9,771	21,442
Treatment Capacity	126,798	13,624	12,715	20,255	39,470	28,970	24,479
Treatment Renewals	75,293	17,571	8,049	9,524	6,404	19,572	22,222
Water Programs							
Country Water							
Merredin Storage Tank	19,328	430	430	365	15,796	2,737	-
Network Capacity	135,345	62,491	31,692	25,954	23,979	11,638	11,283
Network Renewals	290,225	122,854	48,623	28,216	45,787	49,958	43,410
Supply Capacity	481,450	135,050	82,559	48,583	132,298	111,472	54,047
Supply Renewals	61,397	39,822	27,980	8,248	4,896	4,395	4,036
Metropolitan Water							
Groundwater Replenishment Scheme Stage 2	273,594	101,719	80,225	131,873	40,002	-	-
Network Capacity	238,203	88,241	30,306	38,247	56,267	20,400	35,048
Network Renewals	251,345	120,982	52,304	42,359	38,089	24,652	25,263
Supply Capacity	95,091	33,406	16,861	13,333	20,456	13,684	14,212
Supply Renewals	103,582	45,393	19,106	16,572	17,710	12,078	11,829
NEW WORKS							
Irrigation and Drainage - Election Commitment							
Roselea Estate Drainage Upgrade	1,500	-	-	500	500	500	-
Total Cost of Asset Investment Program	4,299,808	1,525,661	852,499	738,279	791,914	609,554	634,400
FUNDED BY							
Borrowings			310,000	50,000	155,000	-	10,000
Internal Funds and Balances			542,499	688,279	636,914	609,554	624,400
Total Funding			852,499	738,279	791,914	609,554	634,400

Bunbury Water Corporation

Part 12 Utilities

Asset Investment Program

Bunbury Water Corporation's (Aqwest) Asset Investment Program totals $26.8 million across the forward estimates period, and is a continuance of Aqwest's long-term plan to deliver quality community services by developing and maintaining infrastructure to meet the water supply needs of the City of Bunbury.

The $15.8 million investment in the region in 2018-19 includes:

- $13 million to construct the Glen Iris Water Treatment Plant in Bunbury. This project seeks to address future supply requirements for the City of Bunbury, and moves water abstraction and treatment away from the current low quality coastal area;
- $0.8 million to replace ageing water mains; and
- $1.4 million to refurbish and maintain existing reservoir and water treatment plant infrastructure.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
WORKS IN PROGRESS							
Works - Treatment Plants - Glen Iris Water Treatment Plant	15,000	2,000	2,000	13,000	-	-	-
COMPLETED WORKS							
Fleet, Information and Communications Technology (ICT) and Other	1,061	1,061	405	-	-	-	-
Works							
Mains	2,473	2,473	891	-	-	-	-
Reservoirs	747	747	635	-	-	-	-
Treatment Plants	1,411	1,411	1,250	-	-	-	-
NEW WORKS							
Fleet, ICT and Other	1,654	-	-	478	427	370	379
Works							
Mains	3,563	-	-	830	958	880	895
Reservoirs	3,642	-	-	792	400	270	2,180
Services	381	-	-	92	94	96	99
Treatment Plants	4,577	-	-	641	1,548	1,914	474
Total Cost of Asset Investment Program	34,509	7,692	5,181	15,833	3,427	3,530	4,027
FUNDED BY							
Borrowings			-	10,000	-	-	1,885
Internal Funds and Balances			5,181	5,833	3,427	3,530	2,142
Total Funding			5,181	15,833	3,427	3,530	4,027

Busselton Water Corporation

Part 12 Utilities

Asset Investment Program

The Corporation's Asset Investment Program (AIP) is shaping our State by investing in the Busselton region, with $3.7 million allocated in 2018-19 and $12.4 million in total to 2021-22.

Across the forward estimates period the AIP will deliver quality community services, including:

- $4.4 million for planned asset replacement and upgrades to infrastructure at various water treatment plants;
- $0.9 million to commence equipping a new bore to meet increased demand, with timing linked to a revised aquifer management strategy;
- $0.9 million to demolish and replace filters at one of the water treatment plants; and
- $0.6 million on new trunk mains to meet growth and improve network performance.

The AIP ensures existing infrastructure is maintained and new infrastructure is provided to maintain water supplies and sustain growth.

	Estimated Total Cost $'000	Estimated Expenditure to 30-6-18 $'000	2017-18 Estimated Expenditure $'000	2018-19 Budget Estimate $'000	2019-20 Forward Estimate $'000	2020-21 Forward Estimate $'000	2021-22 Forward Estimate $'000
COMPLETED WORKS							
Building, Land and Land Improvements - 2017-18 Program	185	185	185	-	-	-	-
Busselton Margaret River Regional Airport Mains and Pump Station	1,165	1,165	1,165	-	-	-	-
New Connections and Meters - 2017-18 Program	433	433	433	-	-	-	-
New Mains and Services - 2017-18 Program	656	656	656	-	-	-	-
Office Equipment - 2017-18 Program	143	143	143	-	-	-	-
Plant, Mobile and Other Purchases - 2017-18 Program	74	74	74	-	-	-	-
Treatment Plants - 2017-18 Program	1,603	1,603	1,603	-	-	-	-
NEW WORKS							
Building, Land and Land Improvements	927	-	-	40	310	496	81
New Connections and Meters	2,222	-	-	532	720	485	485
New Mains and Services	2,101	-	-	354	654	527	566
Office Equipment	400	-	-	100	100	100	100
Plant, Mobile and Other Purchases	616	-	-	286	172	37	121
Treatment Plants	6,093	-	-	2,404	906	1,245	1,538
Total Cost of Asset Investment Program	16,618	4,259	4,259	3,716	2,862	2,890	2,891
FUNDED BY							
Internal Funds and Balances			4,259	3,716	2,862	2,890	2,891
Total Funding			4,259	3,716	2,862	2,890	2,891

	Vol	Page
Animal Resources Authority	1	287
Biodiversity, Conservation and Attractions	2	569
Building and Construction Industry Training Board	1	325
Bunbury Water Corporation	2	661
Burswood Park Board	1	244
Busselton Water Corporation	2	662
Chemistry Centre (WA)	2	393
Commissioner for Children and Young People	1	105
Commissioner for Equal Opportunity	1	98
Commissioner of Main Roads	2	508
Communities	2	415
Corruption and Crime Commission	2	386
Economic Regulation Authority	1	235
Education	1	291
Finance	1	153
Fire and Emergency Services	2	364
Forest Products Commission	1	241
Fremantle Port Authority	2	542
Gold Corporation	1	169
Governor's Establishment	1	78
Heritage Council of Western Australia	2	635
Horizon Power	2	658
Insurance Commission of Western Australia	1	168
Jobs, Tourism, Science and Innovation	1	173
Justice	2	345
Keystart Housing Scheme Trust	2	445
Kimberley Ports Authority	2	544
Legal Aid Commission of Western Australia	2	363
Legislative Assembly	1	37
Legislative Council	1	31
Local Government, Sport and Cultural Industries	2	446
Lotteries Commission	2	486
Mental Health Commission	1	270
Metropolitan Cemeteries Board	2	487
Metropolitan Redevelopment Authority	2	634
Mid West Ports Authority	2	545
Mines, Industry Regulation and Safety	1	207
National Trust of Australia (WA)	2	642
Office of the Auditor General	1	146
Office of the Director of Public Prosecutions	2	378
Office of the Information Commissioner	1	112
Office of the Inspector of Custodial Services	2	401
Parliamentary Commissioner for Administrative Investigations	1	48
Parliamentary Inspector of the Corruption and Crime Commission	2	407
Parliamentary Services	1	42
Pilbara Ports Authority	2	546
Planning, Lands and Heritage	2	589
Premier and Cabinet	1	57
Primary Industries and Regional Development	1	188
Provision for METRONET Projects Under Development	2	541
Public Sector Commission	1	70
Public Transport Authority of Western Australia	2	525
Racing and Wagering Western Australia	1	242
Registrar, Western Australian Industrial Relations Commission	1	119
Rural Business Development Corporation	1	229
Salaries and Allowances Tribunal	1	92
Small Business Development Corporation	1	221
Southern Ports Authority	2	547
Synergy	2	653
TAFE Colleges	1	324
Training and Workforce Development	1	309
Transport	2	491
Treasury	1	129
WA Health	1	247
Water and Environmental Regulation	2	551
Water Corporation	2	659
Western Power	2	655
Western Australia Police Force	2	331
Western Australian Electoral Commission	1	84
Western Australian Greyhound Racing Association	1	243
Western Australian Health Promotion Foundation	1	286
Western Australian Institute of Sport	2	485
Western Australian Land Authority	2	621
Western Australian Land Information Authority	2	623
Western Australian Meat Industry Authority	1	220
Western Australian Planning Commission	2	611
Western Australian Sports Centre Trust	2	475
Western Australian Treasury Corporation	1	145
WorkCover WA Authority	1	118